

SAMPLE QUESTION PAPER BUSINESS STUDIES (215)

Time : 3 Hours

Maximum Marks: 100

Note:

- i. This question paper consists of 51 questions in all.
- ii.** All questions are compulsory.
- iii.** Marks are given against each question.
- iv.** Section A consists of
Q.No. 1 to 20 – Multiple Choice type questions (MCQs) carrying 1 mark each. Select and write the most appropriate option out of the four options given in each of these questions.
- v.** Section B consists of
Q.No. 21 to 35 – Objective type questions. Q.No. 21 to 35 carry 02 marks each. Attempt these questions as per the instructions given for each of the questions.
- vi.** Section C consists of the following. Internal choices have been given wherever necessary.
 - a. **Q.No. 36 to 41** – Very Short questions carrying 02 marks each to be answered in the range of 30 to 50 words.
 - b. **Q.No. 42 to 47** – Short Answer type questions carrying 03 marks each to be answered in the range of 50 to 80 words.
 - c. **Q.No. 48 to 51** – Long Answer type questions carrying 05 marks each to be answered in the range of 80 to 120 words.

S. No.	Section – A <i>Qu. 1 to 20 are MCQs of 1 Mark each.</i>	Marks
1.	Any kind of external devices, like compact discs (CD's) for computer, have become obsolete. Google, with its Google Drive service, Apple with its iCloud offering, enables the users store documents, photos, music and movies on web-based servers. Identify the feature of business environment being described in the above lines. a) Sum total of all factors b) Inter-relatedness c) Uncertainty d) Complex	1
2.	Liberalisation refers to the a) integrating' the economy of a country with the world economy b) Reduction in the number of industries reserved for the public sector c) reducing the role of public sector d) process of eliminating unnecessary controls and restrictions	1
3.	An examples of ethical business practice is a) To charge Maximum prices from the customer. b) To use less weights for commodities. c) To pay taxes to government correctly and promptly d) Indulge in unfair trade practices	1

4.	Which of the following does not explain the impact of government policy changes on business & industry (a) Increasing competition (b) More demanding market customers (c) Market orientations (d) Change in agricultural prices	1
5.	Which of the following is an importance of planning? a) Leads to Specialization b) Maximum Utilization of Resources at any cost c) Reduce Creativity d) Less expansion and growth	1
6.	_____ is deciding in advance what is to be done in future. a) Organising b) Planning c) Controlling d) Budget	1
7.	Which of the following is not a limitation of planning? a) Rigidity b) Probabilistic c) Expensive d) Time Saving	1
8.	The government of India introduced a radical change in economic policies in the year a) 1995 b) 1981 c) 1991 d) 2002	1
9.	Responsibility of business towards the shareholders or owners includes 1. To ensure safety of investment. 2. To provide regular, correct and adequate information on the financial aspects. 3. To provide fair and regular dividend. 4. To provide services such as housing, medical care, recreation etc. Choose the correct option from the options given below: a) Only 1 and 4 b) Only 1 and 3 c) 1,2,3 and 4 d) 1,2 and 3 only	1
10.	The capital structure of a firm refers as a choice of that combination of a) fixed Asset and current Assets b) debt and equity c) dividend and wealth d) capital and profit	1

