



**INDIAN SCHOOL SOHAR**  
**TERM I EXAMINATION (2023-24)**  
**BUSINESS STUDIES (054)**

**CLASS: XI**  
**DATE:24/09/2023**

**MAX. MARKS: 80**  
**TIME: 3HOURS**

**GENERAL INSTRUCTIONS: -**

- I. This question paper contains 34 questions.
- II. Marks are indicated against each question.
- III. Answers should be brief and to the point.
- IV. Answers to the questions carrying 3 marks may be from 50 to 75 words.
- V. Answers to the questions carrying 4 marks may be about 150 words.
- VI. Answers to the questions carrying 6 marks may be about 200 words.
- VII. Attempt all parts of the questions together.

**SECTION – A**

1. Match the columns and choose the correct alternative: 1
- | <b>Column I</b>         | <b>Column II</b>         |
|-------------------------|--------------------------|
| A. Analytical industry  | i. Cement manufacturing  |
| B. Synthetical industry | ii. Manufacturing of car |
| C. Processing industry  | iii. Oil refinery        |
| D. Assembling industry  | iv. Production of sugar  |
- a) A-iii, B-i, C-iv, D-ii b) A-iv, B-i, C-iii, D-ii  
c) A-iii, B-ii, C-iv, D-i d) A-iii, B-i, C- ii, D-iv
2. Employment refers to an occupation wherein people \_\_\_\_\_ . 1
- a) Regularly engage in activities related to sale of goods or services  
b) Work for others and get remunerated in return  
c) Perform economic activities which require application of special knowledge and skills  
d) All of the above
3. Read the following statement carefully and choose the correct alternative: 1
- Statement I:** Pure risks involve both the possibility of gain, as well as, the possibility of loss.  
**Statement II:** Speculative risks involve only the possibility of loss or no loss.
- a) Both the statements are true.  
b) Both the statements are false.  
c) Statement I is true; Statement II is false.  
d) Statement II is true; Statement I is false.
4. Application for approval of name of a company is to be made to 1
- a) Stock Exchange Board of India  
b) Registrar of Companies  
c) Government of India  
d) Government of the State in which Company is to be registered

5. Name the satellite-based media services offered by cellular companies . 1
6. Which of the following match is subject-matter of Marine Insurance? 1  
 a) Cargo b) Hull  
 c) Freight d) All of the above
7. \_\_\_\_\_ is the oldest and most traditional form of organisation. 1  
 a) Departmental Undertaking b) Statutory Corporation  
 c) Government Company d) Partnership
8. Rohit and Rajat start a designing business. They ask Rajana, their friend to join them. She agrees to contribute ₹5,00,000 in the business but does not take part in day to day activities of business. What type of partner will she be called? 1
9. Match the correct pair: 1
- |                           |  |
|---------------------------|--|
| A. Current Account        | (i) Money can be withdrawn after certain period.               |
| B. Indemnity Contract     | (ii) Applicable on life insurance.                             |
| C. Annuity Policy         | (iii) Assured sum is paid after assured attains a certain age. |
| D. Saving Deposit Account | (iv) No interest is paid on these accounts.                    |
- a) A-(i) b) B-(ii)  
 c) C-(iii) d) D-(iv)
10. The business assets of a firm amount to ₹22,000 but the liabilities stand at ₹47,000. What course of action can the creditors take if it is a sole proprietorship firm? 1  
 a) Creditors can settle their account only to the extent of business assets available i.e. ₹22,000  
 b) Besides using business assets of ₹22,000, creditors can use the personal property of the owner to the extent of ₹25,000  
 c) Creditors can settle their account only to the extent of owner's personal assets available  
 d) None of these
11. Gauri is working in Kotak Mahindra Bank. Identify the sector, in which Gauri is working 1  
 a) Public sector b) Private sector  
 c) Both a) and b) d) Neither a) nor b)
12. Read the following statements carefully - Assertion (A) and Reason (R) and choose the correct alternative: 1  
**Assertion (A):** A Joint Hindu Family Business does not require any agreement.  
**Reason (R):** Membership is by birth.  
 a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)  
 b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)  
 c) Assertion (A) is true, but Reason (R) is false  
 d) Assertion (A) is false, but Reason (R) is true
13. "e-Business is a wider term than e-Commerce." True or false. Justify the statement. 1

