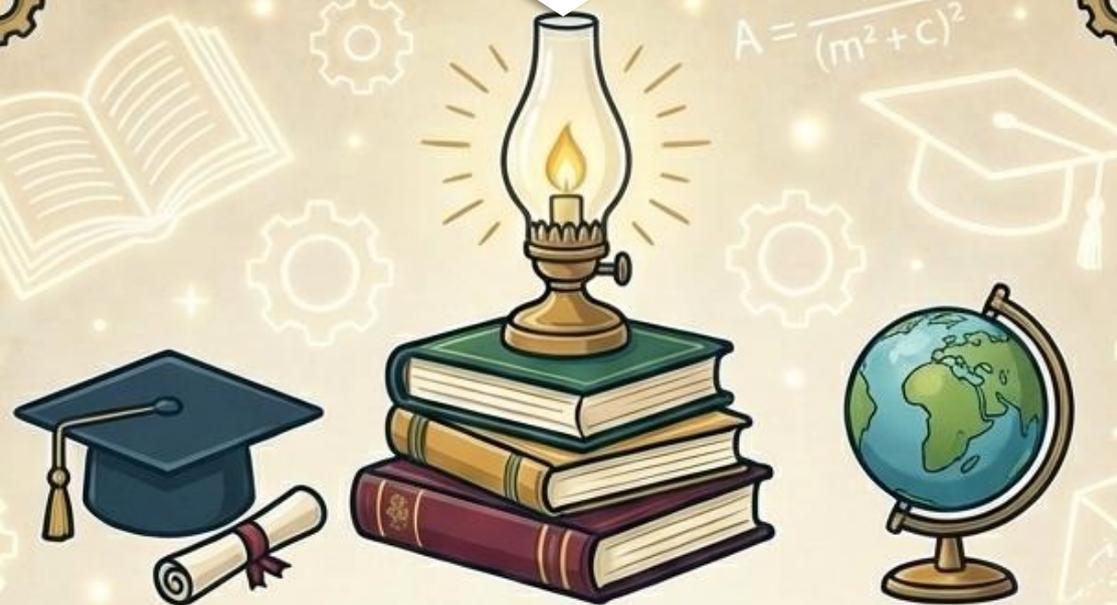




$$A = \frac{m}{(m^2 + c)^2}$$



NIOS PYQ's SOLUTIONS

$$fa = bc^2$$

$$\sqrt{h-x^2}$$

PREVIOUS YEARS' QUESTIONS & ANSWERS



APRIL-2024

Your Path to Success

SECTION - A

A.
B.
C. 

Q 1. A sole trader has:

- (A) Unlimited resources
- (B) Limited resources
- (C) Sufficient resources
- (D) None of the above

Answer - (B) Limited resources

Or

Who takes the decisions in a Joint Hindu Family?

- (A) All members
- (B) Consensus
- (C) Karta
- (D) None of the above

Answer - (C) Karta

Q 2. The primary aim of cooperative society is to:

- (A) earn more profits
- (B) serve the members
- (C) raise production
- (D) none of these

Answer – (B) serve the members



Or

A Joint Stock Company is registered under the:

- (A) Statutory Act
- (B) Chartered Act
- (C) Companies Act
- (D) Contract Act

Answer – (C) Companies Act

Q 3. Which of the following is not a method of direct distribution?

- (A) Direct Mail
- (B) Broker
- (C) Factory Outlet
- (D) Telemarketing

Answer – (B) Broker

Q 4. Direct channels of distribution include:

- (A) Producer → Retailer
- (B) Producer → Consumer
- (C) Producer → Agent → Consumer
- (D) Retailer → Consumer

Answer – (B) Producer → Consumer

Or



Retailers are the traders who buy goods from:

- (A) Customers
- (B) Wholesalers
- (C) Both (A) and (B)
- (D) Consumers

Answer – (B) Wholesalers

Q 5 Which of the following is not a characteristic of advertising?

- (A) Impersonal
- (B) Non-paid
- (C) Identified sponsor
- (D) Mass communication

Answer – (B) Non-paid

Q 6 Advertising is affected by _____ factors.

- (A) Economic
- (B) Social
- (C) Technological
- (D) All the above

Answer – (D) All the above

Or



Electronic media includes:

- (A) Radio
- (B) Television
- (C) Internet
- (D) All of these

Answer – (D) All of these

Q 7 In which year Consumer Protection Act was enforced?

- (A) 1976
- (B) 1984
- (C) 1986
- (D) 1995

Answer – (C) 1986

Q 8 In case an aggrieved consumer is not satisfied with the decision of the State Commission, he can make further appeal into:

- (A) National Commission
- (B) District Forum
- (C) Supreme Court of India
- (D) All of the above

Answer – (A) National Commission



Q 9 Consumerism refers to movement by:

- (A) Consumers
- (B) Producers
- (C) Society
- (D) Government

Answer – (A) Consumers

Or

In case consumer is not satisfied with the order passed in the National Commission, he can further make an appeal to:

- (A) District Court
- (B) High Court
- (C) Supreme Court
- (D) Any Court

Answer – (C) Supreme Court

Q 10 Which right provides due compensation to consumers?

- (A) Right to choose
- (B) Right to be heard
- (C) Right to be informed
- (D) Right to seek redressal

Answer – (D) Right to seek redressal

Or



Consumer is a person who:

- (A) Consumes goods and services
- (B) Uses goods and services
- (C) Buys goods and services for use
- (D) All of these

Answer – (D) All of these

Q 11 Which of the following rights reflects that consumer's interests will receive due consideration at appropriate forums?

