

Roll No. _____

Code : 11201819BS-A

Please check that this question paper contains 27 questions and 8 printed pages.

Class : XI
BUSINESS STUDIES

Time Allowed : 3 Hours

Maximum Marks : 90

General Instructions :

- Attempt all parts of a question together.
- Questions carrying 1 mark should be answered in one word or one sentence.
- Questions carrying 3 marks should be answered in 30-40 words.
- Questions carrying 4-5 marks should be answered in 100 words.
- Questions carrying 6 marks should be answered in 120 words.
- Internal choices are given in some questions.

SECTION - A

1. Motorola Solutions has been earning high profits over the years. As a result its owner Mr.Rahu Lahoti is leading a good standard of life. Moreover he plans to open a new branch in a few months.
Identify two points highlighting the role of profit in business being discussed in the above paragraph. 1
2. Five years ago two friends Ankur and Rahul had promoted E-company called 'Next Door Friend' with an objective to provide help to people find the right service professionals for important activities like decorating homes, planning birthday parties, providing fitness trainers etc Keeping in view the success of business they now wish to convert their company into a public company but do not wish to raise the required funds from the public by means of issue of shares or debentures.
Name the document that a public company needs to file in such a case. 1

OR

A Public Limited company cannot make allotment of shares unless it receives in cash 90% of the issued amount within 120 days from the date of the closure of the issue. By what name this amount is known.

3. "The bureaucrat's over cautious and conservative approach does not allow the organisation to invest in risky ventures. " Name the enterprise. 1

OR

"Where there is dealing with Public rampant corruption exists". Name the enterprise.

4. "The cause of loss must be related to the purpose of insurance policy. "To which principle of' insurance is this related?

OR

Name the postal facility which provides time bound and guaranteed mail delivery of letter and important documents. 1

5. A foreign company 'Certo Ltd' wants to collect money from the capital market of India. The financial manager of the company, Mrs. George wants to issue such financial instrument that it can be listed in any Indian Stock Exchange. Identify this financial instrument. 1
6. Cure Fit Health Care was started in 2016 with a vision to offer integrated health and fitness solutions. The company provides these solutions through three verticals – Cult fit, Eat fit and Mind fit via online and offline channels. It has also made 5 acquisitions so far which includes Cult, Tribe fitness, Seraniti, Kristys kitchen and Yoga studio.
On the basis of the given information, identify under which flagship initiative of the Government of India Curefit Health Care was started. 1
7. Identify the document that contains detailed description of goods quantity, price, total value and terms of payment etc for credit purchase of goods. 1
8. At international level various organisations exist for accelerating the 'pace of development' and trade among the nations. Name one such organisation. 1

SECTION - B

9. Indigenous banking system played a prominent role in lending money and financing domestic and foreign trade. There was an instrument of exchange which was prominent in the subcontinent.
- (a) Identify the instrument of exchange notable in the great ancient commercial centres of India.
- (b) State two important features of the Instrument of exchange identified in part (a).

OR

The merchant community derived power and prestige from guilds. Even kings were supposed to accept and respect of these guilds. The guild chief dealt directly with the king or tax collectors and settled the market toll on behalf of its fellow merchants at a fixed sum of money. The guild merchants also acted as custodians of religious interests. They undertook the task of building

temples and made donations by levying a corporate tax on their members. The commercial activity enabled big merchants to gain power in the society.

- (a) "Even king were supposed to accept and respect the rules of these guilds. Identify the guild being specified in the case.
- (b) Enlist the two main functions of the guilds whose rules were accepted by even kings.

3

10. VISTARA is a special alliance between India's corporate giant Tata Sons and Singapore Airlines.

The airline Vistara commenced operations in India in 2015 and by the end of January, 2018 has operated on 25 destinations in India. Tata Sons holds 51% stake while Singapore Airlines controls the remaining 49%. The airline has carried nearly 3 million passengers since its launch.

The two stakeholders are pumping in billions of US dollars into Vistara to expand domestic operations into international markets and expand its fleet of narrow body and wide-body aircrafts.

- (a) Identify the kind of alliance formed by Tata Sons and Singapore Airlines.
- (b) Explain any two features of the kind of business enterprise highlighted in above case.

3

11. Aradhya is running a business of manufacturing Solar Panels in Delhi. She has received an order for supply of 200 Solar Panels from Apollo Hospital in Jaipur. As the amount of payment is more than 2 lakhs, Apollo management decided to transfer its funds electronically from their bank account.

- (a) Which service of bank has been referred to in the above para. Name it.
- (b) Also explain any two points related to benefits of E-banking to customers by banks.

OR

State any three functions of commercial Banks.

