




**INDIAN SCHOOL SOHAR**  
**UNIT TEST I (2024-25)**  
**BUSINESS STUDIES (054)**

**CLASS XII**  
**DATE: 22/05/2024**

**SET - 1**

**MAX.MARKS: 20**  
**TIME: 40 MINUTES**

	<p><b><u>General Instructions:</u></b> Read the following instructions carefully:</p> <ol style="list-style-type: none"> <li>1. This question paper contains 8 questions.</li> <li>2. Marks are indicated against each question.</li> <li>3. Answers should be brief and to the point.</li> <li>4. Answers to the questions carrying 3 marks may be from 50 to 75 words.</li> <li>5. Answers to the questions carrying 4 marks may be about 150 words.</li> <li>6. Answers to the questions carrying 6 marks may be about 200 words.</li> <li>7. Attempt all parts of the questions together.</li> </ol>									
1.	<p>Which of the following is not a function of stock exchange?</p> <ol style="list-style-type: none"> <li>(a) Safety of transaction</li> <li>(b) Pricing of securities</li> <li>(c) Providing liquidity and marketability to existing securities</li> <li>(d) Holding securities in electronic form</li> </ol>	1								
2.	<p>_____ as an element of marketing mix includes the activities that make the firm's products available to the target customers.</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">(a) Promotion</td> <td style="width: 50%;">(b) Place</td> </tr> <tr> <td>(c) Product</td> <td>(d) Price</td> </tr> </table> <p style="text-align: center;"><b>OR</b></p> <p>'A good physical distribution system should provide for an accurate and speedy processing of orders in the absence of which goods will reach the customers late or in wrong quantity'. The component of physical distribution highlighted above is:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">(a) Warehousing</td> <td style="width: 50%;">(b) Order Processing</td> </tr> <tr> <td>(c) Transportation</td> <td>(d) Inventory Control</td> </tr> </table>	(a) Promotion	(b) Place	(c) Product	(d) Price	(a) Warehousing	(b) Order Processing	(c) Transportation	(d) Inventory Control	1
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3.	<p>Identify the function of marketing illustrated by the picture given here:</p> <div style="text-align: center;">  </div> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">(a) Branding</td> <td style="width: 50%;">(b) Packaging and labelling</td> </tr> <tr> <td>(c) Product designing and development</td> <td>(d) Promotion</td> </tr> </table>	(a) Branding	(b) Packaging and labelling	(c) Product designing and development	(d) Promotion	1				
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4.	<p>For the following two statements choose the correct option:</p> <p><b>Statement I:</b> Capital market instruments are considered riskier both with respect to returns and principal repayment.</p> <p><b>Statement II:</b> Capital market instruments generally yields a higher return for investors.</p> <p>Choose the correct option from the options given below:</p> <p>(a) Statement I is correct and II is wrong                      (b) Statement II is correct and I is wrong  (c) Both the statements are correct                                (d) Both the statements are incorrect</p>	1
5.	<p>Briefly explain “Dematerialisation”. Write any two benefits of keeping securities in dematerialized form.</p>	3
6.	<p>It is the belief of Sarida Garments Pvt. Lid that if the quality of goods/services is good then the customers can easily be attracted. The basis of the thinking is that the customers get attracted towards the product of good quality. On the basis of this thinking the company directs its marketing was improving the quality of its product.</p> <p>Identify and explain the marketing philosophy as mentioned in this paragraph and name two more marketing philosophies related to need satisfaction of customers.</p>	3
7.	<p>Stay Fit, a probiotic drink was launched in the market by Dahal fodia Ltd, and is available in various cities across the country. Doctors are recommending as is very useful for the stomach. The company is also using various tools to inform and persuade customers about its product. It has recently started free distribution of its samples to encourage the customers to know about its benefits to buy this probiotic drink in future.</p> <p>The company has also appointed many salespersons, who contact the prospective buyers and communicate with them to make sales. This way, the company can develop personal rapport with its customers.</p> <p>To create awareness and to increase its popularity among school children, it also organises workshops for students and teachers. It also arranged visits of students and teachers to the factory to create awareness about the standards of hygiene adopted in processing and packaging, etc.</p> <p>This helps the company to build a positive image of its product in the society. This way the company is using a combination of communication tools to inform and persuade customers about their firm’s product.</p> <p>Identify and explain these tools.</p>	4
8.	<p>Briefly explain the various floatation methods in primary market.</p> <p style="text-align: center;"><b>OR</b></p> <p>'Financial markets are classified on the basis of the maturity of financial instruments traded in them'. Name and explain the market in which the instruments with more than one year maturity are traded. Also state <i>any four</i> features of this market.</p>	6