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**INDIAN SCHOOL MUSCAT
SECOND PRE BOARD EXAMINATION 2023
ELEMENTS OF BUSINESS (154)**



CLASS : X
DATE: 13-02-2023

TIME ALLOTTED : 3 HRS.
MAXIMUM MARKS: 70

GENERAL INSTRUCTIONS:

1. All questions are compulsory.
2. Questions from serial no. 1 to 18 are multiple choice questions, carrying 1 mark each. These are to be answered by writing the correct option in your answer sheet.
3. Answers to questions from serial no. 19 to 22 carrying 3 marks each may be of 50 to 70 words each.
4. Answers to question from serial no. 23 to 26 carrying 4 marks each may be of about 150 words.
5. Answers to questions from serial no. 27 to 30 carrying 6 marks each may be of about 200 words.
6. Attempt all parts of a question together.

1. Centralised control in MNC's implies control exercised by 1
 (a) Headquarters (b) Government
 (c) Branches (d) Subsidiaries
2. Equity shareholders are called 1
 (a) Owners of the company (b) Partners of the company
 (c) Debtors of the company (d) Creditors of the company
3. Signature of a company is known as : 1
 (a) Trademark of the Company (b) Logo of the Company
 (c) Common Seal (d) Signature of the Director
4. Which of the following is a type of Non- store retailing 1
 (a) Consumer Cooperative Store (b) Selling through Internet
 (c) Franchisee (d) Chain Stores
5. Shahida is in-charge of the centralized procurement of merchandise for all the retail units of a popular chain store at its head office in Chennai. From there the goods are dispatched to its network of retail shops. The advantage of Shahida's function to the organisation is 1
 (a) Economies of scale (b) Low cost
 (c) both a and b (d) No bad debts
6. Which of the following does not come under the category of fixed shop retailers? 1
 (a) General Stores (b) Chain Stores
 (c) Market Traders (d) Departmental Stores
7. Automatic vending machine is generally used to sell: 1

- (a) Soft Drinks (b) Chocolates
(c) Chips (d) all of the above
8. The full form of e-mail is..... 1
(a) Electric Mail (b) Extra Mail
(c) Extension Mail (d) Electronic Mail
OR
.....is not used for making payment.
(a) Debit Card (b) Credit Card
(c) Pay –in-slip (d) Cash
9. Retail trade means: 1
(a) Buying and selling in small quantity (b) Buying and selling in large quantity;
(c) Exporting goods and services (d) Importing goods and services.
OR
_____ is not a feature of Departmental Store
(a) Centralised Location (b) Wider Range
(c) Central Purchases (d) Specialised in one line product
10. Invoice is prepared by..... in case of sale of goods 1
(a) Buyer (b) Seller
(c) Borrower (d) Owner
OR
In a credit sale:
(a) Payment is not made by cash, it is made by credit card.
(b) Payment is not made by cash, it is made online.
(c) Payment is not made by cash, it is made by cheque.
(d) Payment is not made at the time of delivery, it is made later.
11. Which of the following can be classified as a borrowed fund? 1
(a) Equity Shares (b) Preference Shares
(c) Retained earnings (d) Debentures
OR
Which of the following is the permanent source of capital?
(a) Commercial Paper (b) Equity Shares
(c) Preference Shares (d) Debentures
12. Document that is sent by the seller to a potential customer offering to sell goods or services at a certain price is known as: 1
(a) Debit Note (b) Credit Note
(c) Quotation (d) Accounts Payable
OR
The process of communication is incomplete without _____
(a) Rumours (b) Feedback
(c) Encoding (d) Decoding
13. Which of the following indicates the correct sequence of the elements of communication in the communication process? 1
(a) Sender -> Receiver -> Channel -> Message -> Feedback
(b) Receiver -> Feedback -> Sender -> Message -> Channel

- (c) Sender -> Channel -> Message -> Feedback -> Receiver
 (d) Sender -> Message -> Channel -> Receiver -> Feedback

OR

A process of communication in which the message is exchanged through letters sent by post is called.....

