

Final Paper (4 March 2017)
Class XI
Paper- BUSINESS STUDIES
(Set-A)

Time: 3hrs.

M.M. 90

General Instructions:

- i) Answer carrying 1 mark may be from one word or sentence.**
- ii) Answer carrying 3 marks may be from 50-75 words.**
- iii) Answer carrying 4-5 marks may be about 150 words.**
- iv) Answer carrying 6 marks may be about 200 words.**
- v) Attempt all parts of a question together.**

- Q1. Janpath Road, one of the busiest & popular roads in New Delhi is a heaven for budget travelers & shoppers, buyers of handicrafts. It has an abundance of vendors, most of them speak good English & are good at bargaining. Identify the kind of Retailers. (1)
- Q2. ABC Co., an exporter has been issued a number by the Director General of Foreign Trade. What is this number? (1)
- Q3. What is Virtual Private Network (VPN) technology? (1)
- Q4. Write the full form of CIN. (1)
- Q5. Who heads the departmental undertakings? (1)
- Q6. What is the basic difference between recourse and non-recourse factoring? (1)
- Q7. What is the difference between second shops and second hand shops? (1)
- Q8. Business has various social responsibilities towards different interest groups. Identify the following: (3)
- i) Markewell Ltd. replaced their old machinery with new one to reduce problems of pollution.
 - ii) Meditech Services prepares its true and fair annual accounts, pays all taxes on time.
 - iii) Infosys holds regular workshops to train and develop its marketing staff.
- Q9. Give the differences between Licensing and Franchising. (3)
- Q10. a) The Finance Minister Arun Jaitley on 1st February 2017 of Budget reduced the income tax rate for income between Rs. 3 lakh and Rs. 5 lakh to 5%. Identify the two socio-economic values that have been considered by Finance Ministry. (2+1)
- b) On 27th November 2016, PM Narendra Modi urged the youngsters of the country to embrace mobile banking technology. It was said demonetization "Shock given to currency" will boost digital economy. Name two socio-economic values which are undertaken by the government.
- Q11. Commerce is considered as the backbone of industry and other business activities. Discuss the three functions performed by commerce. (3)

- Q12. Shakti Ltd. issues 1,00,000 shares of Rs. 10 each for public subscription. Application (alongwith money) are received for 80,000 shares. Can the company allot these shares? Explain. (3)
- Q13. Discuss the benefits of emerging mode of business in which a company contracts out some of its activities to a third party. (3)
- Q14. "Business is an institution organized and operated to provide goods and services under the incentive of private gain." Discuss. (3)
- Q15. What does environmental protection mean? What steps can an enterprise take to protect the environment from the dangers of pollution? (4)
- Q16. Mohan took a marine policy to cover the goods exported by him. Under this policy goods have been insured against damage likely to be caused by sea-water. During the voyage a hole was caused at the bottom of the ship. Through this hole sea water entered into the ship which damaged the goods insured. Can Mohan claim compensation for loss? Identify the concept involved. Explain too. (4)
- Q17. Why is the "government company" form of organization preferred to other types in the public sector? (4)
- Q18. i) According to MSMED Act 2006, Give the classification of Manufacturing Enterprises. (1+3)
ii) What is the role of Small Business in India with special reference to rural areas?
- Q19. Rohit and Mohit are partners selling electronic products across India. They import the components from China and assemble them in their factory established in a rural area of Jharkhand. Most of the workers in the factory are children and women. They are paid very less salaries thus owners save on Labour Cost. They sell their products across India and in nearby countries like Bangladesh, Nepal and Srilanka. They store their stocks in a warehouse but do not take proper safety measures against fire or burglary. There was a short circuit in the factory and as result most of the stock was damaged. They filed a claim with insurance company but their claim was rejected. (4)
a) Identify which type business Rohit and Mohit were doing? Give one reason to support your answer.
b) State any two problems faced by the type of business mentioned in (a).
c) Why do you think the insurance company rejected the claim?
- Q20. Itinerant traders have been an integral part of internal trade in India. Analyse the reasons for their survival in spite of competition from large-scale retailers. (4)
- Q21. a) Explain two benefits of International Business to Nations. (2+3)
b) Give difference between Domestic business and International Business on the basis of:
i) Business Systems and practices
ii) Nationality of buyers and sellers
iii) Order processing time

- Q22. Zeba Ltd., a mobile service provider has decided to expand its production capacity by modernizing its plant & machinery and setting up one more transmission towers at an estimated cost of Rs. 25 crores. It does not have adequate resources. As a Finance Manager of the company. Advise the directors why issue of Equity Shares is best for raising funds. (5)
- Q23. The business assets of an organization amount to Rs. 50,000 but the debts that remain unpaid are Rs. 80,000. What course of action can the creditors take if: (2+3)
- a) The organization is a sole proprietorship firm
 - b) The organization is a partnership firm with Anthony and Akbar as partners, who share profits and losses equally. Which of two partners can the creditors approach for repayment of debt? Explain giving reasons.
- Q24. Differentiate between Shares and Debentures. (5)
- Q25. "A store in a city center mall which not only sells from 'a pin to an elephant' but also has recreational area for children, coffee point etc." (6)
- a) Identify the fixed shop
 - b) Give 2 merits
 - c) Give 2 demerits
 - d) 2 examples
- Q26. Explain the following steps with respect to Import procedure: (6)
- i) Obtaining letter of credit
 - ii) Procurement of Import License
 - iii) Retirement of Import Documents
- Q27. "The marketing intermediaries perform all activities related to marketing and distribution of product like promoting products, grading and repacking etc." Identify the concept involved. Discuss the reasons against their existence in the channels of distribution? (6)