14. What kind of joint venture was established between Maruti Suzuki, a well-known Indian automobile manufacturer, and Suzuki Motor Corporation, a prominent Japanese automotive company? 1
15. Which of the following business activities is not considered ethical? 1
- a) Charging fair prices from customers
  - b) Using fair weights for measurement of commodities
  - c) Adulteration of products
  - d) Giving fair treatment to workers
16. Surekha is a cloth trader. She gets her godown insured against fire. After a few days her godown caught fire. When the godown was on fire she was also around it. She kept watching this scene, but she made little effort to get the fire extinguished. Perhaps, she had in her mind that the godown was insured against fire. Hence, there was nothing to worry about. State, what principle of insurance is being violated by Surekha. 1
17. Noise is not merely a source of annoyance but it also poses some serious health hazards. In the light of this statement which of the following is incorrect: 1
- a) It is caused by the running of factories
  - b) It is caused by vehicles
  - c) It cannot be controlled in order to protect the environment
  - d) It can be responsible for many diseases like loss of hearing etc.
18. E-bay is an example of which variant of e-commerce? 1
19. Read the following statements carefully - Assertion (A) and Reason (R) and choose the correct alternative: 1
- Assertion (A):** Ethics and profits go together in the long run.  
**Reason (R):** Ethical business behaviour improves public image, earns people's confidence and trust, and leads to greater success.
- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
  - b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
  - c) Assertion (A) is true, but Reason (R) is false
  - d) Assertion (A) is false, but Reason (R) is true
20. CSR stands for which of the following: 1
- a) Company Social Responsibility
  - b) Corporate Social Responsibility
  - c) Corporate Societal Responsibility
  - d) Corporate Shared Responsibility

**SECTION – B**

21. Explain briefly any three main elements of Life Insurance contract. 3
- OR**
- Explain any three significant functions of commercial banks.

22. Identify and explain the objectives of business in the following statements: 3
- Mrs. Suman, the owner of Start Coaching Institute teaches the poor children for free.
  - HP comes out with latest Calling Tablet.
  - Employer contributing to NPS (New Pension Scheme) to his employee.

23. Imagine you are starting a research project on various forms of e-commerce. Choose three different variants of e-commerce from the following list: B2B (Business-to-Business), C2C (Consumer-to-Consumer), Intra-B, B2C (Business-to-customer). For each variant you choose, provide a detailed explanation of how it works with suitable examples of companies or platforms that operate within that e-commerce category. 3

24. Food Corporation of India(FCI) was established through Special Act passed in Parliament in 1964 with the objective to create buffer stocks of foods like wheat, rice etc. for emergency situations like drought, flood famine etc. 3
- Which type of public sector enterprise is discussed above? Quote the line.
  - Explain any two merits associated with the above mentioned public sector enterprise.

**OR**

A group of entrepreneurs is considering launching a new business venture in a rapidly growing urban area. They are torn between starting a private company or partnering with the local government to create a public entity to provide a specific service, such as public transportation. Compare any three key differences between the public sector and private sector.

### **SECTION – C**

25. The Government planned to begin a road project. The Government needed management specialists and financial help to complete it. The Government contacted the private sector to fulfil this requirement. Now, this project will be completed jointly by both the public sector and private sector. 4
- Identify and define the form of enterprise stated here.
  - Give any three features of such enterprises.

**OR**

A successful local bakery chain that has gained significant popularity in its home country. Now it is considering expanding its business operations to other countries. In this context, explain any four defining characteristics of multinational corporations that this bakery should be aware of.

26. Darshni 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 utilises its profits to finance its growth and expansion requirements. 4
- Explain the role of profit in business of Darshni Pvt. Ltd. by quoting the lines from the above paragraph.

