

PT4/ANNUAL EXAMINATION, 2023-24

BUSINESS STUDIES

Time – 3 hrs.

Class – XI

M.M. – 80

Name of the student _____ Section _____ Date - 09.02.2024 (Friday)

General Instructions:-

1. This question paper contains 34 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.

- Q1. Bad-debts due to non-payment of debts by debtors is an example of which type of business risks? 1
A) Human B) Natural C) Physical D) Economic
- Q2. In which of the following areas, sole proprietorship is not an advantage over other forms of businesses? 1
A) Speed of decision making B) Secrecy of information
C) Formation and closure D) Life of business
- Q3. Which of the following statements is/are correct about Public Ltd. Company? 1
A) It has minimum 7 members and no limit on the maximum number of members.
B) It has no restrictions on the transfer of securities.
C) It is not prohibited to invite the general public to subscribe to its securities.
D) All of the above
- Q4. MNCs have huge capital resources, which is used by them in research, development and innovation. But, it is usually seen that host countries do not gain much from this research. This is due to: 1
A) Lack of capital at host countries. C) Centralised control
B) Restrictive clauses imposed by home country. D) None of the above
- Q5. Statement-I: Employees of departmental undertakings are accountable to the concerned Ministry, which is ultimately answerable to the parliament. 1
Statement-II: There is a lot of political interference through the ministry in case of departmental undertakings.
Choose the correct option from the following options:
A) Statement-I is true II is false B) Statement-II is true I is false
C) Both the statements are true D) Both the statements are false
- Q6. Indian postal department's international money transfer service which enables customers to remit money to countries through a post office is in collaboration with: 1
A) Cox and kings financial services B) State Bank of India
C) Western Union Financial services D) American express financial services
- Q7. Assertion (A): In case of Cash Credit, loan amount is credited in the borrower's account and interest is charged on the total amount credited. 1

Reason (R): Cash Credit is a facility available for borrowers for better functioning of business.

A) Both (A) and the (R) are true and (R) is the correct explanation of (A).

B) Both (A) and the (R) are true and (R) is not the correct explanation of (A).

C) (A) is true, but (R) is false

D) (A) is false, but (R) is true

Q8. Various departments of an organization like purchase, marketing, production, HR, etc. can interact with one another using - **1**

A) B2B commerce B) B2C commerce C) Intra-B commerce D) C2C commerce

Q9. Withdrawal of one's own money from banks was a tedious process in the past. One had to go through a series of procedural formalities before he or she was able to get the payment. After the introduction of ATMs, all that is fast becoming a history now. The first thing that occurs that the customer is able to withdraw his money and the rest of the back-end processes take place later. **1**

Identify the type of e-business highlighted in the given statement.

A) B2B commerce B) C2B commerce C) B2C commerce D) None of these

Q10. The working capital requirement of a business is high if **1**

A) Sales turnover of business is high B) It sells goods on credit

C) It has any expansion plans D) All of the above

Q11. Statement-I: Equity Shares create a charge on the assets of the company **1**

Statement-II: Equity shareholders are paid dividend only when the company earns sufficient profits.

Choose the correct option from the following options:

A) Statement-I is true and II is false B) Statement-II is true and I is false

C) Both the statements are true D) Both the statements are false

Q12. The type of IPR which helps in distinguishing similar products in the market from its competitors is: **1**

A) Copyright B) Patent C) Trademark D) Design

Q13. Pradeep started a manufacturing unit of electrical accessories. He is facing severe shortage of adequate finance to carry out the business activities. His manufacturing unit is also suffering from shortage of required inputs and he is unable to buy inputs in bulk due to lack of shortage facilities. **1**

Pradeep wants his products to be world class quality, but he is unable to hire professional experts due to shortage of funds. His manufacturing unit is operating below the full capacity level due to shortage of demand.

Identify the problems of small-scale business faced by Pradeep in his business from the given case:

A) Shortage of finance, raw material, managerial skills and idle capacity

B) Shortage of finance, suppliers, managerial skills and idle capacity

C) Shortage of finance, raw material, technical skills and idle capacity

D) None of the above.

Q14. By purchasing in bulk from manufacturer and selling in smaller quantities to retailers, wholesalers reduces _____ risks of retailers. **1**

A) Financial B) Marketing C) Storage and theft D) Production

Q15. Rupesh is retailer of readymade garments in Patna. Recently, he found that garments worth Rs. 50,000 are defective. After communicating with the wholesalers, he returned **1**

the goods to him. Rupesh issued a document to the wholesaler indicating a reduction in his liability towards the wholesaler to the extent of Rs. 50,000. Identify the document used by Rupesh.

