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## COMMERCIAL APPLICATIONS

(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.

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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)

Attempt **all** questions from this Section.

#### Question 1

Give *one* difference between each of the following:

- (a) *Current assets* and *fixed assets*. [2]
- (b) *Personal selling* and *Sales promotion*. [2]
- (c) *Television advertising* and *newspaper advertising*. [2]
- (d) *Controllable costs* and *uncontrollable costs*. [2]
- (e) *Off the job training* and *on the job training*. [2]

#### Question 2

- (a) What is a fixed deposit? [2]
- (b) Explain *two* major functions of a Commercial Bank. [2]
- (c) What are variable costs? [2]
- (d) What happens to a product in the decline stage of its life cycle? [2]
- (e) State *one* difference between *cash credit* and *overdraft*. [2]

#### Question 3

- (a) What is the concept of selection for assigning a job in an organization? [2]
- (b) Give *one* difference between a *product* and a *service*. [2]
- (c) State *two* disadvantages of using external sources of recruitment. [2]

- (d) Explain *two* basic differences between sales and the selling process. [2]  
(e) Distinguish between any *two* elements of Public Relations. [2]

#### Question 4

Justify either **for** or **against** by giving *two* reasons for each:

- (a) Branding is a myth, not a reality. [2]  
(b) Selection is a process of elimination. [2]  
(c) Recording a small calculator as an asset in a balance sheet is justified. [2]  
(d) Competition based pricing is ideal for unbranded products. [2]  
(e) Some costs are *semi-variable* in nature. [2]

### SECTION B (60 Marks)

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

#### Question 5

- (a) What is a *Balance Sheet*? Explain any *three* of its uses. [5]  
(b) Why does an Income and Expenditure Account need to be prepared by Non-Trading Organizations? [5]  
(c) What is meant by Central Bank? Explain its role. [5]

#### Question 6

- (a) Explain the following terms:  
(i) Current Account.  
(ii) Recurring Deposit Account. [5]  
(b) With the growing number of scams in the Global Industry, explain the importance of ethics in Public Relations. [5]  
(c) You are the Marketing Manager of a Fast Moving Consumer Goods (FMCG) Company and you find that one of your products, a washing detergent, is in its growth stage.  
Describe the steps that you would take to increase your sales at this stage. [5]

### Question 7

Write short notes on:

- (a) Skimming pricing. [5]
- (b) Any two P's of marketing. [5]
- (c) The importance of Human Resources in a commercial organization. [5]

### Question 8

- (a) Mention *one* safe mode of money transfer. Why do you consider it a safe mode? [5]
- (b) State Money Measurement Principles of accounting and explain. [5]
- (c) Enumerate any five limitations of the interview. [5]

### Question 9

Dabur took the following steps in the beginning of this century to widen its consumer base. It expanded to cover International markets and within India, it focussed on regions like southern India. It repositioned itself as a FMCG (Fast Moving Consumer Goods) company, offering a wide range of herbal products, thereby moving away from its earlier image of an Ayurvedic Medicine Manufacturer. The company began offering new products and changed packaging. It also introduced new advertisements featuring Bollywood stars and sports persons. It moved away from the umbrella branding strategy and went in for individual branding. Dabur even re-designed its old logo.

- (a) Name branding strategies referred to in the case study and explain them. [5]
- (b) To boost company sales and profit, identify the elements of marketing mix and explain. [5]
- (c) Dabur is in which stage of the Product Life Cycle. Discuss. [5]

### Question 10

#### CASE STUDY:

Mr. Ashok secured a job with Duncon Associates soon after completing his engineering from a reputed College in Bangalore. He was assigned to work with the production department and was also put through a refresher-training programme.

In order to facilitate payment of his salary, he was asked to open a *savings bank account* in a commercial bank.

- (a) Explain the term *savings bank account*. Why was he not asked to open a current account? [5]
- (b) Do you agree with the training programme recommended for Mr. Ashok? Justify your answer. [5]
- (c) If you were the Human Resource Manager of Duncon Associates, explain the method of training you would choose for Mr. Ashok. [5]