- (A) Right to be heard
- (B) Right to choose
- (C) Right to seek redressal
- (D) None of the above

Answer – (A) Right to be heard

Or

Which of the following is not the responsibility of the consumer ?

- (A) To be heard
- (B) To think independently
- (C) To be aware
- (D) To complain

Answer – (A) To be heard



Q 12 Consumer protection is important because of:

- (A) Consumer ignorance
- (B) Unorganised Consumers
- (C) Widespread exploitation of Consumers
- (D) All of the above

Answer – (D) All of the above

Q 13 Which of the following right depicts that they should know their rights and must exercise them?

- (A) Right to be informed
- (B) Right to be heard
- (C) Right to Consumer Education
- (D) Right to choose

Answer – (C) Right to Consumer Education

Q 14 A standardised mark printed on jewellery is known as:

- (A) ISI
- (B) Agmark
- (C) Hallmark
- (D) ISO 2009

Answer – (C) Hallmark

Or



District Commission has jurisdiction to entertain complaints where the value of goods and services paid as consideration does not exceed _____ rupees.

- (A) 10 lakh
- (B) 20 lakh
- (C) 30 lakh
- (D) 40 lakh

Answer – (B) 20 lakh

Q 15 Wage employment means:

- (A) Doing business
- (B) Serving another person for wages or salary
- (C) Engaging in some economic activity on his own
- (D) None of the above

Answer – (B) Serving another person for wages or salary

Q 16 Career Path means:

- (A) Work done in different job positions
- (B) Way adopted for a career
- (C) Getting professional degree
- (D) Getting a job title

Answer – (B) Way adopted for a career



Q 17 Choice of career involves:

- (A) Wage Employment**
- (B) Self-employment**
- (C) Both (A) and (B)**
- (D) None of these**

Answer – (C) Both (A) and (B)

Or

Choosing career requires:

- (A) Interest**
- (B) Personality**
- (C) Skills**
- (D) All of these**

Answer – (D) All of these

Q 18 Entrepreneurship leads to _____ in unemployment.

- (A) Increase**
- (B) Decrease**
- (C) Neither increase or decrease**
- (D) None of the above**

Answer – (B) Decrease



Q 19 Which of the following are the qualities of successful entrepreneur?

- (A) They are confident
- (B) They take responsibility for their actions
- (C) They work hard
- (D) All of the above

Answer – (D) All of the above

Q 20 An entrepreneur do the things as:

- (A) others are doing
- (B) different from other
- (C) a lazy person
- (D) none of these

Answer – (B) different from other

Or

Which of the following is a function of the entrepreneur?

- (A) Innovation
- (B) Risk bearing
- (C) Managing
- (D) All of above

Answer – (D) All of above



SECTION—B



Q 21 Fill in the blanks:

(a) The activities which are performed with an objective to earn money are known as _____.

Answer – Economic activities

(b) The terms and conditions of employment are decided by the _____.

Answer – Employer

Q 22 Fill in the blanks:

(a) Today because of _____ the entire world has become a big market.

Answer – Globalisation

(b) Paying taxes to the government honestly and regularly is guided by _____.

Answer – Ethics (or Social Responsibility)

Q 23 Raman General Store is a big businessman who deals in selling Nestle products in his locality. He purchased products of Nestle directly from the State Distributor in bulk quantities and sold them in the market of small shopkeepers from different corners of the city. Identify which type of trade followed by Raman General Store?

Answer – Wholesale Trade (Raman buys in bulk and sells to small shopkeepers).

Or



'Moon Oil Mills' produce refined oil. The entire production is lifted by 'Shashi Oil depot', who in term sells it to various retailers. Mrs. Kamla, purchased 3 kg of oil from 'Ramaji Groceries'. Name the wholesaler and retailer.

Answer – Wholesaler: Shashi Oil depot; **Retailer:** Ramaji Groceries.

Q 24 True or False:

(a) The liability of a sole proprietor is limited.

Answer – False

(b) Domestic producers improve the quality of their products because of multinational companies.

Answer – True

Q 25 Mr. Vikas is running a business in sole proprietorship. Due to loss in the business he decided to wind up. On the day of winding up, the assets are worth 5 lakh and liabilities are worth 8 lakh. He also has his personal property of 8 lakh. How much do you think creditors will get at the time of winding up of the business?

Answer – Creditors will get 8 lakh (5 lakh from business assets + 3 lakh from personal property).

Or

Mrs. Reeta wants to start a business organisation but she is afraid that in case the assets of her business fall short of repaying the liabilities, her personal assets could also be used to repay the liabilities. Suggest to Mrs. Reeta, which form of business organisation she should start so that her fear comes to end.

Answer – Joint Stock Company (Liability is limited to share value)



Q 26 True or False:

(a) Feedback is one of the elements of the process of communication.

Answer – True

(b) People in an organisation can escape from communication.

Answer – False

Or

Fill in the blanks:

(a) The person who receives the message is called as _____.

Answer – Receiver

(b) Communication through words spoken is known as _____.

Answer – Oral Communication

Q 27 Best Answer Test:

(a) The communication with the help of pictures, symbols, diagrams is called as _____.

(b) What is Video-Conferencing?

Answer – (a) Visual Communication

(b) It is a live visual connection between two or more people in separate locations for communication

Q 28 Fill in the blanks:

(a) KYC stand for _____.

Answer – Know Your Customer

(b) In a bank's Balance Sheet, deposits is a _____.

Answer – Liability



Or

True or False:

(a) Overdraft facility can be provided in Current Account.

Answer – True

(b) RBI Act was enacted in 1935.

Answer – True

Q 29 (a) Mahesh's father wants to save 2,00,000 so that he can gift the money to Mahesh on his graduation day. Which type of deposit should he open with the bank?

