

BUDHA DAL PUBLIC SCHOOL PATIALA
First Term Examination (2 September 2024)

Class XI (Commerce)
Subject -Business Studies
(Set-A)

Time: 3hrs

M.M.80

General Instructions

1. All questions are compulsory.
2. Questions from 1 to 20 carrying 1 mark each.
3. Questions from 21 to 24 carrying 3 marks each.
4. Questions from 25 to 30 carrying 4 marks each.
5. Questions from 31 to 34 carrying 6 marks each.

- Q1. Which type of risk is associated with the possibility of loss as well as gain?
a) Speculative risk
b) Pure risk
c) Uncertain risk
d) None of the above
- Q2. Mr. Shenoy wanted to start business of supplying readymade garments-But he was wondering about how much profit or return on investment he would be able to earn. This situation reflects which characteristic of business?
a) Procurement of goods b) Creation of utilities c) Uncertainty of return d) Element of risk
- Q3. A person gets his house insured from A and B insurance companies for Rs. 40,000 and 60,000 respectively. If that person suffers a loss of Rs. 40,000 due to the damage of his house, then he can either claim 20,000 from both the companies or he can compensate his loss by claiming Rs.40,000 from one company only. Later on both the companies will divide the compensation paid according to the ratio of the insured amount to them. Name the type of insurance which the above case is related.
a) Life Insurance b) Double Insurance c) Re insurance d) All of the above
- Q4. Ms. Mohini is one of the partners of Kejri Publishers. Her obsession with the firm is unknown to the general public. Other than this distinct feature in all other aspects she is like the rest of the partners. She contributes to the capital of the firm, takes part in the management, shared business profit & losses, and also has unlimited liability towards the creditors.
Identify the type of partners to which Ms. Mohini is related:
a) Nominal Partner b) Secret Partner c) Sleeping partner d) Partner by estoppel
- Q5. Durdarshi Ltd. Is a well known company in the industry to which it belongs. A very important document at the time of its incorporation was prepared. The main feature of this document is that any act beyond it is considered invalid and cannot be ratified even by a unanimous vote of the members. Name the document.
a) Memorandum of association b) Article of association c) Prospectus d) None of these
- Q6. In the absence of article of association _____ applies.
a) Table F b) Table B c) Table C d) Table D
- Q7. The capital of the company is divided into number of parts, each one of which is called
a) Dividend b) profit c) Interest d) Share
- Q8. E-business includes
a) E-commerce b) Production c) Product development d) All of the above

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- Q9. It is largely due to the use of a very important constituent of e-business that today it has become possible for the firms to go in for flexible manufacturing. The use of computer networks makes it possible for the marketing department to interact constantly with the production department and get the customized products made as per the requirements of the individual customer. Here, parties involved in the electronic transactions are from within a given business firm.

Name the type of e-business:

- a) B2B commerce b) B2C commerce c) C2C commerce d) None of the above
- Q10. In a market, one trader lowers the price of his articles to increase the sale, the other is also bound to do the same due to competition. Identify the cause of risk being portrayed in the case.
- a) Human cause b) Economic cause c) Natural cause d) Other causes
- Q11. In case of life insurance, presence of insurable interest is required at the time of _____.
- a) Taking insurance policy and time of loss
b) Taking insurance policy
c) Incurrence of loss
d) None of the above
- Q12. 'Radha Krishna constructions' a partnership firm is formed for the accomplishment of a project, namely building of a public school. It will dissolve automatically when the purpose for which it was formed is fulfilled.
- Name the type of partnership firm:
- a) General partnership b) Limited partnership c) Particular partnership d) Partnership at will
- Q13. Which of the following do not come under E-banking?
- a) Electronic fund transfer b) Automated teller machine c) Debit card d) Overdraft
- Q14. Mr. Manish Sisodia is always involved in the formation of the company. He mainly involved himself in conceiving a business idea and taking an initiative to form a company, so that a practical shape can be given to exploit the available business opportunities.
- Name the stage in the formation of the company in which Mr. Sisodia is involved?
- a) Promotion stage b) Incorporation stage c) Registration stage d) Both (b) and (c)
- Q15. "Vishnu planned to join his father's business and got engaged in his (father's) sugarcane farm". Identify the type of industry being discussed in the above statement.
- a) Extractive industry
b) Genetic industry
c) Manufacturing industry
d) Construction industry
- Q16. All activities involving the removal of hindrances in the process of exchange are involved in
- a) Trade b) commerce c) auxiliaries to trade d) none of the above
- Q17. Business risk is not likely to arise due to
- a) Changes in government policy
b) Good management
c) Employees dishonesty
d) Power failure
- Q18. The minimum numbers of members allowed in a co-operative society is :
- a) 10 b) 20 c) 7 d) 2

In the new digital market place banks and financial institutions have started providing services over the internet. This type of services provided by the banks on the internet, lowers the transaction cost, adds value to the banking relationship and empowers customers.

