

Greenlawns High School  
Final Examination -2023-24

Subject: Commercial Studies  
Class: IX

Marks: 80  
Time: 2 hours

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*Answer to this paper must be written on answer-sheets provided.  
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 [ ].*

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**Section A (40 Marks)**  
**(All questions are compulsory)**

**Question I Pick the correct answer and mention the option along with the answer.[16]**

1. Final Accounts are prepared on the basis of \_\_\_\_\_.

- a. Ledger
- b. Cash Book
- c. Trial Balance
- d. Journal Book

2. \_\_\_\_\_ is the main resource of the Commercial Bank.

- a. Interest
- b. Public Deposit
- c. Locker facility
- d. Foreign exchange

3. Recycling is mostly done in \_\_\_\_\_ sector.

- a. Industrial
- b. Agricultural
- c. Educational Sector
- d. Hospitality

4. Underwriting capital issues falls under \_\_\_\_\_ function.

- a. Granting credit
- b. Agency
- c. General utility
- d. Accepting deposits

5. Stock is valued on the basis \_\_\_\_\_ principle.

- a. Cost Value
- b. Market Value
- c. Cost Value or Market Value whichever is more.
- d. Cost Value or Market Value whichever is less.

6. Overdraft facility is provided for \_\_\_\_\_ Account.

- a. Fixed Deposit
- b. Current Deposit
- c. Savings Deposit
- d. Recurring Deposit

7. Amount invested by an entrepreneur is in the form of \_\_\_\_\_.

- a. Capital
- b. Opening Stock
- c. Bad debts
- d. Drawings

8. \_\_\_\_\_ isn't the main element of Physical Distribution.

- a. Inventory control
- b. Transportation
- c. Order procurement
- d. Warehousing

9. \_\_\_\_\_ assets are known as valueless assets.

- a. Tangible
- b. Intangible
- c. Liquid
- d. Fictitious

10. From the firm's point of view, \_\_\_\_\_ is a liability towards the owner.

- a. Loans
- b. Debtor
- c. Customer
- d. Capital

11. The process of recording transactions from Journal into classified accounts in the Ledger is known as \_\_\_\_\_.

- a. Ledger folio
- b. Posting
- c. Journalising
- d. Recording

12. When the firm receives interest on bank deposit, interest income is credited, as the interest income is \_\_\_\_\_.

- a. Real Account
- b. Capital Account
- c. Nominal Account
- d. Personal Account

13. Under Cash Credit, the bank allows the borrower to borrow \_\_\_\_\_

- a. the entire amount in lumpsum.
- b. upto a specified limit.
- c. specific amount only.
- d. cannot withdraw any amount from the account.

14. \_\_\_\_\_ earns through commission of sales.

- a. Retailer
- b. Distributor
- c. Wholesaler
- d. C&F agent

15. Amount which is not recoverable from customers is known as \_\_\_\_\_.

- a. Debts
- b. Debtors
- c. Bad debts
- d. Doubtful debts

16. The full form of GAAP is \_\_\_\_\_.

- a. General Assets And Properties.
- b. Generally Accepted Accounting Principles.
- c. Generally Accepted Accounting Period.
- d. Generally Accepted Auditing Policies.

**Question II Distinguish between:**

- a. Wholesale Trade and Retail Trade [2]
- b. Recurring Deposit and Current Deposit. [2]
- c. Ledger and Cash Book. [2]
- d. Book Keeping and Accounting [2]

**Question III**

- a. Define Banking? [2]
- b. Explain the term of Cash Discount? [2]
- c. What do you mean by Discounting of bills? [2]
- d. List any four eco-friendly products? [2]

**Question IV**

- a. Why do we need Accounting Principles? [2]
- b. What do you understand by the Full Disclosure Principle. [2]
- c. 'Accounting is an art as well as Science.' Explain. [2]
- d. Define Legal Compliance and E-waste management. [2]

**Section B (40 Marks)**  
**(Attempt ANY FOUR questions)**

**Question V**

- a. Explain the following principles of accounting:  
i) Business Entity Concept ii) Going Concern Concept [5]
- b. Journalise the following transactions in the books of Ananth. [5]

2023	
Jan 1	Mr. Ananth started business with cash ₹ 60000 and furniture ₹ 30000.
Jan 6	Deposited cash into ICICI Bank ₹35000.
Jan 8	Purchased goods from Subhash ₹ 25000 @ 10 % Trade discount.
Jan 19	Withdrew from bank for personal use ₹ 15000.
Jan 25	Paid Subhash cash ₹20000 in full settlement.

### Question VI

- a. Enumerate any five Agency functions of commercial banks. [5]
- b. From the following transactions, prepare Suresh's A/c in the books of Ram Singh. [5]  
2022

Dec 1	Suresh's A/c shows Debit balance ₹5000.
Dec 4	Purchased other raw materials on credit from Suresh ₹7000.
Dec 8	Sold finished goods on credit to Suresh ₹4000.
Dec 10	Paid cash to Suresh ₹800.
Dec 16	Suresh returned goods worth ₹2500
Dec 22	Received cash from Suresh ₹1500
Dec 28	Received cheque from Suresh ₹2500 with discount of ₹500.

### Question VII

- a. Enter the following transactions and balance the Cash book for the month of January, 2023: [5]

1	Cash in hand ₹ 17000.
5	Received commission ₹10000
9	Deposited into bank ₹ 7000.
13	Paid to Arhan ₹12000
18	Purchased stationery for office use ₹4750
22	Borrowed a loan from Sahil ₹5500
26	Withdrew cash for personal use ₹500
29	Purchased goods for cash ₹ 7500 @ 10% trade discount.

- b. Write the demerits of online trading. [5]

### Question VIII

- a. Mention the steps taken by commercial organisations to protect the environment. [5]
- b. Journalise the following transactions and also, prepare ledger of Mohan's A/c and in the books of Santosh. [5]

2023	
Jan 5	Mr. Santosh started business with cash ₹ 35000 and machinery ₹13000
Jan 9	Purchased goods from Mohan ₹ 30000 @ 5% trade discount.
Jan 12	Paid Mohan cash ₹22000

### Question IX

a. Explain the following with example of each:

i) Current liability    ii) Current Assets    iii) Wasting Assets

[5]

b. An inexperienced new Accountant prepared the following Trial Balance. He made a few errors. As an expert, rectify and draw a new Trail Balance:

[5]

Particulars	L.f	Debit Amount ₹	Credit Amount ₹
Opening Stock		15000	
Purchases		30000	
Machinery			40000
Sundry Creditors			40000
Capital			40000
Sales		30000	
Drawings			4000
Commission received		5000	
Bad debts		500	
Bills Receivable			2000
Interest Received			500
Unpaid wages		6000	
Goodwill		35000	
Outstanding expenses		5000	
Rent received		5000	
Sundry Debtors			20000
Commission allowed		15000	
<b>TOTAL</b>		<b>146500</b>	<b>146500</b>

### Question X

a. Prepare Trial Balance from the following Ledger balance of Mr. Roshan as on 31<sup>st</sup> March, 2023.

[10]

Particulars	Amount (₹)	Particulars	Amount (₹)
Capital	250000	Purchases	215300
Drawings	24000	Sales	380000
Debtors	57000	Insurance	8200
Creditors	25500	Rent received	3600
Land and Building	180000	Bad debts	7100
Plant	120000	Bills Receivable	5000
Stock on (1-4-2022)	22800	Loan from John	20000
Factory expenses	16600	Interest on John's loan	3000
Freight	7700	Cash in hand	8400
Purchase Return	6000	Goodwill	10000