Answer – Fixed Deposit Account

(b) Mr. Ravi has limited income and wants to save money for future needs. Which type of bank deposit account should he open with the bank?

Answer – Savings Bank Account

Q 30 Fill in the blanks:

(a) The consideration of insurance is known as _____.

Answer – (a) Premium

(b) The principle of utmost good faith is based on _____ between insurer and insured.

Answer – Mutual Trust/Faith.

Q 31 If a person takes life insurance policy in the name of his wife and if later they get divorced. Will it affect the insurance contract?

Answer – No, divorce will not affect the insurance contract if insurable interest existed at the time the policy was taken.

Or



The ship carrying oranges was insured against losses arising from accident with insurance company. The ship reached the port safely and there was a delay in unloading the oranges from the ship. As a result, the oranges got spoilt. Will the insurance company responsible to pay any compensation to insured?

Answer – No, the insurance company is not liable because the loss was not due to the insured risk.

Q 32 True or False:

(a) Wholesalers require small amount of capital investment for their business.

consumers.

Answer – False

(b) Channel of distribution is the route taken by goods as they move from producers to consumers.

Answer – True

Q 33 True or False:

(a) Advertising is a powerful communication force, and it is also an important activity of promotion mix.

Answer – True

(b) Salesmen get no help from advertising while selling goods and services to customers.

Answer – False

Q 34 True or False:

(a) Responsibility of Consumer includes proper use of products or services.

Answer – True



(b) A responsible consumer is one who tries to protect his interest on his own

Answer – True

Q 35 Best Answer Test:

(a) When was the Essential Commodities Act was enacted?

(b) BIS stands for _____.

Answer – (a) 1955

(b) Bureau of Indian Standards

Or

Fill in the blanks:

(a) State Commission can deal with cases involving value of goods not exceeding _____.

Answer – 1 Crore (Updated limit).

(b) Prevention of Food Adulteration Act was passed in the year _____.

Answer – 1954



SECTION—C



Q 36 What is a Partnership? Explain in your own words.

Answer – Partnership is a legal relationship between two or more persons who agree to carry on a business together and share its profits. It is based on mutual trust, and partners have unlimited liability.



Q 37 What is Thrift and Credit Society? Explain.

Answer – These societies are formed to encourage the habit of savings (thrift) among members. They provide small loans to members at reasonable interest rates for productive or personal purposes, protecting them from exploitation by moneylenders.

Q 38 Which medium of advertising will be preferred by the blind?

Answer – Radio is the most effective medium for blind people as it relies entirely on audio. They can listen to product details, prices, and benefits without needing to see the advertisement.

Or

Which media is useful for illiterate consumers?

Answer – Television and Radio are very useful for illiterate consumers. TV uses visuals and sound, while Radio uses only sound, making it easy for them to understand messages without reading.

Q 39 Who is a Consumer? Explain in brief.

Answer – A consumer is a person who buys goods or hires services for personal use and not for resale or commercial purposes. Anyone who uses the product with the buyer's permission is also a consumer.

Or

Give any two reliefs to a consumer under Consumer Protection Act, 1986.

Answer – Removal of defects from the goods. 2. Replacement of the goods with new, defect-free items.



Q 40 Give the full form of COPRA. How does it benefit consumers?

Answer – COPRA stands for Consumer Protection Act. It benefits consumers by providing a simple, fast, and inexpensive mechanism for redressal of grievances against unfair trade practices and defective goods

Q 41 Write any two problems faced by consumers.

Answer – 1. Adulteration in food items.

2. Misleading advertisements that provide incorrect information about products.

Or

Why should a consumer look for ISI mark on the electric goods?

Answer – Consumers should look for the ISI mark on electric goods to ensure safety and quality. It guarantees that the product has been tested and meets national safety standards, reducing the risk of accidents.

Q 42 Explain three types of Non-economic activities that you see in your surroundings.

Answer – These are activities performed out of love, sympathy, or social obligation, without the aim of earning money.

1. **Social** : Helping an elderly person cross the road.
2. **Religious** : Going to a temple or mosque for prayer.
3. **Charitable** : Distributing free food to the needy.

Q 43 What is E-Commerce? Explain any two types of E-Commerce.

Answer – E-commerce refers to the buying and selling of goods and services over the internet.

1. **B2C (Business-to-Consumer)** : Selling products directly to customers via websites (e.g., Amazon).



2. **C2C (Consumer-to-Consumer)** : Consumers selling to other consumers through platforms (e.g., OLX).

Q 44 What is ATM? How does it help the customers of the bank?

Answer – ATM stands for Automated Teller Machine. It allows bank customers to perform financial transactions like cash withdrawal and balance inquiry anytime (24/7) without visiting the bank. It provides convenience and saves time.

Or

State any three secondary functions of a Commercial Bank.

Answer – 1. **Agency Services** : Paying bills or collecting cheques on behalf of customers.

2. **General Utility** : Providing locker facilities for valuables.

3. **Financial Advice** : Advising customers on investment matters.

Q 45 State any three differences between wholesalers and retailers.

Answer –

- **Quantity** : Wholesalers buy in bulk; Retailers buy in small quantities.
- **Contact** : Wholesalers link producers and retailers; Retailers link wholesalers and final consumers.
- **Capital** : Wholesalers require massive capital; Retailers need relatively less capital.

Q 46 State any three qualities required for success in Self-employment.

Answer – 1. **Risk-taking** : Ability to handle financial uncertainty.

2. **Hard Work** : Commitment to work long hours initially.

3. **Innovation** : Creating new ideas to stay ahead of competition.

Or



State briefly the avenues of Wage Employment in the area of business.

