



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

CLASS XII
DATE: 22/05/2024

SET - 2

MAX.MARKS: 20
TIME: 40 MINUTES

General Instructions:

Read the following instructions carefully:

1. This question paper contains 8 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

1. "Holding share certificates in physical format carries risks like certificate forgeries, loss of important share certificates and delays in certificate transfers. But this, allows customers to convert their physical certificates into electronic format, thereby eliminating the aforementioned hassles." What is mentioned in the paragraph is: 1

- | | |
|-------------------------------------|------------------------------------|
| (a) Depository Trust Company | (b) Securities Exchange Commission |
| (c) Dematerialisation of securities | (d) Federal Depository Insurance |

2. Within 2 years of its inception, Zenith Innovations has effectively cultivated a highly positive image for both its brand and products among the general public through extensive involvement in diverse social welfare initiatives. Identify the component of promotion mixing described in the given lines. 1

- | | |
|---------------------|----------------------|
| (a) Advertising | (b) Personal selling |
| (c) Public relation | (d) Sales promotion |

OR

Uniq Limited has recruited 300 sales personnels who will be tasked with reaching out to potential customers to introduce and raise awareness about the new line of organic fragrances offered by the company.

- | | |
|----------------------|---------------------|
| (a) Advertising | (b) Sales promotion |
| (c) Personal selling | (d) Public relation |

3. Identify the function of marketing illustrated by the picture given here: 1



- | | |
|---------------------------------------|-----------------------------|
| (a) Branding | (b) Packaging and labelling |
| (c) Product designing and development | (d) Promotion |

4. For the following two statements choose the correct option: 1
Statement I: Individual investors although permitted to transact in the primary market, do not directly enter into it.
Statement II: Prices in the primary market are determined by demand and supply of securities in the stock exchange.
Choose the correct option from the options given below:
(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
5. Stock exchange acts as a regulator of the securities market. It creates a continuous market where the securities are bought and sold. It gives investors the chance to disinvest and reinvest. Through this process of disinvestment and reinvestment, savings get channelized into their most productive investment avenues. To ensure that the investing public gets a safe and fair deal in the market, the membership of the stock exchange is well regulated and its dealings are well defined according to the existing legal framework. It also ensures wider share of ownership by regulating new issues, better trading practices and taking effective steps in educating the public about investments. 3
Identify and state any three functions performed by the Stock Exchange discussed in the above para.
6. Bhavni, a show manufacturer for school students, decided to maximise her profit by producing and distributing at large scale and thereby reducing the average cost of production. 3
(i) Identify the marketing philosophy adopted by Bhavni.
(ii) Explain this philosophy on the basis of:
(a) Main focus
(b) Means and ends
7. Jairam is working as the Chief Executive Officer of a soft drinks company. The company is doing its business in collaboration with a soft drinks company of France, Jairam's friend, Swami a teacher of Business Studies in a reputed college was discussing the 'Marketing' chapter with his students. He wanted clarity from Jairam about the factors which affect the marketing decisions. Jairam explained that there were a large number of factors affecting marketing decisions which may be divided into two categories (1) controllable factors, and (ii) non-controllable factors. Jairam further explained that controllable factors became marketing tools that can be constantly shaped and reshaped by marketing managers, to achieve marketing success. Identify and explain the set of marketing tools that can be constantly shaped and reshaped by marketing managers. 4
8. Briefly explain the steps involved in the screen-based trading for buying and selling of securities in the secondary market. 6

OR

Hitashi Ltd is a well-known company in the cement industry since 2009. The company has an authorised capital of 100 crore and is listed with a reputed stock exchange. The value of its shares is increasing day-by-day due to increase in the demand for cement. Now the company wants to enter into car manufacturing business. For this it requires 200 crores. The Finance Manager of the company decides to raise this capital by a public issue.

- (a) Identify the market in which the company's existing securities are being traded.
(b) Name the market through which the company wants to raise its capital of 200 crore for its new business.
(c) Distinguish between the markets identified in (a) and (b) above on the basis of any four points.