

Commercial Applications Question Paper

2004

General Instructions

1. **Section A is compulsory.** Attempt **any four** questions from **Section B**.
2. The intended marks for questions or parts of questions are given in brackets [].

SECTION - A

Attempt **all** questions from this Section.

Question 1

Distinguish between:

- (a) Stake holders and Share holders. [2]
- (b) Fixed and Variable cost. [2]
- (c) Balance Sheet and Trial Balance. [2]
- (d) Product and Service. [2]
- (e) Strikes and Lockouts. [2]

Question 2

- (a) What is meant by "Master Budget"? [2]
- (b) Mention two advantages of Direct tax? [2]
- (c) Explain the term Social Security. [2]
- (d) State any two purposes of Accounting Standards. [2]
- (e) What is a Patent? State any two of its Characteristics? [2]

Question 3

- (a) State any two Expectations of the Community from a Business Enterprise. [2]
- (b) How is the distribution of Free Samples considered a device of Sales Promotion? [2]

(c) *Mention two limitations of a Cash Flow Statement?* [2]

(d) What does ROI indicate? [2]

(e) Mention two functions of Trade Union? [2]

Question 4

- (a) What is meant by Quick Ratio? [2]
- (b) Both, the Income and Expenditure Account and Profit & Loss Account indicate the profit or loss of organisation but are not the same, explain. [2]
- (c) Mention two factors which influence the Demand for a Commodity? [2]
- (d) What is the role of ethics in Business Enterprise? [2]
- (e) How are the needs of Share Holders and Consumers Conflicting? [2]

SECTION - B

Attempt **any four** questions from this section.

Question 5

Mr Lal bought a packet of cream biscuits manufactured by tasty confectioneries from a local retailer. On opening the packet he found that the biscuits were stale and emitted a foul smell. In this context answer the following questions:

- (a) Name the Act which can protect the interest of Mr. Lal. State any four features of this Act. [5]
- (b) Explain any five rights of the consumer under the Act? [5]

Question 6

(a) In a factory which manufactures steel billets, a worker is injured while working on one of the machines. In this context, mention two conditions under which the employer will be liable to pay compensation to the worker and two conditions under which he will

not be required to pay compensation? [4]

(b) Mention four functions of the Human Rights Commission. [3]

(c) State the benefit of the provident fund scheme. [3]

Question 7

(a) Mr. Khanna is launching a cellphone in the market. Explain the factors that must be kept in mind while designing its advertising copy. [5]

(b) What is meant by market research? Describe the steps involved in the market research process. [5]

Question 8

(a) What is financial accounting? Enumerate the basic principles of financial accounting. [5]

(b) What is a Trading Account? State the objectives of preparing a Trading Account. [5]

Question 9

(a) Explain the various types of Deposits received by Commercial Banks. [5]

(b) Describe any five Functions of the Central Bank. [5]

Question 10

Mr Gupta is the head of the H.R.D. Department of Style Cosmetics, a well known cosmetic company. As part of the expansion of the company, Mr. Gupta has been assigned the task of recruiting fifty 'A' Grade officers. Approximately 700 applications have been received. Enumerate the steps Mrs. Gupta ought to take to select the right candidates as part of the expansion strategy. [10]