

JB ACADEMY, AYODHYA
CLASS-XI, BUSINESS STUDIES (054)
ANNUAL EXAMINATION/SESSION (2024-25)

Time allowed: 3 Hours

M.M-80

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

1. Saransh and Vishal have their pharmaceutical factory in Jaipur. Their main focus is providing quality products at reasonable prices. They procure the services of a renowned medicine specialist Mr. Andrews from Germany who gives them feedback about the quality of their products. Because of increasing competition with foreign Pharmaceutical Companies, their market share is decreasing and they are suffering huge losses. To ensure their existence in the market, their management is concentrating on full usage of machines, and reducing wastage, and effective promotion of their products to increase the sales. Identify the economic activity Mr. Andrews performs. [1]

a) Business b) Profession c) Employment d) Partnership
2. It is convenient for sole proprietorship to expand or curtail its business activities. Which feature of sole proprietorship is highlighted in the above lines. [1]

a) Limited Resources b) Flexibility c) Unlimited liability d) Quick Decision Making
3. Though the operations and activities of Global Enterprises extend beyond the physical boundaries of their own countries, control is mainly exercised by which of the following: [1]

a) Subsidiaries b) Headquarters c) Affiliates d) Branches
4. Which insurance policy should be taken by the shipping company in order to insure the loss of freight in case cargo does not reach the destination due to damage or loss in transit? [1]

a) Ship insurance b) Hull insurance c) Freight insurance d) Cargo insurance
5. E-business is more comprehensive than e-commerce as e-business includes not only e-commerce but also comprises various other business transactions and functions conducted electronically. [1]

a) The statement is true b) The statement is false
c) The statement is partially true d) None of these
6. A flagship initiative of the Government of India intended to build a strong eco-system for nurturing innovation and to generate large scale employment opportunities. Which scheme is identifiable through the symbol? [1]

a) Mudra Yojana Scheme b) Atal Innovation Mission

b) Start-up India scheme

d) Stand-up India scheme

7. Which of the following comes under E-Banking?

(1)



- a) Debit card b) Automatic teller machine c) Both A & B d) None of these

8. Shuddh Masala Udyog is a Partnership firm, which deals in trading of all varieties of spices. The partners focus on maximising the profits on the basis of customer satisfaction. Due to increasing competition in the market, the level of profits is falling. One of the partners advised to use substandard raw-material, to do little adulteration in products, and to maintain their profit margin. But the other partners opposed it by saying that the consumers can take legal action against the firm. Suggestion came from other partners to cut down the wages of workers and to withdraw the brunch facility given to them, but it was discarded on the ground that it will create discord and unsatisfactory environment. Finally, it was decided that to maintain their profits the firm has to boost its sale and public image by fulfilling the social responsibility social responsibility improves public image because of the following reasons?

[1]

- a) Mandatory for the business
b) Legal obligation for business
c) Satisfied workers and consumers contribute in the success of the business
d) Avoidance of government interference

9. Which of the following is false regarding equity shares:

[1]

- a) Funds raised through equity shares is known as ownership capital
b) Equity shareholders do not get a fixed dividend
c) Equity shareholders receive what is left after all other claims on the company's income and assets have been settled
d) Liability of equity shareholders is unlimited

10. Read the following statements: Assertion (A) and Reason(R). Choose the correct alternative from those given below:

[1]

Assertion (A): Issue of debentures dilutes the control of equity shareholders on management.

Reasoning (R): The debenture issued by a company is an acknowledgment that the company has borrowed a certain amount of money, which it promises to repay at a future date. Debenture holders are, therefore, termed as creditors of the company.

- 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

11. Investment in equipment in small enterprises which are engaged in rendering services ranges between and

[1]

- a) 5 lakhs, 1 crore b) 5 laths, 2 crores c) 10 lakhs, 1 crore d) 10 lakhs, 2 crores
12. A lot of small businesses in India are largely sick units. Which of the following is an internal cause leading to sickness and closure of such units: [1]
- a) Delayed payment c) Shortage of working capital
b) Lack of skilled and trained labour d) Lack of demand for their products
13. Statement I: National Small Industries Corporation (NSIC) was set up in 1955 to promote, aid and foster the growth of small-scale units in India.
Statement II: It supplies imported machines and raw materials to small scale industries on easy hire-purchase schemes.
- Choose the correct option from the following: [1]
- a) Statement I is true and II is false c) Statement II is true and I is false
b) Both the statements are true d) Both the statements are false
14. Neeru was a daily wage labourer when she decided to be her own boss and transformed herself as a successful businesswoman. She started her small-scale business of making Pickles using organic fruits and vegetables with total investment of ₹10 lakhs along with few of her neighbours using their free time at home. She invested ₹2 lakhs by selling her jewellery and using personal savings and ₹6 lakhs were contributed by her friends who are members of her business. They named their venture as 'SakhiAachaar'. They launched their new range of pickles using aloe vera, turmeric, and other herbs, for boosting immunity of the users. They were able to supply the entire district. One of the members suggested that they should make herbal candies too. The products made by them were well-liked and appreciated by the people. Identify the quality of Neeru as an entrepreneur in the above case. [1]
- a) Innovator b) Job provider c) Risk bearer d) All of these
15. Which is not an export document [1]
- a) Commercial invoice b) Certificate of origin c) Mate's receipt d) Bill of entry
16. Statement I: A proforma invoice is a document that contains details as to the quality, grade, design, size, weight and price of the export product.
Statement II: Proforma Invoice is sent by the importer to the exporter.
- Choose the correct option from the following: [1]
- a) Statement I is true and II is false c) Statement II is true and I is false
b) Both the statements are true d) Both the statements are false
17. Import general manifest is a document on the basis of which unloading of cargo takes place. Who among the following is responsible for preparing the import general manifest: [1]
- a) Importer b) Exporter c) Person in charge of the carrier d) Shipping company
18. Match the objectives given in column I with the suitable concept given in column II. [1]