27. 'A society has its own objectives for the promotion of economic interests of its members in accordance with cooperative principles.' Which term is being referred to here and under which Act it is governed? State any three characteristics of the same. 4
28. Kumar's grandfather asked Kumar to visit the bank with him to open a fixed deposit account in the bank. Kumar said that visiting the bank is not required to open a fixed deposit account. Grandfather was confused as to how it is possible. Explain the concept which Kumar is talking about. Also, explain any three of its advantages. 4

**OR**

Explain any four measures business organisations implement to contribute to environmental conservation?

29. Home Foods Pvt. Ltd. deals in grocery items of daily domestic usage. Its business is spread throughout Delhi. The company's 20 stores are providing their services to the residents of Delhi. All the business activities of this company are done through internet. Its main activities are obtaining information about goods, receiving orders of goods, making payments, receiving payments, inventory management, product development, etc. The use of internet in the business activities has resulted into reduced costs of business transactions. The customer also can shop sitting at home or office. They can access the internet to buy goods and services. The use of internet has considerably reduced dependence on paper work for the company. 4
- a) Which system of business is being followed by Home Foods Pvt. Ltd.? Define.
- b) State any three benefits of the system of business identified in a) by quoting the lines from the above passage.
30. Mr. Ashish is the owner of readymade garments factory. His main motive is maximizing the profit. For this he is charging high prices from the customers while supplying low quality products. He does not provide good working conditions to the workers, and does not pay them reasonable remunerations, even he did not bother about the pollution caused by his factory. As a result, the efficient employees started leaving the organisation. The government put a heavy penalty for causing pollution, and even the number customers gradually decreased day-by-day. 4
- a) What aspects do you believe are missing in Mr. Ashish's business practices?
- b) What should be done to resolve the problem?

**SECTION – D**

31. Arjun has an enormous unused area near his house in a village. He asks his friend if he could use it for any purpose which would earn him some money for his family. His friend suggests that he allow traders to stock their material for a certain period of time and in turn charge them for the same. 6
- a) Which term is being referred to in the above paragraph? Define the same.
- b) Explain briefly any five of its functions.
32. a) Write any three points of difference between Memorandum of Association and Articles of Association. 6
- b) Enlist various steps involved in raising funds from the public.

**OR**

Explain any six factors to be considered while selecting a form of organisation.

33. Farhan, a young man, wants to provide employment to the local people of his village. He decided to do the wholesale business of mobile phones made by the latest technique. But so many questions began to crop up in his mind: how will the goods be brought from distant places, how will the finance be arranged, and how will the information on his modern business be conveyed to the people? He consulted a business expert, Mr. Balram who gave him information on the auxiliaries to trade, which could solve his problem. Farhan understood what the expert told him. He employed 50 workers and started his business. 6
- a) Which economic activity is Farhan going to do? Explain.
  - b) On which part of business was the information given to Farhan by the business expert? Quote the line.
  - c) If we add the answer of a) to the answer of b) which part of business shall we have? Define it.
  - d) Explain the auxiliaries to trade which may solve the problem of Farhan, as suggested by the business.
34. Amko Limited, an American company is manufacturing a high quality product, which is very popular in America. The company is searching for the possibilities of exporting its product to foreign countries. After a thorough search on the internet it arrived at the conclusion that India can be a good market for its products. But the company is unaware of the distribution system in India. Now the company is looking for such a company which is already established in India and has a strong distribution system. Once again it searched on the internet and found that there was an Indian company named 'Surya Ltd.' which was facing severe financial constraints, but it had a very strong distribution system. Amko Ltd. negotiated with Surya Ltd., and both the companies made an agreement to jointly run their businesses. In this way the American company, with the help of Surya Ltd., got a good experience of entering the foreign markets. 6
- a) By quoting the lines from the passage identify the type of business enterprise formed, by merging Surya Ltd. with Amko Ltd.
  - b) Explain briefly any five benefits of such a business enterprise.