

Please check that this question paper contains **27** questions and **4** printed pages.

CLASS-XI
BUSINESS STUDIES

Time Allowed: 3 Hours

Maximum Marks : 90

General Instructions :

Answer to questions carrying 1 mark may be in one word or one sentence.

Answer to questions carrying 3 marks may be in 50-75 words.

Answer to questions carrying 4-5 marks may be about 100-150 words.

Answer to questions carrying 6 marks may be about 200 words.

Attempt all parts of a question together.

1. “Auxiliaries to trade activities are referred to as services because these are in the nature of facilitating the activities relating to industry and trade.” Name the activity that ensures continuous supply of goods and helps in maintaining reasonable level of prices. (1)
2. Identify the organization which is formed with the motive of welfare of its members. Under which act they are governed? (1)
3. Name the system by which management of a public enterprise is granted more autonomy but held accountable for specified results. (1)
4. Identify the type of postal facilities under which it is ensured that the mail is delivered to the addressee else shall come back to the sender. (1)
5. Ruchika Ltd a reputed IT company in India wants to tap the huge amount of resources for its growth and expansion from USA for long term needs. It also needs money for the period of less than 3 years to meet its medium as well as short term needs. The company is following the practices of educating and giving employment to under privileged youth. 50% of its office electricity is generated through solar power. Write any two values shown by the company in the above case. (1)
6. Name the institute which provides an integrated administrative framework for small scale industries at district level. (1)
7. Name the retail outlet that sell merchandise through mail. (1)
8. Name the certificate that enables the importer to claim tariff concession or other exemptions on the imported goods. (1)
9. Some organizations are directly attached to a particular ministry of the Central or State Government and are under the direct control of the concerned minister, their business decisions are thus influenced by political considerations. (3)

- (a) State the type of enterprise that come under this category.
- (b) Give any two features of such organizations.
10. A steel manufacturing company has undertaken a number of projects which are meant for providing community service. (3)
- (a) Mention the type of business objective which is being pursued by the company
- (b) Explain any two objectives of the above category.
11. Identify giving examples the principles of insurance highlighted in the given statements : (3)
- (a) Insured is entitled to recover the loss suffered by him, upto the limit of policy amount.
- (b) Insured must have some economic interest in the subject matter of insurance contract.
- (c) The insured should not be allowed to make any profit by selling the damaged property or in case of lost property being recovered.
12. Pankaj has ₹ 50,000 for investment purposes. Should he invest in equity shares, preference shares, public deposits or debentures? Justify your answer by giving three reasons. (3)
13. Identify and explain the scope of e-business transaction referred below: (3)
- (a) Purchase of security lock system by Hundai from Autocops.
- (b) Withdrawal of money through ATM
- (c) Inventory and cash management of an organization.
14. Identify the terms of trade used in following cases : (3)
- (a) Price of goods which includes cost of goods, insurance and freight charges payable on goods up to destination point.
- (b) Term used in trade document to suggest “mistakes and things forgotten” should be taken into account.
- (c) A contract between seller and the buyer in which all expenses up to the point of shop are to be borne by seller.
15. (a) Akash Ltd issued 1,00,000 shares of ₹ 10 each for public subscription. Applications are received only for 80,000 shares till the closing of subscription. What course of action should the company take and why?
- (b) Name the following:
- (i) A person who lends the name and goodwill for the benefit of the partnership firm.
- (ii) A person who contributes capital, participates in the business but whose identity is not disclosed to the outsiders. (4)
16. To overcome the difficulties faced by public in public transport system, the Government of India started the METRO project in which the government involved private sector

participation to get the benefits of efficiency of private sector. The project was great success as lacs of people are enjoying the Metro services to move from one place to other. (4)

- (a) State the type of enterprise mentioned above.
- (b) What name is given to identified form in part (a) by Metro service in Delhi?
- (c) Give any three features of identified form in part (a).

17. In an organization, the good environment, refreshment corner and entertainment rooms have been provided for the employees. (4)

- (a) Enumerate the type of social responsibility fulfilled by the organization.
- (b) List any two other types of responsibility of business with two examples of each.
- (c) Which two values have been considered here?

18. (a) Name the organization which is an association of business and industrial houses from different type of industries / business which have been playing a catalytic role in strengthening the internal trade.

- (b) Explain any three functions of the above organization. (4)

19. Akshit Industries setup food and beverages processing plant in the rural area of Rajasthan and opted for labour intensive techniques due to easy availability of labour and to provide employment to local people. The board of directors decide to invest ₹ 50 lakhs to acquire plant and machinery, ₹ 20 lakhs to maintain day to day expenses. (4)

- (a) Name the Act of Industries which is applicable to the above industry.
- (b) Which category of part (a) will the above industry come?
- (c) State the investment limit in this category.
- (d) Write any two values exhibited by the company.

20. Arun wants to start a wholesale business of readymade garments, but he is hesitating as it involves various problems such as customers for moving goods from place of production to market, informing customers about new designs and varieties added every season, threat of risk loss by fire or accident, storing the excess stock of goods, etc.

He approaches his friend Sandeep who explained him about some branches of commerce, which can help Arun to overcome his hesitation.

- (a) State the type of business Arun is planning to start.
- (b) State which dimension of business can help Arun to overcome these hindrances.
- (c) Specify different types of Auxiliaries to trade which can help Arun to overcome his problems by quoting the line from the above para. Quote the line for each type from above para.
- (d) Which value is promoted here? (5)

21. Amul Chocolate a manufacturing company wants to advertise their products. They appointed Premier Advertising Agency for this purpose.
- (a) Identify and explain the type of activity highlighted above.
 - (b) Explain any three benefits of such activity. (5)
22. As a source of finance retained profit is better than other sources. Do you agree with this view? Give any four reasons for your answer. Can a company grow indefinitely by reinvesting surplus profits? (5)
23. Rohan garments has placed an order to import two thousand men's trousers to Swift Exports Limited located in Australia. It has obtained import license, foreign exchange and also placed the order and obtained letter of credit. Discuss the rest of the procedure that Rohan garments would need to go through for executing the import order. (5)
24. (a) How many signatories to the memorandum of association are required in case of private and public companies?
- (b) When can public company commence business?
 - (c) Distinguish between Memorandum of Association and Article of Association on the basis of (i) scope (ii) status (iii) compulsion (iv) legal effect (6)
25. "The relationship between a bank and a customer begins when a customer opens account with the bank or takes a loan from the bank." (6)
- (a) In the context of this statement list four types of accounts that can be opened by a customer.
 - (b) Explain any two banking services.
26. Explain the following terms:
- (a) IDRs
 - (b) GDRs
 - (c) ADRs (6)
27. (a) Name:
- (i) The retail organization in which there are a number of departments in the same building selling different types of commodities.
 - (ii) The retail organization where same types of commodities are sold at uniform prices located all over the country.
- (b) Differentiate between them on the basis of:
- (i) Class of customers
 - (ii) Risk
 - (iii) Credit facility
 - (iv) Location
 - (v) Services offered (6)