11.	<p>There are two statements marked as Assertion (A) and Reason(R). Read the statements and choose the appropriate option from the options given below;</p> <p>Assertion (A):- Equity Shareholders' return consists of two components viz, dividends and capital gains.</p> <p>Reason (R):- Dividend decision is concerned with taking decision with regards to the net profit distribution which is related either to pay dividend to shareholders or to retain in the business.</p> <p>Alternative:</p> <p>a) (A) is correct but (R) is wrong</p> <p>b) Both (A) and (R) are correct, but (R) is not the correct explanation of (A)</p> <p>c) Both (A) and (R) are incorrect.</p> <p>d) Both (A) and (R) are correct, and (R) is the correct explanation of (A)</p>	1
12.	<p>_____ is a contract whereby one can use the assets of the other with due permission of the owner on payment of rent without purchasing them.</p> <p>a) Rent Agreement</p> <p>b) Lease</p> <p>c) Conveyance deed</p> <p>d) External Commercial Borrowings</p>	1
13.	<p>Followings are the components of 4'P's except</p> <p>a) Product</p> <p>b) Place</p> <p>c) Price</p> <p>d) Public</p>	1
14.	<p>Which of the following is not a Feature of Departmental Store?</p> <p>a) The entire building is divided into a number of departments or sections.</p> <p>b) In each department specific type of goods like stationery items, books, electronic goods, garments, jewellery etc. are made available.</p> <p>c) These stores also provide the facility like free home delivery of goods, execution of telephonic order for goods, credit facility, etc.</p> <p>Large amount of capital investment is required to start and run a departmental store</p>	1
15.	<p>_____ retailing is a type of small-scale retail trade in which retailers move around and sell a variety of items directly to the consumers.</p> <p>a) Itinerant</p> <p>b) Fixed shop</p> <p>c) Departmental</p> <p>d) Chain</p>	1
16.	<p>Services Provided by the Wholesalers to manufacturers includes</p> <p>a) Regular Supply</p> <p>b) Risk Protection</p> <p>c) Bulk Buying</p> <p>d) Financial Help</p>	1
17.	<p>Resources required for successful e-business implementation NOT includes-</p> <p>a) A Website</p> <p>b) Technically Qualified Workforce</p> <p>c) Adequate Computers</p> <p>d) Big Office Building</p>	1

18.	<p>Arun decided to sell his old books to his friend's brother, Rakesh. This is a _____ transaction:</p> <p>a)B2B b)B2C c)Intra-B d) C2C</p>	1
19.	<p>Withdrawal of money from ATM is an example of _____ type of transaction:</p> <p>(a)B2B b) B2C c) intra-B d) C2C</p>	1
20.	<p>In a B2B transaction both the parties involved are:</p> <p>a)Manufacturer and Supplier b)Customer and Customer c)Wholesaler and Customer d) Retailer and Customer</p>	1
	<p style="text-align: center;">Section – B <i>Answer Qu. 21 to 35 below.</i></p>	
21.	<p>Fill in the Blanks:-</p> <p>(a) _____ refers to negative and unfavourable external factors that are likely to create hurdles for a firm L-3</p> <p>(b) ----- are the impact of govt. policy changes on business & industry</p>	1x2

22.	<p>In relation to types of business environment, match the Column 1 with Column 2.</p> <table><tr><th>Column 1</th><th>Column 2</th></tr><tr><td>I. Economic environment</td><td>a. Approaches adopted for production of goods and services</td></tr><tr><td>II. Political Environment</td><td>b. Regulations</td></tr><tr><td>III. Legal Environment</td><td>c. Government policies and attitude towards the business community</td></tr><tr><td>IV. Technological Environment</td><td>d. Strength of capital market</td></tr></table> <p>a) i-d, ii-c, iii-b, iv-a b) i-a, ii-b, iii-c, iv-d c) i-a, ii-c, iii-b, iv-d d) i-d, ii-b, iii-c, iv-a</p>	Column 1	Column 2	I. Economic environment	a. Approaches adopted for production of goods and services	II. Political Environment	b. Regulations	III. Legal Environment	c. Government policies and attitude towards the business community	IV. Technological Environment	d. Strength of capital market	1/2x2
Column 1	Column 2											
I. Economic environment	a. Approaches adopted for production of goods and services											
II. Political Environment	b. Regulations											
III. Legal Environment	c. Government policies and attitude towards the business community											
IV. Technological Environment	d. Strength of capital market											
23.	<p>Fill in the Balnks:-</p> <p>(a) Manufacturing department may be sub-divided into stores, repairs, maintenance, production, etc. is an example ofL-7</p> <p>(b)_____ shifts the power of decision making to lower levels under a well-considered plan</p>	1x2										
24.	<p>Give one word Answer</p> <p>(a) What is known as the primary function of management.....</p> <p>(b) A strategy is derived from</p>	1x2										
25.	<p>Fill in the Blank-</p> <p>(a)_____ refers to planning regarding financial needs of the enterprise various sources of raising funds and their optimum utilization.</p> <p>(b) _____ refers to the structure of total capital funds raised by the company.</p>	1x2										
26.	<p>Give One word:</p> <p>(a) Name the process that enables the management to foresee the fund requirements, both the quantum as well as the timing.</p> <p>(b) It is essentially the preparation of a financial blueprint of an organisation's future operations. Identify the related concept.</p>	1x2										