3

12. Mr. Rakesh was running a kitchenware business through his physical (brick and mortar) store at Meerut. He was observing that the sales were declining over the past two years. His friend Sanjay suggested that he should tie up with online market places. On his advice, he contacted Flipkart, which provided him training and convinced him that he could do his business from his shop and godown subject to availability of personal computer and internet.

The online partners provided all sorts of services round the clock at a click of the mouse. He received the orders from many states and overseas countries and saw that his sales grew manifolds.

- (a) Identify the modes of business before and after connecting with Flipkart.
- (b) Distinguish between two modes of business identified in part (a) on any two basis.

3

13. Mrs. Kamla Mishra has been running a boutique of ladies apparels for the last 3 years. The boutique became popular because of exquisite designs, timely delivery, use of best fabric etc. Motivated by her success, Mrs. Kamla is now contemplating the idea of opening a chain of similar boutiques at different places. However, the money available with her from her personal sources is just sufficient to meet the expansion requirements of her business. She needs funds to meet the operating expenses of the new chain. Mrs. Kamla extends request to the suppliers of the fabric to lend credit for 3 months. Suppliers agreed to do so after making an enquiry regarding the reputation of Mrs. Kamla's boutique. On the basis of aforesaid information about Mrs. Kamla answer the following questions :

- (a) Identify and explain the source of finance used by company to meet its operating expenses.
- (b) State any two merits of raising funds through the source specified in part (a).

3

14. Identify the main terms used in internal trade.

- (a) The type of transaction in which payment for goods or services is made at the time of delivery.
- (b) The price of goods which includes not only the cost of goods but also the insurance and freight charges payable on goods up to destination port.
- (c) The term used in trade document to state that mistakes and things that have been forgotten should be taken into account.

3

SECTION - C

15. Akshat Chawla was born in Chandigarh and is an architect. He runs his construction and interior designing business in the posh Sector 16 market in Chandigarh. After running his business for 5 years, Akshat feels that he should get his business registered in a way that he can save himself from the threat of unlimited liability. But at the same time he does not want anyone else to be a part of decision making or to interfere in his business.

On the basis of the given information answer the following questions :

- (a) State the form of business organisation to be formed by Akshat Chawla to get it registered.
- (b) Enlist any three features of other form of business organisation stated in para (a).

OR

Vansh after completing his XII exam from his village school joined the course of electrician in an ITI in a town near a his village on completion of this course he tried for a government job but could not get the same. He, therefore decided to help as an worker to a renowned electrician in that area.

After working with him for two years he decided to start his own electrician shop in a village. For this he purchased equipment for ₹10,000 and hired a shop at a monthly rent of ₹2500. He decided to manage a shop by himself.

(a) Identify the form of Business organisation started by Vansh.

(b) State any three merits of such form of business organisation.

4

16. The Uttaranchal Mobile Hospital and Research Centre (UMHRC) is a project that aims to provide health care and diagnostic facilities to poor and rural people at their doorstep in the difficult hilly terrains. It is a three way partnership among the Government of Uttaranchal Technology information Forecasting and Assessment Council (TIFAC) and a private player - The Birla Institute of Scientific Research (BIRS).

(a) State the type of Business Enterprise highlighted in above case.

(b) Briefly explain three features of the type of arrangement that has been made between the UMHRC, TIFAC and BIRS.

4

17. "The businessmen are responsible for aggravating pollution, so it becomes the moral duty of businessmen to take some positive steps for controlling this problem." In the light of this statement, explain the role of businessmen in checking pollution.

OR

A company dealing in manufacturing and sales of medicines, the workers of the company always fall ill due to unhealthy working contains. The company is also in the habit of providing incomplete information to its stakeholders and consumers.

(a) Identify and explain two interest groups towards whom company is not fulfilling its social responsibility by quoting the lines.

4

18. 'A retailer does not render any useful service to manufacturers and wholesalers'. Defend or refute.

4

19. John Green wrote the book 'The Fault In Our Stars' in 2012. He owned the copyright of his book. So, he was the only person allowed to make copies of the book and sell them. Of course he did not do this himself. He gave permission to a publishing company to do it in return for payment.

He did not just own copyright of the words, he owned copyright of the story and the character. So his copyright also meant that he was the only person with right to produce and sell a film of his story. Again he did not do this himself.

He gave permission to a film, production company to make and sell the film in return for payment.

On the basis of the given information of John Green answer the following questions :

- (a) Which concept has restricted anyone else to use the film or show it in cinemas?
- (b) Explain any three advantages that an individual can derive from the above identified concept.

