

BUDHA DAL PUBLIC SCHOOL, PATIALA
FINAL EXAMINATION (14 March 2023)

Class : XI

Subject : B. STUDIES (054)

(Set – A)

Time: 3hrs.

MM: 80

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.

1. Which of the following does not characterise business activity? 1
(a) Production of goods (b) Presence of risk
(c) Sale or exchange (d) Salary of wages

2. Application for approval of name of a company is to be made to 1
a) SEBI
b) Registrar of Companies
c) Govt. of India
d) Government of the State in which company is to be registered

3. Minimum number of members to form a public company is 1
a) 5 b) 2 c) 7 d) 21

4. This is not a benefit of e – business 1
a) Convenience
b) Low personal touch
c) Global reach
d) Customer satisfaction

5. Ethics are important for 1
a) Top management
b) Middle level managers
c) Non – managerial employees
d) All of these

6. Match the following 1

i	Trade Credit	a	It facilitates the purchase of goods & services without making immediate payment.
ii	Preference share	b	It refers to that part of profits which is kept and reserve for use in the future.
iii	Retained earning	c	This source of finance has characteristics of both equity shares and debentures.

A-1

- a) (i) a (ii) c (iii) b
- b) (i) a (ii) b (iii) c
- c) (i) c (ii) b (iii) a
- d) (i) b (ii) a (iii) c

7. What is the role of an entrepreneur in contributing towards Intellectual Property Rights 1

- a) Recognise and respect others' Intellectual property.Rights
- b) Be creative and Innovative
- c) Protect their own Intellectual Property
- d) All of these

8. Funds required for purchasing current assets is an example of 1

- a) Fixed capital requirement
- b) Ploughing back of profits
- c) Working capital requirements
- d) Capital budgeting

9. Investment limit in plant and machinery for micro manufacturing enterprises is _____. 1

- a) Rs. 1 Crore
- b) Rs. 25 Lakh
- c) Rs. 1 Lakh
- d) Rs. 10 Lakh

10. Matching 1

(i) It enjoys maximum autonomy in all managerial activities	a) Government Company
(ii) LIC and Air India are examples of this form of enterprise	b) Statutory Corporation
(iii) This enterprise is most suitable when national security is concerned	c) Departmental undertaking

- a) (i) a (ii) b (iii) c
- b) (i) c (ii) b (iii) a
- c) (i) a (ii) c (iii) b
- d) (i) b (ii) c (iii) a

11. In a cooperative society the principle followed is 1

- a) One share one vote
- b) One man one vote
- c) No vote
- d) Multiple votes

12. Which of the following has no separate legal entity? 1

- a) Departmental undertaking
- b) Statutory Corporation
- c) Govt. Company
- d) Private Company

13. Overdraft facility is available only on 1

- a) Current deposits accounts
- b) Recurring deposits
- c) Multiple option deposit account
- d) None of these