- Answer – 1. Clerical Jobs :** Data entry or office assistant in companies.
- 2. Sales :** Working as a salesperson in retail stores.
- 3. Management :** Junior managerial roles in various departments.

Q 47 State any three qualities of a successful entrepreneur.

- Answer – 1. Self-confidence :** Belief in one's own skills and decisions.
- 2. Goal-oriented :** Focus on achieving specific business targets.
- 3. Resilience :** Ability to bounce back from failures.

Or

What factors you would like to consider if you start a small enterprise to produce paper cups?

- Answer – 1. Market Demand :** Checking how many people need paper cups.
- 2. Raw Material :** Sourcing paper and wax easily.
- 3. Capital :** Estimating funds needed for machines and labor.

Q 48 What are Multinational Companies? Give two examples. Explain any three advantages of multinational companies.

Answer – Multinational Companies (MNCs) are large business organizations that operate and have production or service facilities in more than one country. Examples: Samsung and Coca-Cola.
Advantages:

- 1. Employment :** They create numerous job opportunities in the host country.
- 2. Advanced Technology :** They bring modern production methods and R&D.
- 3. Quality Products :** Competition from MNCs forces local companies to improve their quality standards.



Q 49 "Communication is as necessary to the business as the blood streams is to a person." Explain.

Answer – Communication is vital for business success, just as blood is for human life. It is the process of exchanging information, ideas, and feelings between people.

- 1. Coordination :** It helps different departments work together toward a common goal.
- 2. Decision Making :** Managers need accurate information to make timely and effective decisions.
- 3. Smooth Functioning :** Clear communication prevents misunderstandings, reduces conflicts, and ensures that instructions are followed correctly, keeping the business alive and growing.

Or

Describe the procedure of opening a Saving Bank Account in a Bank.

Answer –

- **Application Form :** Obtain and fill the account opening form from the bank.
- **Documentation (KYC) :** Attach identity proof (Aadhar/PAN) and address proof.
- **Reference :** Provide a reference from an existing account holder if required.
- **Initial Deposit :** Submit the form along with the minimum required balance.
- **Passbook/Cheque Book :** The bank verifies details and issues a passbook and ATM card.

Q 50 Mohan takes an insurance policy of 1,00,000 with 'X' Company. The goods of Mohan are damaged due to fire, the loss incurred is 30,000. 'X' Company shall restore the actual loss but Mohan claims full amount of the policy. Name the principle of insurance he violated and explain it in 50 words.

Answer – Mohan violated the Principle of Indemnity. According to this principle, insurance is not for making profits but to restore the insured to the position they were in before the loss. The insurance company only pays the actual amount of loss incurred. Since Mohan's actual



loss was only 30,000, he can only claim 30,000, even if his policy was for 1,00,000. The goal is to provide financial security, not a windfall gain.

Or

What purpose does Marine Insurance Policy serve? Explain the different types of marine insurance policies, which may be of use to exporters and importers.

Answer – Marine insurance covers losses occurring during sea voyages due to sea perils. It is crucial for importers/exporters as it protects their financial interests.

Types :

1. **Cargo Insurance** : Protects the goods being transported.
2. **Hull Insurance** : Protects the ship itself from damage.
3. **Freight Insurance** : Covers the loss of shipping charges if goods are lost during the journey.

Q 51 What is meant by Advertising? Give two features of advertising. Explain any three objectives of advertising.

Answer – Advertising is a paid, non-personal form of communication used to promote goods or services by an identified sponsor.

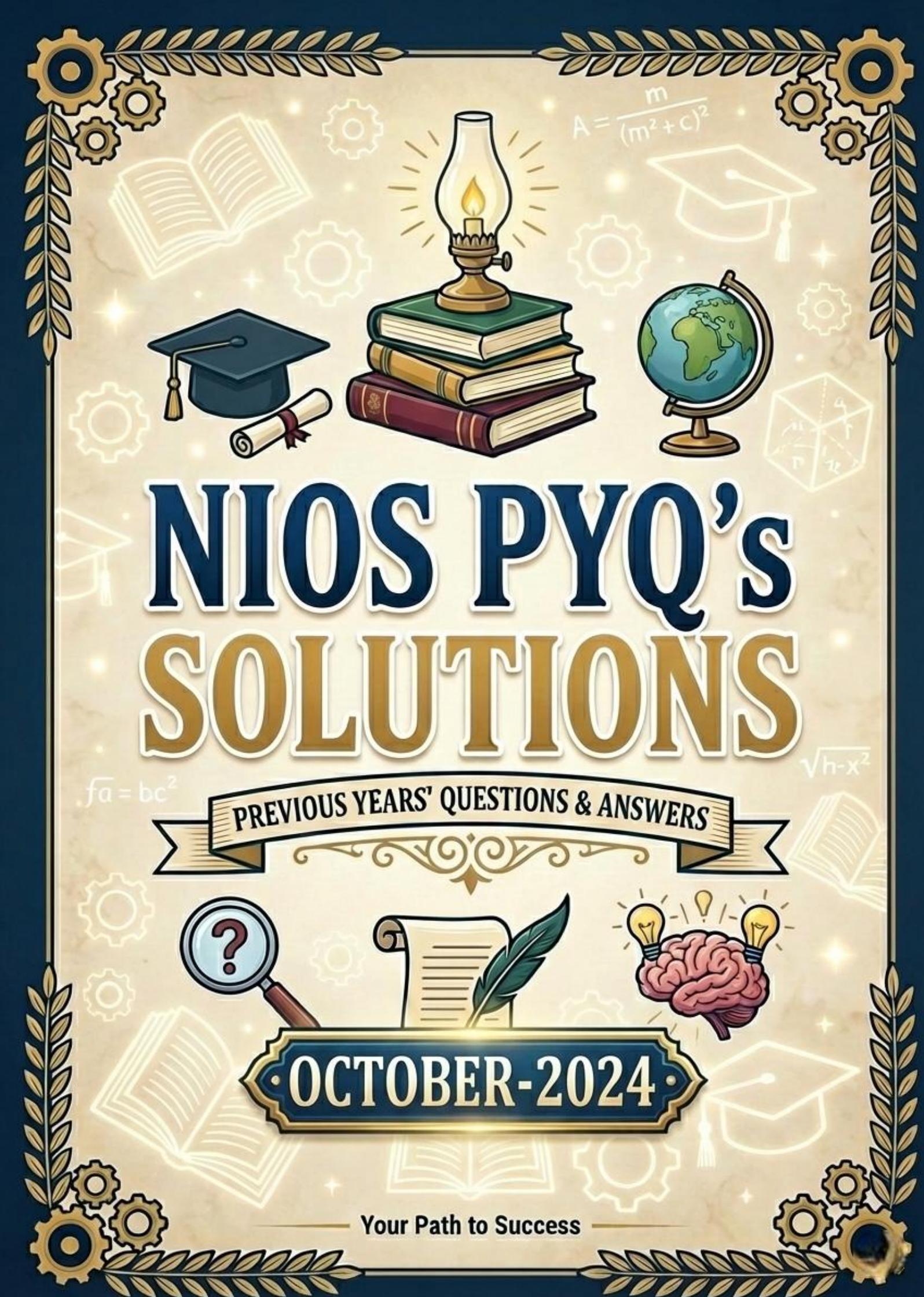
Features :

