



Class: XI Student's Name: Roll. No.

Subject: Business Studies Date: 15/02/2020 Max. Marks: 80 Times: 3 Hrs.

Invigilator's Name:..... Sign:.....

General Instruction:

- The first 15 minutes have been allotted for reading this question paper. These 15 minutes have to be used by the candidates for thorough silent reading of the question paper. The students should start writing on the next stroke of the bell.
- Do not write any answer on the question paper.
- Write in neat and clean handwriting. All questions are compulsory.
- This paper is divided into 5 parts consisting of 34 questions.

A) Question no. 1-20 carries 1mark each.

- Q.1 Which of the following is not a part of export document? (1)
a) Commercial invoice b) Bill of entry c) Certificate of origin d) Mate's receipt
- Q.2 Who has direct link with the ultimate consumer? (1)
a) Manufacturer b) Wholesaler c) Retailer d) None of these
- Q.3 VPP is an example of (1)
a) Cash on delivery b) Cash purchase c) Purchase against advance payment d) None of these
- Q.4 Commercial Banks do not provide loans in the form of (1)
a) Overdraft b) Term Loans c) Debentures d) Cash Credits
- Q.5 ADRs are issued in (1)
a) Canada b) China c) India d) USA
- Q.6 Social responsibility of business to protect environment is towards (1)
a) Employees b) Government and community c) Owners d) All stakeholders
- Q.7 ATM facility to withdraw money is an example of (1)
a) B2C commerce b) B2B commerce c) B2E commerce d) C2C commerce
- Q.8 Bankers cheque is also known as (1)
a) Bank draft b) Pay order c) Demand draft d) None of these
- Q.9 Which of the following is not a function of insurance? (1)
a) Risk Sharing b) Assist in capital formation c) Lending funds d) None of these
- Q.10 The document is the most secured and preferred mode of doing international business. (1)
a) Sanction letter of foreign exchange b) Bill of Lading c) Letter of credit d) bill of exchange
- Q.11 A retailer sells goods at different places on fixed days (1)
a) Street trader b) Cheap jack c) Market trader d) Hawker
- Q.12 An ancillary small industrial unit must supply (1)
a) 100% of its output to the parent company b) 50% of its output to the parent company
c) 50% of its output in the international c) As per the demands of the parent company
- Q.13 Debentures represent (1)
a) Fixed capital of the company b) Permanent capital of the company
c) Fluctuating capital of the company d) Loan capital of the company
- Q.14 This is an example of business risks due to economic cause (1)
a) Earthquake b) Lock out in the factory
c) Change in government policy d) Mechanical defects in machinery.

- Q.15 Preliminary contracts are signed (1)
a) Before the incorporation. b) After incorporation before capital subscription
c) After incorporation but before commencement of business. d) After commencement of business
- Q.16 Public sector organisations are managed by (1)
a) Officers appointed from private sector b) Government employees
c) Mix of individuals from public and private sector d) People selected through public examination system
- Q.17 Technical meaning of outsourcing (1)
a) Carrying out business functions or activities in separately established branch
b) Delegation of non-core activities to an external specialized entity
c) Buying resources from markets outside the main domestic market
d) Managing business activities by specialized individuals
- Q.18 Which of the following best describes ethics (1)
a) Ethics is choosing between right or wrong b) Ethics is choosing alternative courses of action
c) Ethics is about values and principles d) All of the above
- Q.19 Credit purchases reduce the working capital requirements. It is the part of which source of finance? (1)
a) Trade credit b) Leasing c) Overdraft d) None of these
- Q.20 The certificate issued by the directorate of Foreign Trade (1)
a) Registration cum Membership Certificate b) Certificate of inspection
c) Import export certificate d) Certificate of origin
- B) Question no. 21-25 carries 3 marks each.**
- Q.21 State the features of cottage industries. (3)
- Q.22 Write notes on --- (3)
A) Retained earning B) Trade credit OR A) Factoring B) Lease financing
- Q.23 Akhil insured his factory for Rs.40 lakh against fire. Due to fire, he suffered a loss of Rs.28 lakh. How much amount he can recover from the insurance company? Justify your answer. (3)
- Q.24 Discuss in brief the various kinds of social responsibilities. Explain with examples. (3)
OR
Despite the fact that there is a law which bans selling of Tobacco to individuals below 18 years age, the tobacco manufacturer is planning to sell its products outside schools and colleges. Which values are violated here from your point of view?
- Q.25 Briefly explain the term 'Return of Allotment'. (3)
- C) Question no. 26-28 carries 4 marks each.**
- Q.26 Identify the type of unit in the following cases: (4)
a) It is a part of Tiny and small business sector, cannot invest more than one lakh in its plant and machinery.
b) It is an enterprise promoted by women entrepreneurs and owns not less than 51% of the share capital.
c) Enjoys subsidies and concessions from the government for exporting more than 50% of its production.
d) It is established with the technical and financial help of the parent company.
- Q.27 Explain the steps taken by promoters in the promotion of company. (4)
OR
Explain the various elements of business ethics.
- Q.28 'Business is essentially a social institution and not merely a profit making activity'. Explain (4)
- D) Question no. 29-31 carries 5 marks each.**
- Q.29 What is IMF? Discuss its various objectives and functions. (5)
OR
Your firm is planning to import textile machinery from Canada. Describe the procedure involved in importing.
- Q.30 What are the services offered by retailers to wholesalers and consumers? (5)
- Q.31 What measures has the government taken to solve the problem of finance and marketing in the small scale sector? (5)
OR
Why are the consumer's cooperative stores considered to be less expensive? What are its relative advantages? Over other large scale retailers?
- E) Question no. 32-34 carries 6 marks each.**
- Q.32 Jamshedji Tata conceived an idea of formation of company in 1908 when East India Company was ruling Indian market. He selected hilly region bordering three states Jharkhand, Orissa and west Bengal. All states were thickly populated and poor. The area he chooses was rich in iron ore, so he decided to develop Iron and steel Industry. He

wanted to tap the unproductive savings of public and issued capital of Rs.5, 00,000. Area was underdeveloped, so he decided to spend 10% of profits every year for providing infrastructure to employees. To begin with he provided them accommodation and later he spent share of profits for building schools, hospital, playground and gardens and also contributed in road constructions. Employees were satisfied and worked hard. As a result, profit grew substantially every year and more industries were floated by him.

Which values led him to this road of success?

(6)

OR

Elaborate the steps involved in on-line trading.

Q.33 Identify the source of finance in the following cases:

(6)

- I. It is a source of finance which converts the value of purchases into trade payable.
- II. Shareholders agree to provide capital by way of accepting lower returns out of profits.
- III. The type of debentures who enjoy fixed returns with an option of becoming shareholders.
- IV. Shares which have a fixed rate of return but have the option of participating in profits.
- V. Owners of capital with preferential rights.
- VI. Provides an option to compromise to use fixed assets without the burden of replacement or obsolescence.
- VII. It is a short term source, can be issued only by financially sound and highly credit worthy firms.
- VIII. It provides an option to raise funds in American currency.
- IX. It provides the long term funds without diluting control of funds but may have control over usage of fixed assets.

Q.34 Distinguish between Memorandum of Association and Articles of Association.

(6)

OR

Discuss the financial instruments used in international financing
