



INDIAN SCHOOL SOHAR
TERM 1 EXAMINATION (2022-2023)
BUSINESS STUDIES (054)

CLASS: XI
DATE: 19/09/2022

MAX MARKS: 80
TIME: 3 HOURS

General Instructions: -

Read the following instructions very carefully and strictly follow them :

- (i) There are 31 questions in the question paper. All questions are compulsory.
- (ii) Question nos. 1 to 16 are objective type questions, carrying 1 mark each.
- (iii) Question nos. 17 to 21 are short-answer type I questions, carrying 3 marks each.
- (iv) Question nos. 22 to 25 are short-answer type II questions, carrying 4 marks each. (v) Question nos. 26 to 28 are short-answer type II questions, carrying 5 marks each.
- (vi) Question nos. 29 to 31 are long-answer type questions, carrying 6 marks each. (vii) Answers should be brief and to the point.
- (viii) There is no overall choice in the question paper. However, an internal choice has been provided in one question of one mark, one question of three marks, one question of four marks, one question of five marks and one question of six marks. Only one of the choices in such questions have to be attempted.

Section-A

- 1 Which economic activity involves less/no risk? 1
a) Business b) Profession c) Employment

- 2 Match the following: 1

Column I	Column II
A. Transport	i) removes the hindrance of time
B. Warehousing	ii) removes the hindrance of risk
C . Insurance	iii) removes the hindrance of place
D . Banking	iv) removes the hindrance of finance

- 3 Read the following statements carefully-Assertion(A) and Reason(R) and choose the correct 1 alternative.

Assertion(A) – Transport, communication, insurance etc. are considered as a part of commerce.
Reason(R) -As auxiliaries to trade these activities assist trade

- 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 false

- 4 Which of the broad category of industries covers oil refinery and sugar mills? 1 a) Primary
b) Secondary

c) Tertiary d) None of these

- 5 Name the act which governs the partnership business in India? 1
- 6 The minimum number of members in a cooperative society? 1 a) 2 b) 7
c) 3 d) 10
- 7 Which of the following is not included in the partnership deed? 1
a) Investment made by each partner
b) Method of solving disputes
c) Interest on capital and interest on drawings
d) Conversion of partnership firm into a private limited company.
- 8 The structure in which there is separation of ownership and management is called 1 a) Sole-proprietorship
b) Partnership
c) Company d) All business organisations
- 9 Suresh, Mukesh and Rajesh are three partners, but Suresh's association with the business is not known to outsiders. What type of partner is Suresh?
- 10 Name the form of Organisation which is established under the Indian Companies Act, 1956 and is registered and governed by the Provisions of the Indian Companies Act.
- 11 The board of directors of a joint stock company is elected by 1 a) General public b) Government bodies
c) Shareholders d) Employees
- 12 Profits do not have to be shared. This statement refers to 1
a) Partnership c) Joint Hindu Family business
b) Sole proprietorship d) Company
- 13 Read the following statements carefully-Assertion(A) and Reason(R) and choose the correct 1 alternative.
Assertion(A) - A company has perpetual succession
Reason(R) - A company being a creation of the law, can be brought to an end only by law.
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 false
- 14 Reserve Bank of India is an example of Government company. True/False 1
- 15defines the powers, functions, rules and regulations of the corporation? 1
- 16 Red tapism is an essential feature of..... 1

Section-B

- 17 Write any 3 differences between business, employment and profession. 3
- 18 “Manufacturing industries may be further divided into four categories on the basis of method of production”. Explain any three such industries.
- 19 “Karta is the most active member in a joint Hindu Family Business. He is powerful to ruin the business”. Comment.

OR

State any three economic objectives of Business.