1. **Paid Form** : The advertiser has to pay for the space or time used.
2. **Non-personal** : It is meant for a mass audience, not an individual.

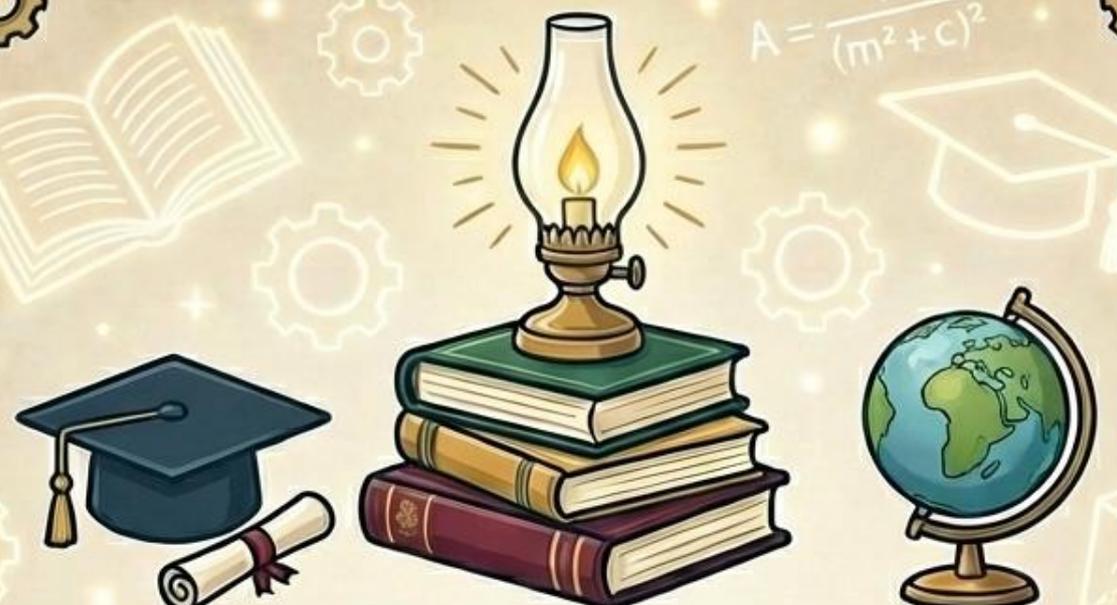
Objectives:

3. **To Inform** : Introducing new products to the market.
4. **To Persuade** : Encouraging customers to buy their brand over others.
5. **To Remind** : Keeping the product in the customer's mind for repeat purchases.





$A = \frac{m}{(m^2 + c)^2}$



NIOS PYQ's SOLUTIONS

$\sqrt{h-x^2}$

$fa = bc^2$

PREVIOUS YEARS' QUESTIONS & ANSWERS



OCTOBER-2024

Your Path to Success

SECTION - A

A.
B.
C. 

Q 1 Business = _____

- (A) Industry + Commerce
- (B) Industry + Trade
- (C) Trade + Commerce
- (D) Trade + Aids to Trade

Answer – (A) Industry + Commerce

Q 2 Sending quotations of supplying raw materials by one businessman to another, is called :

- (A) B2B
- (B) B2C
- (C) C2C
- (D) None of the above

Answer – (A) B2B

Q 3 Earthquake comes under which type of risk?

- (A) Economic cause risk
- (B) Human cause risk
- (C) Natural cause risk
- (D) Physical cause risk

Answer – (C) Natural cause risk



Q 4 Industries engaged in the construction of building, roads and bridges etc. are known as:

- (A) Construction Industries**
- (B) Manufacturing Industries**
- (C) Extractive Industries**
- (D) Genetic Industries**

Answer – (A) Construction Industries

Q 5 Which of the following is not the features of the sole trade?

- (A) Individual ownership**
- (B) Limited liability**
- (C) Secrecy**
- (D) Undivided risk**

Answer – (B) Limited liability

Q 6 Name the business organisation which has feature of 'Separate Legal Entity'.

