

ICSE 2023 EXAMINATION
SPECIMEN QUESTION PAPER
COMMERCIAL STUDIES

Maximum Marks: 80

Time allowed: 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.

*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

*(Attempt **all** questions from this **Section**.)*

Question 1

Choose the correct answers to the questions from the given options.

[16]

(Do not copy the question, write the correct answers only.)

- (i) Uberimmae fidae, the principle of insurance means:
- (a) Utmost good faith
 - (b) Contribution
 - (c) Subrogation
 - (d) Mitigation of loss
- (ii) Safety of capital of contributed is an expectation of:
- (a) Employees
 - (b) Creditors
 - (c) Society
 - (d) Employers

- (iii) Marketing is:
- (a) Production oriented
 - (b) Distribution oriented
 - (c) Customer oriented
 - (d) Demand oriented
- (iv) Who among the following is not an internal stakeholder?
- (a) Employers
 - (b) Shareholders
 - (c) Employees
 - (d) Creditors
- (v) Which of the following is NOT considered as a Consumer Right?
- (a) Right to freedom of speech
 - (b) Right to consumer education
 - (c) Right to be informed
 - (d) Right to safety
- (vi) _____ are intangible benefits, utilities and satisfactions which are offered for sale.
- (a) Product
 - (b) Market
 - (c) Price
 - (d) Services
- (vii) Distribution of free samples, prize contests, clearance sales, etc. are examples of:
- (a) Consumer exploitation
 - (b) Capital receipts
 - (c) Sales promotion techniques
 - (d) Objectives of pricing

- (viii) Non-recurring receipts like additional capital, loan, etc. are:
- (a) Capital receipts
 - (b) Revenue receipts
 - (c) Capital expenditure
 - (d) Revenue expenditure
- (ix) Individuals who are hired to do a specific job are known as:
- (a) Entrepreneurs
 - (b) Retailers
 - (c) Employers
 - (d) Employees
- (x) Which consumer right allows the consumer to register his/her dissatisfaction at appropriate forums?
- (a) Right to safety
 - (b) Right to consumer education
 - (c) Right to be heard
 - (d) Right to choose
- (xi) The value of the product or service expressed in terms of money is _____.
- (a) Tax
 - (b) Rent
 - (c) Income
 - (d) Price
- (xii) A _____ is an establishment for storage or accumulation of goods.
- (a) Bank
 - (b) Warehouse
 - (c) Capital Market
 - (d) E-Commerce platform

- (xiii) The _____ budget contains an estimate of the total volume of production week wise, month wise and product wise.
- (a) Production
 - (b) Purchase
 - (c) Cash
 - (d) Sales
- (xiv) The capital of the company is divided into equal parts called _____.
- (a) Debentures
 - (b) Shares
 - (c) Deposits
 - (d) Funds
- (xv) The _____ function of the Central bank involves settling of claims of Commercial banks through a process of book entries.
- (a) Monopoly of note issue
 - (b) Government's bank
 - (c) Clearing house
 - (d) Developmental
- (xvi) Insurance and banking are examples of _____.
- (a) Services
 - (b) Products
 - (c) Warehouses
 - (d) Distribution channels

Question 2

Distinguish between:

- (i) Internal Stakeholders and External Stakeholders [2]
- (ii) Marketing and Sales [2]
- (iii) Recruitment and Selection [2]
- (iv) Equity and preference shares [2]

Question 3

- (i) What is marketing? [2]
- (ii) What is E-advertising? [2]
- (iii) Why is a master budget called a summary budget? [2]
- (iv) Explain in brief the Principle of Subrogation. [2]

Question 4

- (i) Who are stakeholders? [2]
- (ii) What is discounting of a Bill of Exchange? [2]
- (iii) State *any two* features of the Consumer Protection Act. [2]
- (iv) Define semi-variable cost and give an example. [2]

SECTION B

(Attempt any four questions from this Section.)

Question 5

- (i) Discuss *five* objectives of pricing in detail. [5]
- (ii) Explain *any five* functions of Central Bank. [5]

Question 6

- (i) Briefly discuss *five* characteristics of a capital market. [5]
- (ii) Write short notes on: [5]
 - (a) Intellectual Property fraud
 - (b) Private warehouse

Question 7

- (i) Explain the Utility of Budgets. [5]
- (ii) Discuss *five* functions of an advertising agency. [5]

Question 8

- (i) Explain *any five* modules of ERP. [5]
- (ii) Describe *any five* techniques of sales promotion. [5]

Question 9

- (i) State *two* advantages and *three* disadvantages of internal recruitment. [5]
- (ii) Write short notes on: [5]
- (a) RTGS
- (b) Principle of Contribution (in insurance)

Question 10

Prepare a Trading, Profit and Loss account of Mr. A. Awasthi for the year ending on 31st March, 2022 and a Balance Sheet as on 31 March, 2022. [10]

31st March, 2022

Particulars	Amount (Dr) Rs.	Amount (Cr) Rs.
Capital		60,000
Drawings	4,500	
Cash at Bank	4,200	
Purchase	66,000	
Sales		1,35,000
Purchase Returns		3000
Sales Returns	6,000	
Discount	1,200	
Carriage Outwards	1,800	
Salaries	18,000	
Trade expenses	3,600	
Opening stock	15,000	
Bad debts	1,800	
Rent	4,500	
Machinery	1,08,000	
Furniture	15,000	
Debtors	15,000	
Creditors		30,000
Stationery	7,500	
Commission received		900
Loan		43,200
	2,72,100	2,72,100

Closing stock on 31st March, 2022 was valued at Rs. 78,000.