- 20 Kiran is a business man. Over the past decade her business has grown from operating a neighborhood 3 corner shop selling accessories such as artificial jewellery, bags, clips and nail arts 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 company to better manage to open branches country wide. a) Identify the form of organisation. b) Explain any two features of the same.
- 21 (a) Rajni, a house wife exchanges utensils for old clothes on a regular basis. Is it a business? 3
b) Ramesh sells winter wear in the month of December, January and February but he is not able to sell his complete stock.
(i) Identify the hindrance and explain it. (ii) How can he resolve this hindrance?

Section-C

- 22 Rohit after doing his graduation has decided to run a retail shop as a source of livelihood. He procures the goods from the wholesalers according to the consumer’s demand and maintain regular supply of goods to his customers. Customers are well satisfied with his services due to which sales turnover is very high and he is earning a good return on his capital employed. Seeing his successful business two other retailers have also opened their shops in the same area giving him tough competition reducing his market share and margin of profits. But Rohit knows in spite of his best effort put into the business, there is always the possibility of inadequate profits or losses.
a) Identify the economic activity Rohit is engaged in?
b) Enlist features of the identified economic activity.
- 23 Food corporation of India was established through special act passed in parliament act 1964 with the 4 objective to create buffer stocks of food like wheat, rice etc. for emergency situations like drought, flood etc..
a) Which type of public sector enterprise is discussed above.?
b) Does the enterprise have the separate legal entity?
c) Write any one demerits of such organisation.

24 Discuss any four features of Departmental undertakings. 4

OR

Discuss any four merits of Statutory corporations.

25 Distinguish between a Joint Hindu Family and Cooperative society on the basis of: 4 a) Number of members
b) Control and management
c) Liability
d) Formation

Section-D

26 You are a business consultant. Mr.Narayan has recently retired from government service. He is 60 5 years old and he wants to set up a factory to manufacture plastic goods. He has come to consult you so that you may suggest to him the most suitable form of business organisation. The following are his main expectations from the business organisation.

i) Ease of formation ii) Flexibility iii) Sufficient persons to look after various activities .

a) Which form of organisation will you suggest to Mr.Narayan?

b) Give reasons to support your answer.

27 Identify the form of organisation in which members have agreed to share the profit of business 5 carried on by all or any of them acting for all and explain any four features of this form of organisation.

OR

Successful results in business depend largely upon the ability of the entrepreneurs or the starters of a new business to anticipate problems and solve them with minimum cost . This is possible only with different factors required for starting a business. Explain?

28 The business assets of an organisation amounts to Rs.50, 000 but the debts that remain unpaid are 5 Rs.80, 000. What course of action can the creditors take if: a)

The organisation is a sole proprietorship firm

b) The organisation is a partnership firm with Anthony and Akbar as partners. Which of the two partners can the creditors approach for the repayment of debt? Explain giving reasons.

Section-E

29 Meenakshi, Harshiv & Hrithika are three partners in a firm. The name of the firm is 'Pusthakalay'.The 6 latest books of almost all subjects remain available at the 'Pusthakalay'. At the end of a financial year all the three partners are decided to give some books and bags to poor children as a part of social welfare. Harshiv is a business magnet, who allowed to use his name by the firm but does not contribute capital. Hrithika had contributed capital to the firm but does not participate in the management of the firm. Meenakshi actively participate in the management and does business on behalf of other partners.

Explain what type of partners Meenaksi, Hrithika and Harshiv are in 'Pusthakalay'.

OR

Every day Amul collects 4,47,000 liters of milk from 2.12million farmers, converts the milk into branded, packaged products, and delivers goods worth 6 crore to over 5,00,000 retail outlets across the country.

a) Which form of organisation is discussed in the above sentences?

b) Explain various type of identified form of organisation.

30 Mr.Midhun is having some interested ideas to start a new business and he is sure about what all 6 things are there to do before starting a business. But he got stuck in one decision. He is very confused with the selection of the form of organisation. Can you help him by explaining important factors determining the choice of the form of organisation.

31 Name the enterprises that operate in several countries.Explain their characteristics. 6

***** THE END *****