A - 2

14. A person gets his stock of Rs. 50,000 insured for Rs. 70,000. A fire occurs and the whole stock gets damaged. The insurance company will pay him only Rs. 50,000 not Rs. 70,000. Which principle of insurance is applied in this case? 1
- Principle of contribution
 - Principle of Subrogation
 - Principle of Indemnity
 - Principle of insurable interest
15. Formation of consumers' forum and pressure groups (of yahoo group) is an example of 1
- B2B Commerce
 - B2C Commerce
 - C2C Commerce
 - C2B Commerce
16. Which of the following is the social responsible of managers towards the employees? 1
- Providing clean working atmosphere
 - Giving security of service
 - Adopting incentive – giving system
 - All of these
17. Which of the following do not come under the fixed shop small retailers? 1
- Specialty shops
 - Secondhand goods shops
 - Peddlers and hawkers
 - Single stores
18. Trade credit is example of _____ 1
- Long term finance
 - Medium term finance
 - Short term finance
 - All of the above
19. Match the following: 1
- | | |
|---|-----------------|
| i) The service which helps in removing hindrance of knowledge | (A) Advertising |
| ii) The service which helps in removing hindrance of place | (B) Transport |
| iii) The service which helps in removing hindrance of time | (C) Insurance |
| iv) The service which helps in removing hindrance of risk | (D) Warehousing |
- (i) C (ii) D (iii) A (iv) B
 - (i) C (ii) A (iii) D (iv) B
 - (i) A (ii) B (iii) D (iv) C
 - (i) B (ii) A (iii) C (iv) D
20. The amount of money which must be raised before allotment of shares is called _____. 1
- Articles of Association
 - Dividend
 - Minimum Subscription
 - Paid up Capital
21. Manjeet Pvt. Ltd. is a reputed company manufacturing computers. The company is earning a considerable profit. Both the proprietors and the employees are putting their best efforts to make good quality products available to the customers at a low price, paying its shareholders a good amount of dividends and the employees a reasonable remuneration. This contributes to the successful operations of the business. With increased profits over time, the company's foundation becomes strong, and it earns a good reputation in the society. It utilizes its profits to finance its growth and expansion requirements. Explain the role of profits in business of Manjeet Pvt. Ltd. by quoting the lines from the above para. 3
22. Shakti Ltd. issues 100,000 shares of Rs. 10 each for public subscription. Application (along with money) are received for 80,000 shares. Can the company allot these shares? Explain. 3

OR

All the members of a company sitting in a general meeting were killed by a bomb. Was the company wound up? Identify the feature and explain it.

23. Food Corporation of India (FCI) was established through special Act passed in parliament in 1964 with the objective to create buffer stocks of food like wheat, rice etc. for emergency situations like drought, food famine etc. 3
- a) Which type of public sector enterprise is discussed above?
b) Does such enterprises have separate legal entity? Give reason in support of your answer.
c) Write any one demerit of such organization.
24. Rajan wants to start a business unit manufacturing Khadhi items. His friend who makes craft items, suggests him to start a small scale industrial unit in some rural, backward areas since the government is offering various incentives to small scale industries. Name two institutions set up by the Government of India to promote small – scale industries in rural India. Explain their role. 3
25. Describe the Services rendered by manufacturer to whole salers and consumers (two each) 4
26. What is international trade? Explain the benefits of international trade to the nations? 4
27. Identify the following types of business and distinguish between them on any four basis : 4
- a) Ram, a whole sales sells bangles, accessories etc in Chandni Chowk.
b) Mohan, a businessman sells his products of purses, necklace etc. through www.azazon.in.
28. Explain the following types of bank accounts in detail: 4
- a) Current deposit account
b) Multiple option deposit account
29. Give the meaning of entrepreneurship. State any three characteristics of entrepreneurship. 4

OR

One day Ravi Dubey noticed his wife cleaning the refrigerator with vinegar and water. She was struggling to remove a strain. He got an idea of making wet tissue papers with concentrate to solve the problem. He want to get funds under start up India Scheme? Explain the various ways to fund start up.

30. Max Ltd. a foreign company, started its business in electronics and is a leader in electronics. It is registered in a company and has its business operations in many countries of world. Its head quarter is in Japan. They always make use of latest technology to remain leader in electronics. 4
- a) Name the type of enterprise mentioned in the above para.
b) State any three features of such enterprises.
31. Differentiate between Memorandum of association and Article of association on any four basis. 6
32. Commerce is the sum total of activities that remove hindrances in the free flow of goods from producers to consumers. Explain. 6

A-4

33. Riya is a sole proprietor. Over the past decade, her business has grown from operating a neighbourhood corner shop selling accessories such as artificial jewellery, bags, clips and nail polish to a retail chain with three branches in the city. She is wondering whether she should form a company to better manage the business. She also has plans to open branches country wide.

- a) Explain three benefits of remaining a sole proprietor.
- b) Explain three benefits of converting to a joint stock company.

34. Some people feel that a business should be socially responsible towards the society it exists in while some are against it as basic objective of a business is to earn profit. Who is correct according to you? Give valid reasons in support of your answer.