ROLL NO. | | | | | |

INDIAN SCHOOL SALALAH
FINAL EXAMINATION, FEBRUARY 2025 (AY 2024-25)

Class: XI **BUSINESS STUDIES (054)** **Date: 13/02/2025**

Time: 3 Hrs **Maximum Marks: 80**

General Instructions:

(i) This question paper carries 34 questions.
(ii) Marks are indicated against each question.
(iii) Answer 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.

1	Support services to industrial\business activities are clubbed under? a) Commercial industries b) Primary industries c) Secondary industries d) Tertiary industries	1
2	Which source of finance is available in normal course of purchase of goods? a) Inter- Corporate Deposits b) Trade Credit c) Public Deposits d) None of these	1
3	Nestle uses a network of computers for placing orders, monitoring production, delivery of goods and making payment to its supplier firm is an example of a) B 2 B Commerce b) B 2 C Commerce c) E-business d) Intra-B Commerce	1
4	Assertion (A) Profit earning is essential for the survival, growth and expansion of any business. Reason (R) It is the sole objective of all business firms. a) Both A and R are true. R is the correct explanation of A b) Both A and R are true, but R is not the correct explanation of A c) A is correct, but R is incorrect d) A is incorrect, but R is correct	1
5	On the basis of which Principle of Insurance, insurer can take over the damaged goods after paying the compensation?	1

6	Which of the following statements is incorrect? a) Ethical behaviour is above the behaviour required by law. b) Top management plays a crucial role in guiding the entire organisation towards ethical behaviour. c) Employees should not be involved in the process of developing ethical programmes. d) Ethics are essential for every business and for the progress of any society.	1
7	Lekshmi had set up a tiny industrial unit in her village in Andhra Pradesh for manufacturing clothes for kids. Her total investment in sewing and embroidery machinery is about Rs. 5,93,00,000. She availed the tailoring services of the local people who belong to the weaker sections of society. State the category into which her tiny industrial unit will be placed as per the Micro, Small and Medium Enterprise Development Act, 2006.	1
8	Read the following statements: Assertion (A): The Departmental Stores are generally formed as a Joint Stock Company Reason (R): All the purchases in a departmental store are made centrally by the purchase department. 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 and 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.	1
9	Priya wants to open a Bank Account for her business in which she can deposit and withdraw money number of times in a day. She should open __________ Account for this purpose. a) Current b) Fixed c) Saving d) None of these	1
10	-------------- have the power of the government and considerable amount of operating flexibility of private enterprises. a) Departmental Undertakings b) Government Companies c) Statutory Corporations d) Joint Stock Companies	1
11	Read the following statements carefully and choose the correct alternative: Statement I: In India, all foreign exchange transactions are regulated by Exchange Control Department of the Reserve Bank of India. Statement II: Mate Receipt is an instruction given by the port superintend to the captain of the ship. a) Both the statements are true. b) Both the statements are false. c) Statement I is true and II is false. d) Statement I is false and II is true.	1

12	Which of the following is/are the important source(s) from where owner's funds can be obtained? (i) Issue of Equity Shares (ii) Issue of Preference Shares (iii) Issue of Debentures (iv) Retained Earnings a) Only (i) b) (i) and (ii) c) (i) and (iv) d) (i), (ii) and (iii)	1
13	The definition used by the Government of India to describe MSME is based on: (i) Investment in Plant and Machinery (ii) Turnover of Business (iii) Number of persons employed a) Only (i) b) Only (i) and (ii) c) Only (i) and (iii) d) All of these	1
14	Which type of retailers provide door-to-door services to their customers? a) Street Traders b) Peddlers and hawkers c) General stores d) Street stall holders	1
15	Which of the following statement(s) is/are true; Statement I: Medium enterprises are coming under the MSMED Act, 2006. Statement II: If the Investment made in plant and machinery exceeds 50 crore it is coming under the category of medium enterprises. a) Both the statements are true. b) Both the statements are false. c) Statement I is true and II is false. d) Statement I is false and II is true.	1
16	Match the following Banking services with appropriate examples and choose the correct option:	1

Banking Services	Examples
A. Bank Overdraft	1. Loan for buying assets.
B. Term loan	2. Remit money from one place to another.
C. Cash credit	3. Withdraw more money than deposited.
D. Bank draft	4. Loan against current assets and other securities.