Name the services provided by the banks:

- a) Electronic fund transfer b) Automated teller machine c) Credit card d) All of the above

Q20.

In theory, a company is a democratic institution wherein the Board of directors are representatives of the share holders who are the owners. In practice, however, in most large-sized organisations having a multitude of shareholders, the owners have minimal influence in terms of controlling or running of the business. It is so because the shareholders are spread all over the country and a very small percentage attend the general meetings. Hence, as the directors virtually enjoy the rights to take all major decisions, it leads to rule by a few.

Identify the limitation of the company explained here:

- a) Delay in decision
b) Oligarchic management
c) Conflict in interest
d) Excessive government control

Q21.

Sukaran has taken fire insurance policy for his factory. Due to fire he suffered a loss of Rs. 2 Lakh and he gets the compensation for the same. The half burnt goods can be sold for Rs. 30,000.

- a) Who has the right over 30,000 now?
b) Which principle of insurance is applicable here? Explain it.

Q22.

Profit is essential for running a business. Do you agree with this statement. Give reasons in support of your answer.

Q23.

According to Indian partnership act, 1932, it is not compulsory for a partners firms to get itself registered, then why do partners prefer to get the firm registered?

Q24.

Distinguish between the Traditional Business and E-Business on the following basis. (any 3 points)

1. Length of business cycle 2. Government patronage 3. Global reach

Q25.

Jyoti wanted to sell her mobile phone but did not get any buyer. On her friend's suggestion she posted the mobile on sale on www.olx.com and found a buyer within two days.

- a) Identify the scope of E-business discussed in the para given above and explain it.
b) And also discuss any two other scopes in brief with example.

Q26.

Rajesh goes to 'State Bank of India' to open his savings account there. On visiting the bank he learns that there is some account available which is better than the savings account. The speciality of this account is that as and when the deposited amount in the account exceeds a certain amount, the amount in excess gets transferred into the fixed deposit. The interest earned on the fixed deposit is more than that on savings account. This account serves the purpose of both the savings account and fixed deposit. Rajesh gets this account opened.

- a) Identify this account and explain it.
b) Also explain two more accounts facilitated by commercial banks.

Q27.

Shreya, Shruti and Shabnam joined together and established a partnership firm. Their main product was a mobile phone. Besides, they also dealt in some other electronic instruments. Each one of the partners looked after one particular department. They had made it certain that every Monday they would hold a meeting and share the information on the activities of their respective departments. In one of their meetings, they decided that each member would tell something special on which they should focus their attention. The three special things told by all the three of them were as given below:

- i) Shreya: In order to compete with rivals, we shall have to focus our mind on marketing research.
ii) Shruti: We should keep clear of the anti-social activities like adulteration, hoarding and profiteering.
iii) Shabnam: We have to establish our business in the society. The members of our society are our customers from whom we earn our profit. Hence we should contribute to the activities of public importance, namely- dispensaries, educational institutions, etc.

- a) Identify the objectives fulfilled by Shreya, Shruti and Shabmam.
- b) Also state other objectives which are not mentioned in the above para.

Q28.

(A) Name and explain the following:

- a) The most important or fundamental document of a company.
 - b) Document containing internal rules and regulations of the company.
- (B) Also differentiate between two identified in part (A) on any three basis.

Q29.

Ms. Sheetal is running a beauty parlour in Delhi. She is the owner, manager and labourer of her business. She knows the fashion trend and gives personal attention to all her customers. Due to this, she attracts more customers and earns high profit.

- a) Which form of business organization is shown in the above para? Explain it.
- b) Give any three merits.

Q30.

What is business risk? Explain its types in brief.

Q31.

Discuss life insurance and discuss its types in detail.

Q32.

Nitesh and Naveen decide to start a partnership firm together. Their common friend Smriti tells them that it is advisable to have a written agreement as it constitutes an evidence of the conditions agreed upon in partnership and proves to be helpful in resolving any controversies which may arise in future.

In context of the above case:-

- a) Identify and explain the documents being referred to by Smriti.
- b) State any two aspects covered in this document.

Q33.

Mr. Jitendra, the owner of 'Jitendra steel industry' does the whole sale trade of utensils. Some of the utensils are made in his factory itself and some others, he purchases from other manufacturers. Every day, he has to make payment to several other traders. He wants that as soon as he deposits money in his bank it should be credited to the account of the receiver without any delay. On enquiring from the bank, he learnt that through e-banking there are two systems available for sending money from one place to another. According to one system, transfer of money from one bank to another is done in batches and according to the other system, transactions are done one after the other in continuity.

- a) State the names of these two systems.
- b) Explain the systems in detail which will be useful to Mr. Jitendra.

Q34.

Differentiate between life insurance, fire insurance and marine insurance on following basis:-

- a) Subject matter b) Indemnity c) Insurable interest d) element