

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]

This paper consists of 4 printed pages.

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