

Greenlawns High School

Prelims Examination -2024-25

Subject: Commercial Studies

Marks: 80

Class: X

Time: 2 hours

*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 [].*

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

Question I

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

1. Food additives, food colouring and pesticides add further to new potential danger to the consumer's life and health. The COPRA protects the consumer from being exploited under this right:
 - a. Right to be assured
 - b. Right to safety
 - c. Right to be heard
 - d. Right to seek redressal.
2. The central bank exercises strict control on the credit granting capacity of commercial bank. This is the _____ function of a central bank.
 - a. Custodian of foreign exchange
 - b. Lender of the last resort
 - c. Banker's bank
 - d. Controller of credit
3. The following principle of insurance is not applicable in case of life insurance.
 - a. Indemnity
 - b. Insurable Interest
 - c. Utmost good faith
 - d. Doctrine of subrogation.
4. Dyson which is known for innovative products in home-care electronics is able to charge high price for their products as the customer can bear. They follow this objective of pricing:
 - a. Target rate of return
 - b. Price stability
 - c. Profit maximisation
 - d. Prevent competition

5. _____ source of recruitment is generally recommended for senior management and technicians to get better candidature for selection.

- a. Placement agency
- b. Direct recruitment
- c. Campus interview
- d. Advertisement.

6. E- advertising does not use the following media to post its advertisement:

- a. Spyware
- b. Cookie
- c. Web banner
- d. Pop-ups.

7. Anika purchased 1000 shares of Reliance Industries Ltd as investment. It will appear in the Trial Balance as on 31st December, 2024. The accounting treatment in Final Accounts is:

- a. Liability side of the Balance Sheet
- b. Asset side of the Balance Sheet
- c. Credit side of the Profit and Loss Account
- d. Debit side of the Profit and Loss Account

8. Mirchi and Mime has a policy of employing differently abled people-especially deaf and dumb in their restaurant. Their aim is to help the weaker sections of the society by giving them preference in employment. They are fulfilling the expectations of :

- a. Employees
- b. Society
- c. Government
- d. Employers

9. Rent of a factory building is a _____ cost.

- a. Direct cost
- b. Fixed Cost
- c. Variable cost
- d. Semi- variable cost.

10. Assertive statement (A): Publicity is less versatile.

Reason statement (B): It may or may not have commercial value.

- a. A is false and B is true; B does not explain A.
- b. A is true and B is true; B does not explain A.
- c. A is true and B is true; B does explain A.
- d. A is true and B is false; B does not explain A.

11. The Government hospitals in Mumbai provide subsidized or low-cost medical treatment and good health for its citizens. Such services are categorized under:

- a. Commercial
- b. Professional
- c. Personal
- d. Public Utility

12. Purchase of patent rights is treated as _____ in accounts.

- a. Capital receipt
- b. Revenue expenditure
- c. Capital expenditure
- d. Deferred revenue expenditure.

13. _____ is not used as social media.

- a. Facebook
- b. Call-centre calls
- c. Twitter
- d. WhatsApp

14. Business games, role playing and sensitivity training are a part of experiential exercises in the following type of training:

- a. Apprenticeship training
- b. Classroom training
- c. Simulation training
- d. Vestibule training

15. Identify the sales promotion technique used by Colgate in the given advertisement:

- a. Distribution of free samples
- b. Premium offer
- c. Coupons
- d. Free offer



16. Following is not a feature of capital market:

- a. It has financial intermediaries.
- b. It has several types of financial instruments like equity, preference shares, debentures, etc.
- c. There is a flow of capital from investors to borrowers.
- d. Funds can be raised as loans from commercial banks.

Question II

Distinguish between:

- a. Preference Shares and Debentures [2]
- b. Advertising and Sales promotion [2]
- c. E- Tailing and E- Marketing [2]
- d. Fixed cost and Variable cost [2]

Question III

- a. Explain any one feature of deferred revenue expenditure. Give an example. [2]
- b. What are the accounting treatments for Royalty paid and Royalty received in the final account statements? [2]
- c. Mention any two stakes of ICICI Bank Ltd which is considered while lending a loan to the business organisation. [2]
- d. Mention any two Suo moto { *action taken by a court of its own accord* } actions taken against violators by CCPA. [2]

Question IV

- a. Explain the coordination function of advertising agency. [2]
- b. What are the Marketing objectives regarding improving the living standard of people? [2]
- c. What is ERP? [2]
- d. Define environment as per the Environment Protection Act, 1986. [2]

Section B (40 Marks)
(Answer any four questions)

Question V

- a. Explain in detail the following social security schemes: [5]
- i. Pension
 - ii. Gratuity
- b. Aarav is facing pricing objective issues. He is unable to decide between the given two objectives of pricing, clarify him with **example each** the objectives: [5]
- i- Target rate of return
 - ii- Market share.

Question VI

- a. Convince Mr. Khan- a traditional trader to exploit the benefits of E-commerce. [5]
- b. Kiva wants to invest her inheritance in joint stock company. Explain her the basics of stakeholder ship-
- i-Meaning of stakeholder, [1]
 - ii- Impact of actions on each other [2]
 - iii- Any three Kiva's expectations from the business organisations. [2]

Question VII

- a. Enumerate any five objections raised against advertising. [5]
- b. With reference to sources of Finance, answer the following questions:
- i. What is a financial market? Mention its main classification. [2]
 - ii Distinguish between Primary and Secondary market. [2]
 - iii What is the purpose of raising long-term and short-term capital? [1]

Question VIII

- a. As a personnel Manager, what are types of selection tests you will recommend for screen the candidates to supplement the selection process? [5]
- b. With reference to CPCB, answer the following questions:
- i. What is CPCB? [2]
 - ii. Briefly explain its area of function regarding controlling water pollution, Municipal Solid Waste Rules and noise pollution. [3]

Question IX

- a. You have recently been appointed as the Finance Manager of a growing retail company, "TechTrends Ltd.," which specializes in electronics. The company is facing increased competition in the market and has ambitious expansion plans. Explain the importance of preparing a budget. [5]
- b. Mr. Pawan, Finance Manager has found a major accounting fraud in his company. Guide him through this process:
- i- Mention any two examples of accounting fraud? [1]
 - ii. What are the reasons behind false accounting fraud? [2]
 - iii. Recommend any two solutions to protect the companies from such fraud. [2]

Question X

Following is the Trial Balance of M/s Armaan Bothra as on 31st March 2024. Prepare Trading and Profit and Loss Account for the year ended 31st March 2024 and Balance Sheet as on that date. [10]

Trial Balance as on 31st March 2024

Particulars	Debit (₹)	Credit (₹)
10% loan on Mortgage of Premises		34000
Machinery	50000	
Debtors and Creditors	24000	21400
Buildings	80000	
Capital and Drawings	4000	100000
Opening Stock	18000	
Sales		120000
Salaries	10000	
Wages	4000	
Carriage Outward	2000	
Royalty	3000	
Rent Paid	5000	
Cash and Bank balance	6000	
Commission	900	500
Purchase	66000	
Rates and Taxes	3000	
Returns		6000
Miscellaneous Expense	6000	
Total	281900	281900

Closing stock is valued at ₹ 50,000, but the market value is ₹55000.