Column I	Column II
1. To sell surplus output	i. World Trade Organization

2. To overcome natural calamities	ii. DGFT
3. To promote an integrated, durable trading system	iii. Importing
4. To issue IEC number	iv. Exporting

- a) 1. (iv), 2. (iii), 3. (i), 4. (ii)
b) 1. (ii), 2. (iii), 3. (iv), 4. (i)
c) 1. (iii), 2. (iv), 3. (ii), 4. (i)
d) 1. (iii), 2. (i), 3. (iv), 4. (ii)

19. The principle of indemnity is not applicable to which of the following? [1]

- a) Fire Insurance b) Life Insurance c) Marine Insurance d) All of these

20. Debentures are a source of raising finance. [1]

- a) Long-term b) Medium-term c) Short-term d) None of these

21. Arun has just passed his 10th standard and has opted for Business Studies as his optional subject. During his initial classes regarding this subject, he is not able to understand the concept of business. You being the teacher of this subject explain to him any three characteristics of business. [3]

22. State three reasons as to why is commerce considered as the backbone of industry and other business activities? [3]

OR

Rohit is not able to understand the difference between Trade and Auxiliaries to Trade. Help him in understanding the same and also give their classifications. [3]

23. Kiran is a sole proprietor. Over the past decade, her business has grown from operating a neighbourhood corner shop selling gift items, such as artificial jewellery, purses, small bamboo plants, mobile covers, showpieces, photo frames, etc. to a retail chain with three branches in the city. Although she looks after the varied functions in all the branches, she is wondering whether she should form a company to better manage the business. She also has plans to open branches countrywide. On the basis of above information answer the following questions:

- a) State one benefits of remaining a sole proprietor.
b) State two benefits of converting to a joint stock company.

24. State any three agency functions of a Commercial Bank. [3]

OR

Why are banks called debtors as well as creditors? [3]

25. Comment on the following features of co-operative society: [4]

- i. Legal status,
ii. Control.

OR

Explain the following terms in brief: [4]

- i. Perpetual succession.
ii. Common seal.

26. State two merits and two demerits of a government company. [4]

OR

Explain any four features of a Multinational Company.

[4]

27. BOAT is a well-known brand in wearable gadgets like Airpods, Speakers, Bluetooth Devices etc, in India. Boat uses new chain to capture market as after manufacturing and sells its product to their customers by eliminating the middleman and offers heavy discount to their customers directly. Identify and explain the scope of e-business and explain the concept. (4)

28. Explain the following functions of a wholesaler –

i. Storage Function

ii. Market Information

(4)

29. Define service. Name and explain the services which are related to the following cases: [4]

i. The services which help in removing hindrance of knowledge.

ii. The services which help in removing hindrance of place.

iii. The services which help in removing hindrance of time.

iv. The services which help in removing hindrance of risk.

30. “The motive of service dominates the working of co-operative society”. How? [4]

31.i. Explain the following merits of trade credit:

a) Simplicity

b) Flexibility

c) No extra financial burden

ii. State any two points of difference between Owner’s Fund and Borrowed Funds. [3 + 3 = 6]

32. Adhaya limited; a famous group of promoters gets a contract of promoting a toy manufacturing company. Discuss in brief the steps which are required to be followed to form a toy manufacturing company (A Public Limited Company). [6]

OR

Write short notes on the following:

[6]

i. Minimum subscription.

ii. Statement in lieu of prospectus.

iii. Preliminary contracts.

33.

i. “Protection of small-scale industries (SSI) by the Government is essential for equality of opportunity”. [3 + 3 = 6]

a) Why do you think this statement is correct?

b) State any two features of small-scale industries,

ii. “Small industries are small in size but play a big role in development of rural areas”.

a) What is the role of small-scale industries in rural areas?

b) State any one problem faced by small-scale business in India.

34. Puma stores are networks of retail shops owned and operated by Puma Company. These shops operate indifferent parts of country. One can easily identify these shops in any part of the country as they have same appearance; even their interior is also identical. All the shops are supplied the goods from head office only. Even store sell some goods at uniform prices. [6]

i. State and explain the type of retail store mentioned in above case.

ii. State any four features of retail store identified in