A) Credit Note B) Debit Note C) Letter of credit D) None of the above

Q16. Manufacturers sell goods directly through ____ and thus eliminates unnecessary middleman in the sale and purchase of goods. 1

A) Street vendors B) Multi brand retail store C) Departmental stores D) Chain store

Q17. In case of exports, the captain (mate) of the ship issues mates receipt to the ____ when the goods are loaded on board of the ship. 1

A) Importer B) Exporter C) Shipping Company D) Port Superintendent

Q18. Statement-I: The exporter's bank receives the payment through the importer's bank immediately in case of usance draft. 1

Statement-II: Letter of credit is a guarantee issued by the exporter's bank.

Choose the correct option from the following options:

A) Statement-I is true and II is false B) Statement-II is true and I is false

C) Both the statements are true D) Both the statements are false

Q19. Statement-I: "Helping people affected by natural calamities like floods or earthquakes is a discretionary responsibility". 1

Statement-II: The well defined guidelines for the 'code of conduct' is essential for the effective implementation of ethical business behaviour.

Choose the correct option from the following :

A) Statement-I is true and II is false B) Statement-II is true and I is false

C) Both the statements are true D) Both the statements are false

Q20. Which among the following statements is/are correct? 1

a) Bank credit consists of the total amount of combined funds that financial institution advances to individuals or businesses.

b) There is secrecy in providing information about their customers.

c) Bank credit provides flexibility in terms of loan repayment.

A) Only (a) B) (a) and (b) only C) (a), (b) and (c) D) (a) and (c) only

Q21. Explain any three objectives of business. 3

OR

Explain the role of profit in business.

Q22. Explain any three causes of business risks. 3

Q23. A Statutory Corporation enjoys independence in its functioning and high degree of operational flexibility. State any three other merits of Statutory Corporations. 3

OR

Explain any three advantages of Departmental form of business organization.

Q24. "E-business is more safe and secure method of business". Explain. 3

Q25. Three years back Rajesh has joined a branch of Canara Bank as Assistant Manager into the Term Deposits division in Delhi. Whereas, his younger brother Roshan recently joined HDFC Bank as Business Development Manager in Kolkata. While discussing about their job experiences both the brothers realised that the working of the two banks varies primarily because they belong to different sectors of the economy. However, on certain parameters the approach of both the banks are similar like, offering a higher rate of interest on term deposits made by senior citizens, ensuring safety and security in Net Banking, etc. 4

Answer the following questions:

- a) By quoting the lines from the paragraph, identify the two sectors being highlighted.
- b) State any three differences between the two sectors as identified in part (a) of the question.

OR

Gas Authority of India Ltd. (GAIL) is carrying on various projects of energy and power. Majority of its shares are held by the government of India. It is registered under companies Act, and enjoys all the characteristics of a company. The board of directors are appointed by the government. The Board and shareholders are responsible for the efficient working of the company. The company prepares its annual report and submit to appropriate authorities.

Answer the following questions:

- a) Name the type of public sector enterprise referred in the above para.
- b) Where do the above company submit their reports?
- c) Write two merits of this type of public sector enterprise.

- Q26. Quality Ltd. is a well reputed chain of take away restaurants in Delhi. The company's earnings are high as it constantly reviews and revises its menu in the light of changing needs and preferences of the consumers. Considering the fact that in India, a child goes blind every four minutes, out of which 90% of the children can be easily treated so that they can lead normal lives. The company has extended its financial support to many charitable eye hospitals in their endeavours to eradicate preventable childhood blindness from our country. 4

Briefly explain two kinds of social responsibilities being fulfilled by Quality Ltd.

- Q27. What is working capital? State the sources available to raise working capital along with its features. (**Any three**) 4
- Q28. "The Path of small scale industries is full of hurdles." Discuss. 4
- Q29. Describe any two services rendered by wholesalers to manufacturers and retailers. 4

OR

Write two merits and two demerits of Departmental Stores.

- Q30. Differentiate between Departmental store and Multiple shops on the basis of following points: 4
- a) Location b) Pricing c) Range of products d) Flexibility
- Q31. Define the term Promotion. Explain briefly the various documents prepared by the promoters for incorporation. 6

OR

Explain various clauses of Memorandum of association.

- Q32. Define Insurance and explain its principles. (**Any five**) 6
- Q33. Write short notes on the following :- 6
- i) Retained Earnings ii) Preference Shares iii) Debentures
- Q34. If you are planning to import goods from New York, explain the next six procedure of import of goods after obtaining foreign exchange. 6

OR

If you want to export goods to Paris, explain the next six procedure of export of goods after obtaining pre-shipment finance.