- (A) Sole Proprietorship**
- (B) Partnership**
- (C) Partnership Firm of Lawyers**
- (D) Company**

Answer – (D) Company



Q 7 How many maximum partners can be there in an LLP (Limited Liability partnership)?

- (A) Two
- (B) Twenty
- (C) Ten
- (D) Unlimited number

Answer – (D) Unlimited number

Q 8 Minimum number of members to form a public company is :

- (A) 2
- (B) 7
- (C) 12
- (D) 21

Answer – (B) 7

Q 9 Which of the following is not a type of advance provided by Commercial Bank?

- (A) Cash credit
- (B) Discounting of Bills
- (C) Overdraft
- (D) Collecting and Supplying Business Information

Answer – (D) Collecting and Supplying Business Information



Q 10 Principle of Indemnity is not applicable on :

- (A) Marine Insurance
- (B) Fire Insurance
- (C) Life Insurance
- (D) None of the above

Answer – (C) Life Insurance

Q 11 We should keep our savings with banks because:

- (A) It is safe
- (B) Can be withdrawn any time
- (C) Earns interest
- (D) All of the above

Answer – (D) All of the above

Q 12 The wholesaler buys goods in a _____ quantity.

- (A) Bulk
- (B) Less
- (C) Medium
- (D) None of the above

Answer – (A) Bulk



Q 13 Which of the following is not a feature of advertising?

- (A) Impersonal
- (B) Non-paid
- (C) Identified sponsor
- (D) Mass communication

Answer – (B) Non-paid

Q 14 _____ deals in various types of goods.

- (A) Retailer
- (B) Wholesaler
- (C) Broker
- (D) Agent

Answer – (A) Retailer

Q 15 The term DAGMAR is associated with:

- (A) Product
- (B) Price
- (C) Advertising
- (D) None of these

Answer – (C) Advertising



Q 16 The rights of consumers as per the Consumer Protection Act does not include right to be :

- (A) Informed**
- (B) Heard**
- (C) Safety**
- (D) Presentation**

Answer – (D) Presentation

Q 17 The maximum age limit of a person who can be a member of National Commission is:

- (A) 65 years**
- (B) 70 years**
- (C) 35 years**
- (D) 60 years**

Answer – (B) 70 years

Q 18 Where is Consumer Guidance Society of India located?

- (A) Mumbai**
- (B) Delhi**
- (C) Pune**
- (D) Kolkata**

Answer – (A) Mumbai



Q 19 Which of the following is not an example of self employment?

- (A) Doctor working at a city hospital**
- (B) The doctor doing private practice**
- (C) Shop owner**
- (D) Cafe owner**

Answer – (A) Doctor working at a city hospital

Q 20 The success of entrepreneur depends on:

- (A) Hard Work**
- (B) Good Idea**
- (C) Both of the above**
- (D) None of the above**

Answer – (C) Both of the above



SECTION - B



Q 21 Point out the example of an activity which at one time is economic and other time non-economic.

Answer – Economic vs Non-Economic Activity Example :

- **Economic :** A chef cooking food in a restaurant for salary.
- **Non-Economic :** The same chef cooking food at home for his family out of love.

Q 22 Fill in the blanks:

(a) Minimum amount of capital required to start a private limited company is Rs. _____.

Answer – Rs. 1 Lakh

(b) The liability of the members of Cooperative Society is _____.

Answer – Limited.

Q 23 The business assets of an organisation are worth Rs. 90,000 but the debts remaining unpaid is Rs. 1,20,000. What course of action can the creditors take in sole proprietorship form of organisation?

Answer – In sole proprietorship, liability is Unlimited. Since business assets (90,000) are insufficient to pay debts (1,20,000), creditors can claim the remaining Rs. 30,000 from Mr. Ravi's personal assets (like house, car).

Q 24 Write True or False.

(a) The process of communication gets completed only when the receiver understands the message.

Answer – True



(b) The hurdle that comes in the way of communication is known as NOISE.

Answer – True

Q 25 State the full form of the following:

(a) KYC

Answer – Know Your Customer.

(b) ATM

Answer – Automated Teller Machine.

Q 26 Write True or False.

(a) Insurance is a social service.

Answer – False

(b) All contracts of insurance are contracts of indemnity.

Answer – False

Q 27 Fill in the blanks.

(a) In order to complete the process of communication, there should at least be _____ persons.

Answer – Two

(b) _____ communication includes sounds, words, language and speech.

Answer – Oral / Verbal

Q 28 Write True or False.

(a) The rate at which money is lent or borrowed is known as interest rate.

Answer – True



(b) When a banker accepts the securities for safe custody, the relationship between a banker and customer is that of principal and agent.

Answer – False

Q 29 Mr. Ravi Kumar has limited income and wants to save money for future needs. Which type of account should be opened by him in Punjab National Bank?

Answer – Recurring Deposit (RD) Account : Since Ravi has limited income, he should deposit a fixed small amount every month in an RD account to save for the future.

Q 30 A company has undertaken a fire insurance policy for Rs. 7 lakh. After three months, due to fire, it incurred a loss of Rs. 3 lakh. How much amount will the company get as compensation? Also state the principle of insurance involved here.

Answer – Fire Insurance Claim :

- The company will get Rs. 3 Lakh.
- **Principle :** Principle of Indemnity. Insurance pays only the actual loss (3 Lakh) or the policy amount (7 Lakh), whichever is lower. One cannot make a profit from insurance.

Q 31 Fill in the banks:

(a) _____ represents a chain of business or intermediaries through which the final buyer purchases a goods or service.

