
COMMERCIAL STUDIES

(Two Hours)

Answers to this Paper must be written on the paper provided separately.

*You will **not** be allowed to write during the first 15 minutes.*

This time is to be spent in reading the question paper.

The time given at the head of this Paper is the time allowed for writing the answers.

*Attempt **all** questions from **Section A** and **any four** questions from **Section B**.*

The intended marks for questions or parts of questions are given in brackets [].

SECTION A (40 Marks)

*Attempt **all** questions from this Section*

Question 1

Distinguish between:

- (a) Verbal Communication and Non-verbal communication [2]
- (b) Budget and Forecast [2]
- (c) Fixed Cost and Variable Cost [2]
- (d) Coupons and Premiums [2]
- (e) Sales Promotion and Advertising [2]

Question 2

- (a) What is a 'Cash Budget'? [2]
- (b) What do you understand by 'Formal Communication'? [2]
- (c) What does a pay-in-slip contain? [2]
- (d) Write a short note on ATM. [2]
- (e) What do you understand by 'Brand Promotion'? [2]

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Turn over

Question 3

- (a) How does financing facilitate the marketing activity? [2]
- (b) Mention *any four* sources of external recruitment. [2]
- (c) Explain *any two* modes of purchasing goods. [2]
- (d) Explain *any two* disadvantages of Road Transport over Water Transport. [2]
- (e) How does an 'Organizational barrier' affect Effective Communication? [2]

Question 4

- (a) Give *any two* features of Consumer Protection Act 1986. [2]
- (b) State *any two* functions of a Trade Union. [2]
- (c) Explain 'Marketing Research'. [2]
- (d) What is Deferred Revenue expenditure? Give an example. [2]
- (e) State *any two* advantages of Radio advertising. [2]

SECTION B (40 Marks)

Attempt any four questions from this Section

Question 5

- (a) State *any five* expectations of employees from a business organization. [5]
- (b) Explain *any five* interpersonal skills that are required for effective communication. [5]

Question 6

- (a) Explain the exchange functions of Marketing. [5]
- (b) Explain *any two* methods of Marketing Research. [5]

Question 7

- (a) Explain the main functions of a Commercial Bank. [5]
- (b) Enumerate *any five* limitations of Television Advertising. [5]

Question 8

- (a) Explain *any five* steps in the Selection process of employees. [5]
- (b) Describe the importance of *training* to employees and employers. [5]

Question 9

- (a) Explain the following principles of Insurance: [5]
 - (i) Utmost good faith (Uberrimae fidei)
 - (ii) Doctrine of subrogation.
- (b) What is meant by recycle? How do environmental values help a common man? [5]

Question 10

Prepare a Trading, Profit & Loss A/C and Balance Sheet of Mr. A. Haridas [10]
for the year ended 31st March, 1980 from the following Trial Balance:

The Closing Stock on 31.03.80 was valued at Rs.40,000.

TRIAL BALANCE

	Dr.	Cr.
Capital		1,55,000
Drawings	9,000	
Trade Expenses	12,000	
Cash in hand	750	
Cash at bank	22,700	
Land & Buildings	1,30,000	
Stocks as on 1-4-79	35,000	
Purchases & Sales	75,000	2,50,000
Returns	2,800	2,000
Carriage inwards	1,500	
Carriage outwards	3,500	
Debtors & Creditors	48,000	25,000
Bills Receivables & Bills Payables	22,000	10,500
Furniture & Fixtures	15,400	
Discount allowed	1,500	
Wages	25,000	
Salaries	19,850	
Advertisement	15,000	
Rent Rates & Taxes	3,500	
	442,500	442,500