4

SECTION - D

20. Identify the characteristics of business in the following :

- (a) Departmental stores purchasing goods from small manufactures and selling under one common roof.
- (b) Asha and Nirasha started their own separate outlets in Jaipur and Delhi respectively to earn their livelihood.
- (c) "Manish and Rajneesh are making good return on their investments but in past they have also incurred huge losses due to changes in consumers tastes and fashion."
- (d) Vodaphone and Aircel despite being in telecom sector for such a long time cannot say with certainty as to what amount of profit will be earned by them in future.
- (e) A furniture dealer buys chairs at Rs 500 each and sells them at Rs 650 each.

5

21. Actron Technology Corporation Auto Parts is dealing in auto spare parts. With the expansion in business the enterprise found that the decisions are delayed and level of co-ordination is coming down. The CEO called for a meeting of all the managers. Hsien Chung a newly appointed manager suggested that company should have its own web connection to conduct video conferencing and share the views of employees.

On the basis of the given information about Actron Technology Corporation answer the following questions :

- (a) Specify the scope of E-business suggested by Hsien Chung to CEO.
- (b) State four benefits that the company may get by using web connection.

OR

Kalyani Jewellers carries very large scale retail business. The firm has to pay a lot of attention to advertisement. The owners of the firm are aware that if they spend more time on advertisement, some other important activities are left pending. One of the partners of the firm suggested that if the job of a advertisement is

handed over to some Advertising company they might be getting more time for that important activities. By doing so, they will get benefit of specialisation and their expenditure on this activity will be less also. The firm implemented this which gave favourable results.

- (a) Identify the emerging mode of business discussed in above para.
- (b) State any four needs of concept identified in part (a).

5

22. State whether the following statements are true / false giving reason in support of your answer :

- (a) Equity share capital may instead be called as the risk capital for a company.
- (b) Finance invested in fixed assets is called working capital.
- (c) Issue of funds through debentures with an aim to save taxes.
- (d) Preference shares create a charge on the assets of the company.
- (e) Retained profit is better than other sources.

5

23. Raman Ltd manufactures leather purses and garments. The company plans to expand their business at international level as domestic level is not sufficient for large expansion and growth. The company is not having any idea of starting export neither they have any foreign exchange and anyone known in foreign country.

- (a) Explain any one reason underlying the need for international trade.
- (b) State the procedure to obtain IEC number.
- (c) State any two benefits our country will get with this expansion.

5

SECTION - E

24. Every five years, elections are conducted in India. These elections act as a conclusive evidence of democratic governance in India as it grants equal right for everyone to vote irrespective of their financial status or their literary levels. "One man one vote's' is the pillar of our democracy.

- (a) Identify the form of business which functions on the similar kind of principle.
- (b) Enlist another feature of this business that makes it separate from all other forms of business.
- (c) State two merits and two demerits of the form of business identified in part (a) above.

OR

"Registration of a Partnership firm is not compulsory but beneficial."

- (a) Do you agree. Give any one reason to support your answer.
- (b) Outline the procedure for registration of a partnership firm.

6

25. Vridhi Arora from her young age had a deep connection with traditional Indian textiles and craftsmanship. Vridhi pursued a design programme at the London School of Design to fulfil her life long dream of making a career in fashion. With her love for these Indian fabrics and her arsenal of fashion knowledge. She now intends to glory these national treasures with her ready made garment store 'Kathanika'.

She manages the business along with two employees i.e. a salesman and a cashier. She decided to open a new account in a nationalised bank, but she does not have knowledge about bank accounts.

On the basis of the given information about Vridhi Arora answer the following questions :

- (a) Which account is most suitable for Vridhi Arora and Why?
- (b) Explain any two other types of accounts offered by a commercial bank to the customers.

6

26. Swastik Sanitaryware and Pipes Ltd is a multi-location multi-product company manufacturing sanitaryware and pipes in stainless steel / exotic materials in wide size and ranges. It now wants to cater to Korean market and decided to invest in new hi-tech machines. Since the investment is large the finance manager want to raise funds through cheapest long term source of finance.

On the basis of the given information about Swastik Sanitaryware and Pipes answer the following questions :

- (a) Identify and explain the source of finance to be used by company to meet its funds requirement.
- (b) State any four merits of the source of finance identified in part (a).

6

27. After multiple ups and downs, the Government of India, decided to unify the market to ensure the smooth flow of goods across the country by following the credo of 'one nation one tax'.

A new reform was implemented at the midnight of 1 July, 2017.

Our Prime Minister Mr. Narendra Modi specified the historic nature of this reform. An app was launched to offer its smooth transition.

Answer the following :

- (a) State the special reform mentioned above.
- (b) What is the main aim of this reform?
- (c) Enlist any four key features of this special reform.

6