Answer – Channel of Distribution

(b) Wholesaler is a link between manufacture and _____.

Answer – Retailer

Q 32 Write True or False.

(a) Advertising helps to promote the sales of existing as well as new products.

Answer – True



(b) In advertising, the manufacturer communicates with prospective customers through different media.

Answer – True

Q 33 Kavita purchased a medicine but medicine does not have date of manufacturing and date of expiry printed on its package. Identify which right of the consumer is being violated.

Answer – Consumer Right Violation :

- **Right to Information** : Kavita had the right to know the manufacturing and expiry date, which was missing from the package.

Q 34 (a) The district level court deals with consumer dispute cases involving claims upto _____.

Answer – Rs. 20 Lakhs

(b) India has been observing _____ as National Consumer Day.

Answer – 24th December

Q 35 Write True or False.

(a) Large amount of working capital is not required for small business.

Answer – True

(b) The place of 'Let the buyer beware' has been taken by 'Let the seller beware'.

Answer – True



SECTION - C



Q 36 Satish lost his job during Covid-19 pandemic. Now he wants to start a business of his own in his hometown. Satish has limited finance available with him and he does not want many legal formalities to start a business. Suggest Satish which form of business organisation he should go for?

Answer – Suggestion for Satish (Business Form) : Satish should start a Sole Proprietorship.

- It requires limited finance/capital.
- It has the least legal formalities and is easy to start.
- Best suited for self-employment in a hometown.

Or

Rohan and Sachin bought a Godown, on which they invested the money equally. They rented out the godown and divided the received rent equally between themselves. Are Rohan and Sachin partners? Explain

Answer – No, Rohan and Sachin are not partners.

They are only co-owners of the godown. Sharing rent from property is not a business activity, so it is co-ownership, not partnership.

Q 37 State any two functions of a Retailer.

Answer – Two Functions of a Retailer :

1. **Buying and Assembling** : Buying a variety of goods from different wholesalers and stocking them.
2. **Breaking Bulk** : Selling goods in small quantities to consumers as per their needs.

Or



What is direct channel? Give any two examples of it.

Answer – Direct Channel : When a producer sells goods directly to the consumer without any middleman (wholesaler/retailer), it is a direct channel.

- **Examples :** (1) Bata Shoe Company stores, (2) Eureka Forbes (door-to-door sales).

Q 38 What is meant by 'Right to Choose' to a consumer?

Answer – Right to Choose : Every consumer has the right to choose from a variety of goods and services at competitive prices. A seller cannot force a consumer to buy a specific brand; the consumer has the freedom to select based on their needs and budget.

Q 39 Name the consumer courts where the complaints will be filed by the consumers.

Answer – Consumer Courts Names :

1. **District Forum :** At the district level.
2. **State Commission :** At the state level.
3. **National Commission :** At the national level.

Or

State any two points of importance of consumer protection from the point of view of business.

Answer – Long-term Interest : Businesses that protect consumer interests survive longer and earn goodwill.

Social Responsibility : Business uses society's resources, so it has a moral duty to protect society's (consumers') interests.



Q 40 State the concept of consumerism.

Answer – Consumerism is a social movement seeking to protect and augment the rights and powers of consumers in relation to sellers. It aims to protect consumers against unfair trade practices like adulteration and hoarding.

Q 41 State any two directions which can be issued by the consumer court to the opposite party if it is satisfied about the genuineness of the complaint.

Answer – Directions by Consumer Court : If satisfied with the complaint, the court can order the opposite party to :

1. Remove the defect from the goods.
2. Refund the price paid by the consumer.

Q 42 Mamta had some such books which were rare in the market. One of her friends needed those books. Mamta sold out all those books to her friend for Rs. 4,000 and earned a profit of Rs. 1,000. Can this activity of her be called a business?

Answer – No, Mamta's activity is not business.

- **Reason:** A key characteristic of business is "Regularity of Dealings". Mamta sold books only once to help a friend. Even if she earned profit, it is a one-time transaction, not a regular trade.

Or

Ajay and Vijay are two friends. Both of them are doing different businesses. Ajay's business is facing change in fashion and change in prices and he is also very upset because of tough competition. On the other hand, there is a great hurdle in Vijay's business because of the dishonesty of employees, dishonesty of customers and strikes and lockouts. Point out the type of business risk the two friends are undergoing or suffering from.

Answer – Types of Business Risk:



- **Ajay (Change in fashion/prices)** : He is facing Economic Causes of risk, which arise due to market fluctuations.
- **Vijay (Dishonesty/Strikes)** : He is facing Human Causes of risk, arising from human behavior like theft or labor unrest.

Q 43 Explain any three advantages of E-commerce.

Answer – Advantages of E-commerce:

1. **Global Reach** : Business can reach customers anywhere in the world without physical boundaries.
2. **24/7 Availability** : Online shops are open all the time, allowing customers to shop at their convenience.
3. **Lower Cost** : Reduces costs of showrooms and inventory, allowing goods to be sold at lower prices.

Or

What is meant by Industry? State any two types of industries.

Answer – Industry and Types :

Industry : Activity involving the conversion of raw materials into finished goods or extraction of resources.

Types:

1. **Primary Industry**: Related to nature (e.g., Agriculture, Mining).
2. **Secondary Industry**: Manufacturing goods (e.g., Textile mill, Construction).



Q 44 Explain the elements of communication process.

Answer – Elements of Communication Process :

1. **Sender** : The person sending the message.
2. **Message** : The content/idea to be communicated.
3. **Media** : The channel used (e.g., Phone, Letter).
4. **Receiver** : The person receiving the message.
5. **Feedback** : The receiver's response to the sender.