27.	Which method of long-term financing, Public Deposit or Retention of Profits, are being referred to, in each of the following statements: (a) Management is less careful about funds utilization by this method. (b) To raise funds through this method, an advertisement is generally given through the newspapers.	1x2
28.	Identify the features that relate to equity shares, preference shares and debentures (a) In case of winding up of the company, the capital is refunded after payment of debentures but before payment to equity shareholders. (b) Their holders are creditors of the company for a fixed period.	1x2
29.	Give one word/phrase for the following statements (a) The component of marketing that relates to channels of distribution. (b) The components that are combined to achieve the marketing goal	1x2
30.	Which method of price fixation is being referred to here (a) Rama fixes the price of shirts that he manufactures and sells at a price 10% higher than its cost. (b) Shyama introduces a new brand of biscuits at a low introductory price.	1x2
31.	Which element of the promotion mix is being referred to in the following statements:- (a) It is a temporary incentive to induce trial or purchase of a new product..... (b) It is an effective promotion tool for machines, lubricant etc	1x2
32.	Identify the following and write 'WT' for wholesale trade and 'RT' for retail trade. (a) Dealing in limited variety of products. (b) Goods purchased from wholesalers for resale.	1x2
33.	Correct the following sentences (a) Producer is a middleman in the chain of distribution. (b) Presence of too many middlemen increases the price of the product.	1x2
34.	State the full form of the following— (a) WWW (b) B2B	1x2
35.	Identify the following in e-banking transactions— (a) A machine using which we can withdraw money from our deposit accounts at our convenience. (b) A system that allows the account holder to avail the banking facility over telephone	1x2
	Section – C <i>Answer Qu. 36 to 51 below. Internal choices have been given wherever necessary</i>	
36.	State any two relaxations available under the company Act 2013 to a one person company.	2
37.	Explain any two internal Sources of Recruitment. OR Explain any two sources of external recruitment	2

38.	<p>The highly reputed companies (Blue Chip companies) are the major players of this type of money market instruments.</p> <p>(a) Identify the money market instrument highlighted in the above line.</p> <p>(b) What is the main purpose of instrument identified in (a)?</p>	2
39.	<p>Define Entrepot Trade with an example.</p> <p style="text-align: center;">OR</p> <p>Define Export with examples</p>	2
40.	<p>Arunodya Airlines company offered 'Travel today pay fare later' plan for its prospective customers.</p> <p>(a) Name the promotional tool used by the Arunodya Airlines.</p> <p>(b) State any one other product for which above identified plan is quite common now-a-days.</p>	2
41.	<p>State any two avenues of self-employment.</p> <p style="text-align: center;">OR</p> <p>State any two avenues of Wage Employment</p>	2
42.	<p>Nipun was working in an enterprise on a daily wages basis. It was difficult for him to fulfill the basic needs of his family. His daughter fell ill. He had no money for his daughter's treatment. To meet the expenses of her treatment, he participated in a cycle race and won the prize money. The cycle company offered him a permanent pensionable job which he happily accepted.</p> <p>By quoting lines from the above paragraph, identify the needs of Rahim that are satisfied by the offer of the cycle company.</p> <p>Also, explain two other needs of Rahim followed by above that are still to be satisfied.</p>	3