Option:
a) A-1, B-2, C-3, D-4
b) A-3, B-1, C-4, D-2
c) A-4, B-3, C-2, D-1
d) A-3, B-2. C-1, D-4

17	"The Corporate enterprise must provide regular, accurate and full information about its working as well as schemes of business growth". The given statement highlights the social responsibility of business towards the -------------- a) Shareholders or Owners b) Workers c) Consumers d) Government and Community	1
18	ICDs are issued by ---------- for a minimum period of ------------ a) Bank, 14 days b) RBI, 7 days c) Government, 14 days d) One company to another, 7 days	1
19	Bata is an example of --------------- a) Chain Store b) Mail Order House c) Department Stores d) General Stores	1
20	Which of the following does not highlight the contribution of small-scale industries in the development of rural and backward areas of the country? a) Generation of Employment. b) Supply limited variety of products. c) Balanced regional development. d) Mobilisation of local resources.	1
21	Mr. Das, after his retirement from Government job, wants a part of savings to invest in the shares of some company. He wants a fixed and regular income without any risk. Name the type of shares in which he should invest. State any two features of such shares.	3
22	'Retailer is an important link in the channel of distribution. Explain the services he provides to the consumer	3
23	New Style Ltd. is a reputed company in the field of Garments manufacturing in India. The company manufactures superior quality products. But the management is worried about its future prospects. The company is facing certain problems. • The domestic prices of its garments are low. • Under-utilization of capacity. • Demand for garments is saturated in domestic market. A meeting is called by the board of directors to discuss the matter. The members arrived at a conclusion that ―Internationalization of Business is the final solution to the problems faced by the company. Such internationalization will result in benefits to the company as well as to the nation. The company is also planning to adopt a village and teach various embroidery skills to the women which will help them to earn. Write the benefits of international trade to the firm.	3
24	What is meant by Business Ethics? Explain any two of its benefits.	3

25	Make a comparison of Business, Profession and Employment on the basis of the following: a) Nature of work. b) Reward or return. c) Risk. d) Code of conduct.	4
26	Reyansh is the sole owner of a shoe manufacturing factory. He took loan of 20 lakhs from ABC Finance Company for the expansion of his business. Because of continuous losses however, he was not able to repay the loan on time. Assets of the business were not enough for repaying liabilities in full. As a result, the Finance Company asked him to repay their loan. He refused to do so on the ground that the loan was taken by his business and not by him for his personal use. The Finance Company filed a case against him. The court gave decision in favour of the Company on the ground that Reyansh was operating as the sole proprietor and a sole proprietor did not have a separate entity distinct from his own. The Court further stated that Reyansh had unlimited liability and held him liable to repay the loan even by selling his personal property if needed. (a). Name the form of business which is being carried out by Reyansh. (b). What type of liability is enjoyed by Reyansh? (c). Why did Court hold Reyansh responsible for paying his business liabilities out of his personal assets? (d). Name that characteristic of sole proprietorship which facilitates the sole proprietor to take all decisions related to his business without consulting anybody.	4
27	Ethos Ltd., is an authorized retailer selling several luxuries watch brands. Every watch that Ethos sells comes with the brand warranty and also places its Ethos stamp. Well trained staff and great looking boutiques ensure that Ethos make shopping for watches an enjoyable and unforgettable experience. Now, Ethos Ltd. with an outlet of watches exclusively for men at Lajpat Nagar, Delhi, is planning to open a branch in Rohini, Sector 13 to meet the increasing demand. It operates with the policy of cash sales and is very particular about the timings of the store. On the basis of the given information about Ethos Ltd., answer the following questions: (a) Quoting the lines from the above paragraph, identify the type of fixed shop small retailing business of Ethos Ltd. (b) Which type of fixed shop large retailing business is Ethos Ltd. planning to engage in? Also, state any two features of the same business.	4
28	What is e-business? Explain any of its three features.	4
29	Name and explain the principles of insurance violated in the following cases. a) ‘Kiran’ does not own the building but is trying to get it insured as a party to the insurance policy. b) Goods worth ₹ 100,000 are damaged and the insurance company pays the claim to ‘Zaina’ for the loss. ’Zaina’ not only took the compensation for the loss but also claims the damaged goods. c) ‘Prakash’ takes an insurance policy for ₹ 50,000 with company ‘X’. The	4

	goods of ‘Prakash’ are damaged due to fire. The loss incurred is ₹25,000.X shall restore the actual loss but Prakash claims full amount of the policy. d) ‘Anvika’ enters into life insurance with LIC of India. ’She was ailing with heart disease but she did not reveal this at the time of entering the contract.	
30	What is ‘ploughing back of profit’ as source of finance? Explain any of its three features.	4
31	Health pharmaceuticals ltd. received an order for exporting the medicines to Brazil. Explain the next six steps in the export procedure after obtaining export licence.	6
32	Identify and explain the following enterprises with suitable examples. a) Enterprise established by the Special Act of the Parliament. b) Organisation under the direct control of the ministry. c) Enterprise spreads operation all over the world. d) Enterprise enjoys maximum autonomy in all management activities	6
33	After completing her Masters in business management, Nitya has opened a small industrial unit of handicrafts in the hilly area of Valparai. Valparai is a Taluk and hill station in the Coimbatore district of Tamil Nadu, India. It is located 3500 feet above sea level on the Anaimalai Hills range of the Western Ghats. What is the marketing support that she may avail of through NSIC?	6
34	a) Differentiate between Memorandum of Association and Articles of Association based on the following: (i) Objectives. (ii) Relationship. (iii) Validity. b) Explain any three functions of a Promoter.	3 3