

COMMERCIAL APPLICATIONS

SECTION A (40 Marks)

Answer all the questions from this section.

(Each valid point carries ½ a mark. Explanation of the point carries 1 mark)

Question 1

Explain any four points in each of the following:

- (a) Modifying principles. [6]
- (b) Quantitative method of credit control. [6]

Question 2

- (a) Show the accounting cycle. [4]
- (b) Represent the selection procedure using a schematic diagram. [5]
- (c) Show any one specimen of general crossing. [1]

Question 3

List any four points in each of the following:

- (a) Importance of personal selling. [2]
- (b) Categories of services. [2]
- (c) External factors influencing marketing mix. [2]
- (d) Methods of sales promotion. [2]

Question 4

- (a) Give the various methods of on-the-job training. [3]
- (b) Activities involved in the procurement function of HRM. [3]
- (c) List the publics of business organizations. [4]

SECTION B (60 Marks)

Answer any four questions from this section.

Question 5

- (a) Define market. [1]
- (b) List the different types of markets. [14]

Question 6

- (a) Define banking. [1]
- (b) Give the functions of commercial banks. [11]
- (c) Mention the advantages of payment by cheques. [3]

Question 7

Explain the basic principles of accounting. [15]

Question 8

- (a) What are the functions of human resource management? [9]
- (b) List the internal and external sources of recruitment. [6]

Question 9

List any three points in each of the following: [15]

- (a) Media organizations in India.
- (b) Types of proficiency tests.
- (c) Activities involved in the compensation function of HRM.
- (d) Classification of cost on the basis of behaviour.
- (e) The parties to a cheque.
- (f) Types of liabilities.
- (g) Purposes of financial recording.
- (h) Methods of selling.
- (i) Pricing strategies.
- (j) Methods of brand promotion.

Case Study: NEW DELHI, JANUARY 18, 2008 - At this week's Indian Auto Expo, the Tata Nano was greeted like a rock star. Boys elbowed aside mothers and old men, drawing their cellphone cameras as though they had spotted Britney Spears, rather than the toaster on training wheels that the Nano more nearly resembles. "It is a revolution," one said. "It is a real achievement," added another. To all, it was proof in gleaming steel that India's engineers could do what was thought impossible: design a Rs. 1 Lakh car that does not require home assembly or a giant windup key.

Also amid the throng was Mohammed Yameen. Unlike the others, he had no designer zip-up sweater or polished shoes. He had a dirty chest-length beard; a blue jacket turned brown by dust, and missing a few teeth. Yet he also had a smile that lasted minutes. In broken English, he exclaimed: "I want this car." The miracle of the Nano is that when it becomes available to the public this autumn, he might be able to have it.

In a country still emerging from the notion of caste, where status is keenly felt and now, often defined by one's possessions, the car has become one of the ultimate measuring sticks dividing the haves from the have-nots. The Nano suggests that might no longer be the case.

"It is a giant symbol," says Dipankar Gupta, a sociologist at Jawaharlal Nehru University here. "The wannabe motorcar owners have become gotta-be motorcar owners." Is it safe? Compared with a Volvo S80, probably not. Is it reliable? Who knows, but it probably won't take any J.D. Power awards from Honda. Yet for tens of millions of Indians, the question is: "Is it better than the scooter that I have had for eight years and fixed so many times that I am now using spare parts from my ceiling fan to hold it together?" The answer, it would seem, is a categorical "Yes."

Indian roads are circuses of elephants, death-defying traffic maneuvers, and attempts to wedge as many cars across a three-lane road as Newtonian physics will permit. At the centre of this carnival is the consummate Cirque du Soleil act: a family of four on a scooter. As Tata's chairman, Ratan Tata pointed out while unveiling the Nano, it is a ubiquitous sight: a young child standing in the footwell holding the handlebars, a father driving, and a mother behind (riding side-saddle in her flowing sari, of course), holding an infant.

By this measure, the Nano could be a quantum leap forward in safety and reliability. Despite the much touted economic boom, only 0.8 percent of Indians own a car. And of all the vehicles sold in India from April to November of last year, 77 percent were two-wheelers – motorcycles, mopeds or scooters.

It is a quintessentially Indian idea. For decades, Indian technology has been focused more on practicality than pomp, hoping its use will help the country's poor. The country's space program, for example, has long concerned itself only with helping farmers and schools through weather and communications satellites. Now, the country has a car to carry on the tradition, and its people below the famous-but-still-small upper-middle class are cheering. Says Professor Gupta: "These are the people who are really excited by it."

Tata Nano is the Model-T of India. It represents 'Rang De Basanti,' a freedom no different from what Ford brought to the American consumer about 100 years ago. And yet, it is already being challenged, not so much on price or on technology. It is considered a polluter, a source of global warming, in short, a threat to humanity.

Newsweek, in an article headlined 'A Billion New Tailpipes' was far more critical. 'It turned out to be a four-seater, a bit more than three meters long, with a 642cc engine and made of plastic and glue instead of welded steel,' is how the article put it.

The reasons why American journalism is against the Tata Nano are obvious. The Nano was 'not invented here (in the United States).'

- (a) Do you think it is ethical for TATA to launch the NANO? Why? [3]
- (b) How safe is the new car "Nano" launched by TATA Motors, India? The price certainly raises numerous questions. Discuss. [3]
- (c) Could the 'Nano' launch a revolution on India's roads? How? [3]