SUBJECT- COMMERCIAL STUDIES   **CLASS- 10 A/B**
MARKS: 40   **TIME- 1.5 HOURS**

Answers to this Paper must be written on the paper provided separately.
You will not be allowed to write during the first 10 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 three** questions from **Section B.***
The intended marks for questions or parts of questions are given in brackets [ ].

SECTION A
[Attempt all the questions]

Question 1   **[10]**

Choose the correct answers to the questions from the given options. (Do not copy the question, Write the correct answer only.)

i. _____ warehouses are licensed by the government.
    a) Private
    b) Public
    c) Bonded
    d) Cold

ii. Capital market consists of all organisations, institutions and instruments that provide _____.
    a) short- term investments
    b) long- term investments
    c) commercial papers
    d) treasury bills

iii. _____ ends with assessment of probable events.
    a) Forecasting
    b) Budgeting
    c) Banking
    d) Insurance

iv. The full form ATM is _____.
    a) Automatic Teller Machine
    b) Automated Teller Machine
    c) Automatic Tailored Machine
    d) Automated Tailored Machine

v. _____ forms the fundamental basis for all the other budgets.
    a) Production budget
    b) Cash budget
    c) Master budget
    d) Sales budget

vi. _____ is a kind of a temporary financial accommodation extended by the bank to its regular customers.
   a) Cash credit
   b) Overdraft
   c) Term loans
   d) Discounting of bills

vii. The accounting treatment for debentures will be _____.
   a) Debited to Trading Account.
   b) Credited to Profit and Loss Account
   c) Balance sheet Liabilities side
   d) Balance sheet Assets side

viii. The duty of the insured is to take all possible steps to minimize the loss. This statement falls under which principle of insurance?
   a) Causa proxima
   b) Contribution
   c) Insurable interest
   d) Mitigation of loss

ix. Mohan is reassigned from sales department of one branch to another. Which kind recruitment is this?
   a) Direct recruitment
   b) External recruitment
   c) Transfer
   d) Promotion

x. _____ can be used to make payment using one's mobile number or Adhaar card.
   a) E- wallets
   b) NEFT
   c) RTGS
   d) IMPS

SECTION B   [30]

[*Answer any three questions*]

Question 2

   a) Distinguish between health insurance and life insurance.   [2]
   b) What is a cash budget?   [2]
   c) Explain any three types of selection tests.   [3]
   d) What is false accounting fraud? Give an example.   [3]

Question 3

  a) State two characteristics of preference shares. [2]
  b) Illustrate intellectual property fraud. [2]
  c) Briefly explain the principle of Indemnity. [3]
  d) Why are debentures called creditorship securities? Explain with two characteristics. [3]

Question 4

  a) Why is warehousing necessary for a commercial organization? [2]
  b) Recruitment is a positive process? Justify. [2]
  c) Discuss any three functions of RBI? [3]
  d) Distinguish between primary market and secondary market. [3]

Question 5

  a) What is marine insurance? [2]
  b) Distinguish between a commercial bank and central bank. [2]
  c) Budgets are very useful in management. Give three reasons to justify the statement. [3]
  d) Explain i] Cyber Fraud [3]
        ii] Credit Card Fraud

Question 6

  a) Explain the term 'logistics'. [2]
  b) What is a financial market? [2]
  c) From the following trial balance, prepare trading a/c, profit and loss a/c, and balance sheet for Mr. Keshavrao Bhim for the year ending 31st March, 2014. Closing stock is valued at ₹5100 market price. [6]

PARTICULARS	AMOUNT ₹ [DR]	AMOUNT ₹ [CR]
Capital		28370
Sales And Purchase	23450	30000
Returns	6500	3100
Wages And Salaries	7000	
Stock As On 1/4/2013	9340	
Advertisement	1500	
Rent	4000	
Machinery	8000	
Debtors And Creditors	7650	8120
Goodwill	2150	
	69590	**69590**