43.	<p>Roshan is the chief chef of 'Khidmat7 restaurant located in the city of Bangaluru. The place is known for its exquisite Mughlai cuisine especially mutton biryani and kababs. All the food is prepared under Roshan's purview. The various activities in the kitchen are initiated in accordance to his instructions. He is very clear and specific in issuing instructions to his subordinates in order to ensure smooth working of the department. He personally oversees the method followed by the chefs for preparation of each dish. He misses no opportunity to praise his subordinates for their good work. All his team members feel very happy and satisfied under his direction. He provides constant guidance to them in order to improve upon its taste and presentation and also encourages them to innovate and be more creative in their work.</p> <p>In the above context: Identify the various elements of directing mentioned in the above paragraph by quoting lines from the paragraph.</p> <p style="text-align: center;">OR</p> <p>After completing his bachelor's in computer science, Abhijeet joined an IT consultancy firm. He observed there that the senior management more often communicated failures than successes. They rarely shared any good news related to the growth of the firm or give any recognition to its employees for their extraordinary contributions towards the firm. As a result, Abhijeet never felt encouraged enough to work up to his full potential and started exploring other avenues for employment.</p> <p>In the context of the above case:</p> <ol style="list-style-type: none"> 1. Identify and explain the element of directing in the absence of which the employees don't feel encouraged to work. 2. State the importance of this element as identified in part (1) by giving any two suitable points 	3
44.	State any three limitations of advertising.	3
45.	<p>The space outside buses, company trucks (used to carry company's own products) can be used to attract and inform the customers about the product, availability, price etc.</p> <p>(a) Which media of advertisement is highlighted in above line? (b) Generally for which products media of advertisement identified in (a) is suitable?</p> <p style="text-align: center;">OR</p> <p>A manufacturer of detergent powder wants to introduce detergent cake in the market under a new brand name. Which sales promotion tools should he use to attract the customers? Give reasons in support of your answer.</p>	3
46.	What is the difference between Letter of Credit and Letter of Hypothecation in relation to external trade?	3
47.	<p>State ant three differences between GATT and WTO.</p> <p style="text-align: center;">OR</p> <p>What are (i) Bill of Lading, (ii) Shipping order and (iii) Mate's receipt.</p>	3
48.	<p>Differentiate between Departmental undertaking and Public corporation on the basis of the followings:</p> <p>(i) Establishment (ii) Legal Status (iii) Capital (iv) Management (v) Control and Accountability.</p>	5

49.	<p>What are the recent trends in recruitment? Explain briefly.</p> <p style="text-align: center;">OR</p> <p>The Manager must be aware of the sources of recruitment from where the suitable candidates can be hired. Mention and Explain the sources of recruitment.</p>	5
50.	<p>Companies have to get their securities listed in the stock exchange for the purpose of trading through stock exchange. Describe the steps involved in Trading procedure.</p>	5
51.	<p>Small business plays a major role in the socio-economic development of any country. Do you agree with the above statement? Enumerate any four importance of small business.</p> <p style="text-align: center;">OR</p> <p>After passing Class 12, Sunita wants to start her own boutique. Her Mother has promised her to meet her initial financial requirement. She has been advised by her teacher that there are a number of government agencies providing help in various fields and she can approach them. Name such agencies and state the nature of assistance these can provide in starting small businesses.</p>	5

MARKING SCHEME
BUSINESS STUDIES (SECONDARY COURSE)

Time : 3 Hours

Maximum Marks: 100

S. No.	Section – A <i>Qu. 1 to 20 are MCQs of 1 Mark each.</i>	Marks
1.	(a) Sole proprietorship	1
2.	(c) Presented	1
3.	(d) Pricing	1
4.	(d) None of the above	1
5.	(d) All the above	1
6.	Misleading	1
7.	National Commission	1
8.	(d) All Goods and Services	1
9.	(a) Partnership	1
10.	(b) Heard	1
11.	(c) Restricted trade practices	1
12.	(c) Essential Commodities Act, 1955	1
13.	(d) All the above	1
14.	(b) Career	1
15.	(c) Sponsorship	1
16.	(c) Wage employment	1
17.	(b) Self employment	1
18.	(b) Self employment	1
19.	(b) Thinking suitably about positive and negative aspects of a career	1
20.	(c) Hallmark	1
	Section – B <i>Answer Qu. 21 to 35 below.</i>	

