



# BUSINESS STUDIES

(319)

Time : 3 Hours ]

[ Maximum Marks : 100

- Notes :
- (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 2 marks each (with two sub parts of 1 mark each). Attempt these questions as per the instructions given for each of the question.
  - (vi) Section - C consists of :
    - (a) Q. No. 36 to 41 - Very Short Answer type questions, carrying 2 marks each to be answered in the range of 30 to 50 words.
    - (b) Q. No. 42 to 47 - Short answer questions carrying 3 marks each to be answered in the range of 50 to 80 words.
    - (c) Q. No. 48 to 51 - Long Answer type questions carrying 5 marks each to be answered in the range of 80 to 120 words.

## NOTE :

- (1) Answers of all questions are to be given in the Answer-Book given to you.
- (2) 15 minutes time has been allotted to read this question paper. The question paper will be distributed at 02.15 p.m. From 02.15 p.m. to 02.30 p.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

## SECTION - A

Note : Q.No. 1 to 20 are the multiple choice questions of 1 mark each.

1. An investor decides to invest in India after observing a stable government and clear industrial policies. This situation is a reflection of which environment ? 1  
(A) Social Environment (B) Political Environment  
(C) Natural Environment (D) Technological Environment
2. The main objectives of external trade is to : 1  
(A) Increase population (B) Earn foreign Exchange  
(C) Increase imports only (D) Reduce Production
3. Explain why encryption is considered critical for securing online payments. 1  
(A) To prevent theft of credit card details during transmission  
(B) To make payment faster  
(C) To get discount  
(D) To avoid bank charges
4. Singapore imports goods from India and sells them to Vietnam. What type of trade is Singapore performing ? 1  
(A) Retail Trade (B) Wholesale Trade  
(C) Entrepot Trade (D) Internal Trade
5. The difference between 'Transfer' and 'Promotion' is : 1  
(A) Transfer is vertical; Promotion is horizontal  
(B) Transfer is horizontal; Promotion is vertical (upward)  
(C) No difference  
(D) Transfer increases pay
6. Using 'Walk-in' interviews is best suited for : 1  
(A) Urgent requirement (B) CEO selection  
(C) Secretive hiring (D) Internal hiring
7. Production Manager asks HR to hire 5 more workers for a new order. This is : 1  
(A) Conflict (B) Planning  
(C) Controlling (D) Coordination between departments
8. Offering a free sample of shampoo with a magazine is an example of which promotional technique ? 1  
(A) Advertising (B) Sales Promotion  
(C) Personal Selling (D) Publicity

9. Why does a shopkeeper offer a '₹ 500 off' coupon for the next purchase ? 1  
 (A) To ensure repeat purchase (B) To clear old stock immediately  
 (C) To maintain uniform pricing (D) To reduce the cost of advertising
10. Goods imported by sea were damaged due to sea water during transit. Which document will help the importer to claim compensation ? 1  
 (A) Indent (B) Invoice  
 (C) Insurance Policy (D) Order
11. An official order or requisition placed for import of goods is : 1  
 (A) Letter of Credit (B) Indent  
 (C) Bill of Lading (D) Shipping order
12. Which of the following is **not** included in 4P's of marketing ? 1  
 (A) Publicity (B) Place (C) Price (D) Product
13. The pricing of a product mainly depends on - 1  
 (A) Colour of the Product (B) Advertisement  
 (C) Packaging (D) Cost of production
14. Departmental Stores sell : 1  
 (A) Only one product. (B) Only services  
 (C) A variety of Products (D) Only luxury goods
15. Which institution is responsible for issuing a Letter of Credit ? 1  
 (A) Exporter (B) Importer  
 (C) Importer's Bank (D) Exporter's Bank
16. Personal selling is preferred when products are : 1  
 (A) Expensive (B) Standard (C) Cheap (D) Mass
17. If the top management holds all decision-making power within an organization, the company is described as being : 1  
 (A) Decentralised (B) Centralised (C) Delegated (D) Informal
18. During recruitment, reference check mainly verifies : 1  
 (A) skills (B) knowledge (C) character (D) age
19. To fill a sudden vacancy of a labourer, the factory manager goes to : 1  
 (A) University (B) Factory Gate  
 (C) Consultancy (D) Newspaper Advertisement
20. When a production manager communicates the production plan to the sales manager, the type of communication is : 1  
 (A) Upward (B) Downward (C) Horizontal (D) Diagonal

## SECTION - B

Note : Q. No. 21 to 35 are objective type questions. Each question carry 2 marks.