- (a) Oral Communication (b) Written Communication
 (c) Online Communication (d) Visual Communication

14. Advertising cannot be done by using the medium of 1
 (a) Television (b) Internet
 (c) Salesman (d) Radio

OR

Which of the following is not a print media of advertising:

- (a) Internet (b) Newspapers
 (c) Posters (d) Magazines

15. A document that certifies the delivery of goods to the buyer, who must sign it to make it clear that the goods have been delivered in accordance with the conditions established, is called: 1
 (a) Invoice (b) Delivery Note
 (c) Condition Note (d) Delivery Certificate

OR

The following is not a technique of a tool of promotion which boosts the sale of a product in the short run:

- (a) Rebate (b) Discount
 (c) Contests (d) Publicity

16. Which of the following is an internal source of finance? 1
 (a) Bonds (b) Debentures
 (c) Retained Earnings (d) Loan from Financial Institutions

17. Read the following statements: Assertion (A) and Reason (R). Choose one of the correct alternatives given below: 1
 Assertion (A): Chain stores has a number of departments, each one confining its activities to one kind of product.
 Reason(R): A departmental store is a large establishment offering a wide variety of products, classified into well-defined departments, aimed at satisfying practically every customer's need under one roof.
 (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
 (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
 (c) Assertion (A) is true, but Reason (R) is false
 (d) Assertion (A) is false, but Reason (R) is true

18.activities included offering cash discounts, sales contests and free samples to the customers. 1
 (a) Sales Promotions (b) Personal Selling
 (c) Advertising (d) Publicity

OR

Advertising aims at.....

- (a) Product Selling (b) Marketing

(c) Customer Relations

(d) Mass Communication

19. Discuss briefly, advertisement as a non-personal promotional tool for a business. 3
- OR
- Identify and discuss briefly, the promotional tool which induces people to make immediate purchase of a product.
20. Raman has set up beauty products manufacturing unit on 30th April, 2019. He has got his unit registered under Companies Act, 2013. From the day of its registration, it acquired an identity separate from its members. The Board of directors of the company appointed top officials for running the business. Identify the three features of the company form of organization highlighted above by quoting the lines. 3
21. Shantanu wanted to set up a business in which the buying and selling takes place without any face-to-face contact between the buyer and the seller and no middleman is involved in the process. What will be the type of products which will be suitable to be sold, by the business he wishes to start? 3
22. 'No business organisation can imagine communication activities without telephone in the modern times'. Elaborate the given statement in the light of the present day communication methodologies. 3
23. Sanyam, an N-95 masks producer has decided to expand the production capacity of his factory after the outbreak of the global pandemic of COVID-19. He decided to modernise the plant and machinery at an estimated cost of ₹ 12 crores. However, he does not have adequate reserves to finance the expansion process. He approached, Mr. Aashish, his chartered accountant for suggestions on the sources of finance. Suppose you are Mr. Aashish, state any four sources of finance available with Sanyam. 4
24. Discuss the role of sender and receiver in the communication process under a business organisation. 4
- OR
- Explain the preferential rights enjoyed by Preference Shareholders over Equity Shareholders.
25. 'Video Conferencing has been growing rapidly as a method of communication for the present day business organisations'. Discuss the advantages of the method in the light of the given statement. 4
26. Explain any two advantages of Telephonic conversation as a means of business communication. 4
- OR
- Discuss how a buyer can exercise the methods of 'purchase by sample' and 'purchase by inspection'.
27. Kavya limited is a manufacturer/dealer of variety of FMCG products such as chips, biscuits, namkeens, sweets and juices. Owing to lower sales volume and rise in competitors, the company has failed to generate sufficient profits over the last two financial years. The top management of the company questions Mr. Siddharth Mehta, the Marketing Manager of the company, about the prevailing situation and asks for the possible solutions. As immediate measures, Mr. Mehta suggested the following for increasing sales of the product line: 6
- (i) 30% extra Namkeen in a pack of 1 kg.

(ii) On return of the wrapper, a customer gets a sum of money off on the purchase of the same product.

(iii) A packet of juice free with a box of sweets.

(iv) Scratch a card and get a silver coin with a purchase of chips.

(v) A mobile company offers a discount of ₹ 2,000 to clear off excess inventory.

Identify the promotional tools and the techniques suggested by Mr. Mehta to the top management in order to the increase sales volume of the product line.

28. Explain the importance of Personal Selling to a business organisation. 6
OR
Discuss any four media of Advertising.
29. 'In the real life market conditions, there are some retail shops which are owned and operated by same parent organisation and have identical merchandising strategies'. Identify these types of 'retail shops'. Also, discuss any four advantages of such 'retail shops'. 6
30. Define 'Trade Credit'. State two merits and two limitations of Trade Credit. 6

******END OF THE QUESTION PAPER******