Q 45 State any three points on importance of advertising.

Answer –

- **Promotion of Sales** : Creates demand and increases sales volume.
- **Educating Consumers** : Informs consumers about new products, uses, and prices.
- **Brand Image** : Builds a positive image and goodwill for the company.

Q 46 Explain any three problems faced by consumers.

Answer –

Adulteration : Mixing inferior substances with goods (e.g., water in milk).

Under-weighting : Giving less quantity than charged for.

Misleading Advertising : Making false claims about product quality to deceive buyers.

Or

Explain any three functions of consumer organizations and non-government organizations (NGO's) for protecting and promoting the interest of consumers.

Answer – Functions of Consumer Organizations/NGOs :

1. **Consumer Education** : Organizing seminars to make consumers aware of their rights.
2. **Legal Aid** : Helping consumers file cases and providing legal assistance.



3. Testing Products : Testing products in labs and publishing reports on quality.

Q 47 Explain the importance of choosing a career.

Answer – Importance of Choosing a Career : Choosing the right career is vital because :

- 1. Financial Stability :** Determines future income and standard of living.
- 2. Job Satisfaction :** Working in a field of interest brings happiness and peace.
- 3. Contribution :** A person in the right career contributes effectively to the nation's economy.

Q 48 Explain any three advantages and two limitations of joint stock companies.

Answer – Advantages :

- 1. Limited Liability :** Shareholders' liability is limited to the unpaid value of their shares. Personal assets are safe.
- 2. Large Financial Resources :** Can raise huge capital by issuing shares to the public.
- 3. Continuity :** The company continues to exist even if members die or become insolvent (Perpetual Succession).

Limitations:

- 1. Complexity in Formation :** Forming a company requires lengthy legal procedures and documents.
- 2. Lack of Secrecy :** Companies must publish annual accounts, so business secrets are hard to maintain.



Q 49 HDFC Bank is a private sector bank offering various services to its customers. It offers various types of bank account options to its customers. Geeta being a business person has chosen the type of account in which the deposits are most liquid and there are no limit to the number of transactions or amount of transactions in a day. On the other hand, her mother has opened a type of account where she can conveniently deposit the money she saves. She has got cheque facility and lot of flexibility for deposits and withdrawal, whereas Geeta's brother Kartik opened an account where he will deposit Rs. 3,000 per month for next two years. In the context of the above case :

(a) Identify the various types of bank accounts used by Geeta and her family.

(b) Explain briefly two other types of accounts.

Answer – (a) Types of Accounts :

1. Geeta : Current Account

It is suitable for business persons. It allows unlimited deposits and withdrawals without any restriction.

2. Mother : Savings Bank Account

It is meant for individuals to save money. It provides cheque facility and flexibility in deposits and withdrawals.

3. Kartik : Recurring Deposit (RD) Account

In this account, a fixed amount is deposited every month for a fixed period and earns interest.

(b) Two other types of accounts :

1. Fixed Deposit (FD) : Lump sum amount deposited for a fixed period for higher interest.

2. Multiple Option Deposit (MOD) : A combination of savings and FD. Excess balance automatically moves to FD to earn more interest.s

Or



Anil goes to 'State Bank of India' to open his Savings Account there. On visiting the bank he learns that there is an account available which is better than the Savings Account. The speciality of this account is that as and when the deposited amount in the account exceeds a certain amount, the amount in excess gets transferred into Fixed Deposit. The interest earned on the Fixed Deposit is more than that on the Savings Account. This account serves the purpose of both the Savings Account and Fixed Deposit. Anil gets this account opened. Identify this account and explain it.

Answer – The account opened by Anil is **Multiple Option Deposit (MOD) Account / Auto-Sweep Account.**

It is a type of account which combines the features of **Savings Account and Fixed Deposit.** When the balance in the savings account exceeds a certain limit, the excess amount is automatically transferred into a Fixed Deposit to earn higher interest.

If money is required, the amount is transferred back to the savings account. Thus, it provides both **liquidity and higher return.**

Q 50 What is meant by advertising? Explain any four features of it.

Answer – Advertising and its Features:

Meaning : Advertising is a paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor.

Features :

- 1. Paid Form :** The sponsor must pay for the space or time used in media.
- 2. Impersonal :** There is no face-to-face contact between seller and buyer.
- 3. Identified Sponsor :** The person/company paying for the ad is always identified.
- 4. Mass Reach :** It reaches millions of people simultaneously through TV, newspapers, etc.



Q 51 What is Entrepreneurship? Explain any four functions of an entrepreneur.**Answer – Entrepreneurship and Functions :**

Meaning : Entrepreneurship is the process of identifying opportunities, organizing resources, and taking risks to start a business.

Functions of an Entrepreneur :

1. **Innovation :** Introducing new products, methods, or markets.
2. **Risk Bearing :** Taking the financial risk of profit or loss.
3. **Decision Making :** Making crucial decisions on what to produce and sell.
4. **Resourcing :** Assembling land, labor, capital, and machinery.

Or

What are the factors you would like to consider if you start a small enterprise to produce bathing soap?

Answer - If I start a small enterprise to produce bathing soap, I would consider the following factors:

1. **Selection of Line :** Type of soap (herbal, beauty, medicinal).
2. **Finance :** Estimating fixed capital (machinery) and working capital (raw materials like oil, caustic soda).
3. **Location :** Ideally near raw material sources or markets.
4. **Competition :** Strategy to compete with big brands in the market (like Lux, Dove) on the basis of price or quality.
5. **Legal Formalities –** Obtain necessary licenses, registration and follow safety and quality standards.





Thank you!



We hope you found this material helpful. We wish you the very best for your examination.



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