21. Complete the following statements by filling in the blanks : 2
- (a) Authority flows from \_\_\_\_\_ to \_\_\_\_\_.
- (b) Responsibility flows from \_\_\_\_\_ to \_\_\_\_\_.
22. Identify the group towards which business is responsible. 2
- (a) When the organisation pays the taxes on time.
- (b) When the company declares dividend at a higher rate.
23. State whether the following statements are true or false : 2
- (a) A lawyer running his firm is self-employed.
- (b) A manager in a company is self-employed.
24. State whether the following statements are true or false : 2
- (a) Ancillary units must supply 100% of production to parent unit.
- (b) The operation of a small business is flexible.
25. Name any 2 facilitators of external trade. 2
26. State whether the following statements are true or false : 2
- (a) Capital market promotes economic growth.
- (b) Money market controls inflation.
27. Identify the relevant term or concept for each of the following statements. 2
- (a) The legal status acquired by a company immediately upon its registration under the Companies Act.
- (b) Members may come and go but the company can go on forever.
28. Identify the returns associated with the following stakeholders : 2
- (a) Shareholders generally receive \_\_\_\_\_.
- (b) Lenders to a company typically receive \_\_\_\_\_.
29. Identify the following financial concepts : 2
- (a) Money needed for raw materials : \_\_\_\_\_.
- (b) Money needed for machinery : \_\_\_\_\_.
30. State whether the following statements are true or false : 2
- (a) Export trade involves inflow of foreign goods.
- (b) A forwarding agent typically acts on behalf of the exporter.

31. Give the full form of :

- (a) SSIDC
- (b) SISI

2

32. Give answer in one word :

- (a) Name the type of company that prohibits invitation to the public to subscribe for any securities.
- (b) Name the person who assumes the task of promotion.

2

33. Fill in the blanks in the following statements :

- (a) Formal organisation is created by \_\_\_\_\_.
- (b) Informal organisation is created by \_\_\_\_\_.

2

34. Identify the following business concepts :

- (a) 'Paperless' stock trading is possible due to \_\_\_\_\_.
- (b) \_\_\_\_\_ is the first organised stock exchange in India.

2

35. Fill in the blanks in the following statements :

- (a) Fixed capital is invested in \_\_\_\_\_ assets.
- (b) Working capital is calculated as Current Assets minus \_\_\_\_\_.

2

### SECTION - C

Note : Q. No. 36 to 51 given below. Internal choices have been given wherever necessary.

36. How does external trade help in improving international relations ?

2

OR

State any two points explaining the role of external trade in bringing about price equalisation.

37. What is meant by the term 'Grapevine' in the context of organizational communication ?

2

OR

Explain why the screening of applications is a vital step in the selection process.

38. Explain why 'Authority' is delegated but not 'Responsibility'.

2

OR

How does 'planning reduce uncertainty' ?

39. What is 'Job Specification' ? 2
40. Define the term 'Wholesaler' and describe their primary role in the business context. 2
41. Define 'GDR'. 2
42. Explain why manufacturers of industrial goods prefer a direct channel of distribution. 3  
OR  
Explain the importance of using a brand name.
43. Give any 3 merits of Public deposits. 3  
OR  
Give any three merits of equity shares from shareholder's point of view.
44. Explain the concept of direct marketing. Identify any 2 methods of direct marketing. 3  
OR  
State any two importance and one drawback of Internet Marketing.
45. State the reasons why internal recruitment has limitations. 3
46. How does GST provide benefits to business & economy ? 3
47. Riya wants to purchase a product online but does not trust digital payment methods. 3  
She prefers to pay only in cash when the product is delivered to her doorstep.  
(a) Identify the mode of payment used in this case.  
(b) State any two digital payment options available to her.
48. Explain any five factors that affect the choice of the source of finance. 5  
OR  
Explain the importance of stock exchange from the point of view of companies and investors.
49. "Channels of distribution are a vital link between manufactures and consumers". Do you agree ? Why ? Mention and explain any four types of Channels of distribution. 5  
OR  
Explain the importance of labelling in the product mix.

50. 'With growing unemployment and lack of job opportunities self employment has become very significant'. In the light of this statement explain any five points of importance of self employment. 5

51. Two independent companies decide to come together and form a new business to undertake a large project that requires combined resources and expertise. They share profits, risks, and management responsibilities. 5

In the context of the above situation :

- (a) Name the form of organisation formed by such combined efforts.
- (b) Explain any four features of this form of organisation.

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