21.	(a) Primary Industry (b) Profit	1x2
22.	(a) Coparceners (b) Karta	1x2
23.	(a) Principle of Mitigation of loss. (b) Principle of Indemnity.	1x2
24.	(a) It forces the consumer to buy the things he does not need (b) Economic growth of society or country	1x2
25.	(a) 1986 (b) Bureau of Indian Standards	1x2
26.	(a)) Restricted trade practices (b) Heard	1x2
27.	(a) Business (b) Transportation	1x2
28.	(a) No, for an activity to be business it must have 'regularity' characteristic of business. (b) Aids to trade includes Transport, Communication, Warehousing, Banking, Insurance, Advertising,	1x2
29.	5 Lakh	1x2
30.	(a) True (b) True	1x2
31.	(a) False (b) True	1x2
32.	(a) False (b) False	1x2
33.	(a) Principle of Utmost Good Faith. (b) Principle of Insurable Interest	1x2
34.	30,000/-	1x2
35.	Principle of utmost good faith.	1x2

	Section – C	
	<i>Answer Qu. 36 to 51 below. Internal choices have been given wherever necessary.</i>	
36.	<p>(i) A Cooperative Society is a voluntary association of individuals having common needs who join hands for the achievement of common economic interest of the poorer sections of society through mutual help.</p> <p style="text-align: center;">OR</p> <p>(ii) (a) At least two family members.</p> <p style="padding-left: 40px;">(b) They will inherit ancestral property.</p>	2
37.	Safety of deposits, and b. Withdrawal of deposits, whenever needed	2
38.	No, I do not agree. Justification.	2
39.	<p>(i) (a) Right to safety</p> <p style="padding-left: 40px;">(b) Right to be informed</p> <p style="text-align: center;">OR</p> <p>(ii) A consumer should look for ISI marks on electrical goods because it gives a trust that the product meet Quality Certification.</p>	2
40.	Consumerism refers to a movement by consumers so as to ensure fair and honest (ethical) practices on the part of manufacturers, traders, dealers and service providers in relation to consumers.	2
41.	Right to seek redressal- If and when any consumer has a complaint or grievance due to unfair trade practices like charging higher price, selling of inferior quality or unsafe products, lack of regularity in supply of services etc. or if he has suffered loss or injury due to defective or adulterated products, he has the right to seek remedies	2
42.	<p>Business: Business refers to an occupation in which goods and services are produced and sold in return of money</p> <p>Profession: A person may not be an expert in every field. So, we require the services of others who specialize in one field or another.</p> <p>Employment: Employment refers to an occupation in which a person works regularly for another and gets wages/salary in return</p>	3

43.	<p>(i) Environmental pollution refers to contamination of environment by substances that have adverse effects on living and non-living matter. Environmental pollution is of three types:</p> <ul style="list-style-type: none"> a) Air Pollution, b) Water Pollution, and c) Land Pollution <p style="text-align: center;">OR</p> <p>(ii) Human objectives refer to the objectives aimed at the well-being as well as fulfilment of expectations of employees as also of people who are disabled, handicapped and deprived of proper education and training. The human objectives of business may thus include economic well-being of the employees, social and psychological satisfaction of employees and development of human resources.</p>	3
44.	<ul style="list-style-type: none"> • Communication can be verbal or written. • Communication through spoken words is known as oral communication, which may be in the form of lectures, meetings, group discussions, conferences, • Written communication may be 'Visual', 'Aural', or 'Gestural'. Sometimes you look into some pictures, graphs, symbols, diagrams etc. and some message is conveyed to you. 	3
45.	<p>Direct channels include from Producer to Consumer. While indirect channels are of various types such as :</p> <ul style="list-style-type: none"> (i) Producer → Agent → Wholesaler → Retailer → Consumer (ii) Producer → Wholesaler → Retailer → Consumer (iii) Producer → Agent → Consumer (iv) Producer → Wholesaler → Consumer and (v) Producer → Retailer → Consumer. 	3
46.	<p>(i) Entrepreneurs identify various business opportunities, turn their ideas into action, make feasibility study of their plans, arrange resources, set up enterprises and constantly try to grow</p> <ul style="list-style-type: none"> a) Provides employment to the people b) Contributes towards research and development system <p style="text-align: center;">OR</p> <p>(ii) An entrepreneur should have qualities like taking initiative, willingness to undertake risk, ability to learn from experience, self motivation, self confidence, hard work and ability to make right decisions. A starting 'will' to set up a small business, essential skills to start and run the business, ability to work hard and take risks are the essential requirements for a successful entrepreneur.</p>	3

47.	<p>An entrepreneur should have qualities like taking initiative, willingness to undertake risk, ability to learn from experience, self motivation, self confidence, hard work and ability to make right decisions.</p> <p>OR</p> <p>The factors I would like to consider if I start a small enterprise to produce Notebook</p> <ol style="list-style-type: none"> 1. Arrangement of Finance 2. Location of the business 3. Availability of labour/workforce/employees 	3
48.	<p>(i)</p> <ol style="list-style-type: none"> 1. Voluntary Association 2. Open Membership 3. Separate Legal Entity 4. Source of Finance 5. Service Motive 6. Voting Power <p style="text-align: center;">OR</p> <p>(ii) It is optional for a partnership firm to get registered with the registrar of firms of the state in which firm is situated, but as the conflict arises, the Legal approach is possible only when the firm is registered. So, Geeta needs to register the firm and also Partnership Deed is a must, which is a written document where all the terms and conditions of partnership are mentioned. It generally has following clauses:</p> <ul style="list-style-type: none"> ● Name of firm ● Nature of firm ● Duration of partnership ● Duties and obligations of partners ● Valuation of assets ● Interest on capital and interest on drawings ● Profit-loss sharing ratio 	5

49.	<p>(i) Process of sharing facts, ideas, opinions, thoughts, information through speech, writing or gestures and symbols between individuals is known as communication.</p> <p>Elements of the communication process are sender, receiver, message and feedback.</p> <p style="text-align: center;">OR</p> <p>(ii) Yes, I agree that telephones are a very popular form of verbal communication. It is used for business communication. Long distance Communication can be done within minutes by using the STD facility. International Communication can also be done.</p> <p>Two benefits of Oral Communication are:</p> <ul style="list-style-type: none"> • Time-Saving: This type of communication is very fast. • Economical: It saves the cost for stationeries and other costs related to the non-verbal channel of communication. 	5
50.	<p>(i) Export Import Bank of India (EXIM Bank): If you want to set up a business for exporting products abroad or importing products from foreign countries for sale in our country, EXIM bank can provide you the required support and assistance.</p> <p style="text-align: center;">OR</p> <p>(ii) National Bank for Agricultural and Rural Development (NABARD): It is a central or apex institution for financing agricultural and rural sectors. If a person is engaged in agriculture or other activities like handloom weaving, fishing, etc. NABARD can provide credit, both short-term and long-term,</p>	5
51.	<p>Afzal is a wholesaler in a fruit market and Wholesalers are those middlemen in the channel of distribution who deal in goods in bulk quantity. They sell goods to retailers and in some cases directly to consumers. Wholesalers perform the functions of collection and storage of goods, distribution, financing, risk taking, gradidng and pricing.</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0; text-align: center;"> Producer → Wholesaler → Retailer → Consumer </div> <p>(i) When the goods cater to a local market, for example, breads, biscuits, patties, etc.</p> <p>(ii) (ii) When the retailers are big and buy in bulk but sell in smaller units, directly to the consumers. Departmental stores and super bazars are examples of this channel</p>	5

