



**INDIAN SCHOOL AL WADI AL KABIR
DEPARTMENT OF COMMERCE**

CLASS XI- ASSESSMENT I -2023-24

DATE: 26/09/2023

BUSINESS STUDIES


MARKS: 80

General Instructions:

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

Q. No.	SECTION A:	Marks
1.	Business risk is not likely to arise due to _____. A. Changes in government policy B. Good management C. Employee dishonesty D. Power failure	1
2.	Which of the following is not a feature of employment? A. Fixed wages B. Agreement between employer and employee C. Terms and conditions D. Element of risk	1
3.	A Chartered Accountant providing services to his client is an example of _____. A. Employment B. Profession C. Business D. Trade	1

4.	<p>The form of business organisation which is specifically found in India is _____.</p> <p>A. Sole Proprietorship B. Partnership C. Joint Hindu Family D. Cooperatives</p>	1
5.	<p>Satish lost his job during the Covid-19 pandemic now he wants to start a business of his own in his hometown, Satish had limited finance available with him and he does not want many legal formalities to start a business, suggest Satish which form of business organisation he should go for:</p> <p>A. Partnership B. Sole proprietorship C. Joint Hindu family business D. Cooperative society</p>	1
6.	<p>Gokul Dham society is made by a group of people in which these members are able to construct/buy houses at reasonable cost. This is an example of _____.</p> <p>A. Cooperative credit society B. Marketing cooperative society C. Cooperative housing society D. Producer's cooperative society</p>	1
7.	<p>_____ are neither the agents nor the trustees of the company.</p> <p>A. Registrar B. Registries C. Promoters D. Preliminary Contracts</p>	1
8.	<p>This is probably the most important clause of the memorandum. It defines the purpose for which the company is formed. Identify the clause stated above.</p> <p>A. Liability Clause B. Capital Clause</p>	1

	C. Name Clause D. Objects Clause	
9.	The public sector enterprises are owned, managed and controlled by the _____. A. Government B. Individuals C. Foreigners D. Investors	1
10.	 <p>This is an example of a _____.</p> <p>A. PPP B. Government Company C. Departmental Undertaking D. Statutory Corporation</p>	1
11.	Which of the following has the power of the government and the considerable amount of operating flexibility of private enterprises? A. Departmental Undertakings B. Statutory Corporations C. Government companies D. All of the above	1

12.	<p>These organisations are established for purely business purposes and in true spirit compete with companies in the private sector. They are exempted from the accounting and audit rules and procedures. An auditor is appointed by the Central Government and the Annual Report is to be presented in the Parliament or the State Legislature. Identify the form of public enterprise.</p> <p>A. Government Company</p> <p>B. Statutory corporations</p> <p>C. Global Enterprises</p> <p>D. Departmental Undertaking</p>	1
13.	<p>Which of the following is not a feature of MNC</p> <p>A. Huge capital resources</p> <p>B. Marketing strategies</p> <p>C. Product innovation</p> <p>D. Generating huge profits</p>	1
14.	<p>A government company is any company in which the paid-up capital held by the government is not less than _____.</p> <p>A. 49 percent</p> <p>B. 51 percent</p> <p>C. 50 percent</p> <p>D. 25 percent</p>	1
15.	<p>A. According to principle of subrogation the insured should not be allowed to make any profit by selling damaged property or in the case of lost property being recovered.</p> <p>B. The principle of subrogation is a corollary to the Principle of Indemnity and the damaged goods will belong to the insurance company, once the compensation is paid. It also states that insurance is not a contract of making a profit.</p> <p>A. Both A and B are True.</p> <p>B. Both A and B are False.</p>	1

	<p>C. A is True but B is False.</p> <p>D. B is True but A is False.</p>	
16.	<p>UPI stands for _____.</p> <p>A. Unique Payment Introduction</p> <p>B. Union Payment Interface</p> <p>C. Upper Payment Interface</p> <p>D. Unified Payment Interface</p>	1
17.	<p>A person gets his stock of Rs.25,000 insured for Rs.35,000. A fire occurs and the whole stock gets damaged. The insurance company will pay him only Rs.25,000, the actual value of his stock and not Rs.35,000. Which principle of insurance is applied in this case?</p> <p>A. Principle of Contribution</p> <p>B. Principle of Subrogation</p> <p>C. Principle of Indemnity</p> <p>D. Principle of Insurable Interest</p>	1
18.	<p>Without disclosing that he is suffering from TB, Mr. A gets himself insured against death for rupees 10 lakhs. He lives for another three-four years and dies due to TB. The insurance company comes to know about Mr. A's illness only after his death. Now, under these circumstances, the insurance company is not liable to pay anything to the dependents of Mr. A as the contract between the insurance company and Mr. A is void. Identify the principle of insurance to which the above example is related:</p> <p>A. Utmost good faith</p> <p>B. Insurable interest</p> <p>C. Indemnity</p> <p>D. Subrogation</p>	1
19.	<p>Health care and education services provided by certain non-government organisations (NGOs) and government agencies are examples of _____ services.</p>	1

	<p>A. Personal Services B. Social Services C. Economic Services D. Business Services</p>	
20.	<p>These deposits are the most liquid deposits and there are no limits for number of transactions or the amount of transactions in a given period. Identify the Bank Account</p> <p>A. Fixed Deposit Account B. Savings Account C. Current Account D. Recurring Deposit Account</p>	1

	SECTION B	
21.	<p>This is a voluntary association of persons, who join together with the motive of welfare of the members. They are driven by the need to protect their economic interests in the face of possible exploitation at the hands of middlemen.</p> <p>A. Identify the form of business organisation B. Explain any (2) two features of the identified concept</p>	3
22.	<p>a. The economy may be classified into two sectors. Name them a. Define the identified concepts (two sectors).</p>	3
23.	<p>Explain any (3) three different services provided by banks.</p>	3
24.	<p>Services are those separately identifiable, essentially intangible activities that provides satisfaction of wants, and are not necessarily linked to the sale of a product or another service. Services are intangible, inconsistent and inseparable. Explain the different types of services with one example each.</p>	3

25.	<p>Business activity is carried out only for profit. Business persons themselves proclaim that their primary objective is produce or distribute goods or services for profit. Every business is said to be an attempt on the part of business people to get more than what has been spent or invested, or in other words, to earn profit which is the excess of revenue over cost. Profit may be regarded as an essential objective of business. Identify the objectives of the business.</p> <p>A. This is the introduction of new ideas or methods in the way something is done or made -</p> <p>B. This refers to the position of an enterprise in relation to its competitors -</p> <p>C. This refers to the obligation of business firms to contribute resources for solving social problems and work in a socially desirable manner -</p> <p>D. This is ascertained by comparing the value of output with the value of inputs. It is used as a measure of efficiency -</p>	4
26.	<p>A. What do you mean by a Manufacturing Industry?</p> <p>B. Explain any (3) classifications of the Manufacturing Industry.</p>	4
27.	<p>A', 'B', 'C', 'D' and 'E' are partners in partnership firm. The firm has different types of partners. Mr. A has contributed capital and participates in the management of firm. He shares profits and losses and is liable to an unlimited extent to the creditors of the firm. Mr. B has contributed capital and shares its profits and losses. He also has unlimited liability but he does not take part in day-to-day activities of business. Association of Mr. C is not known to the general public but in all other respects he is like an active partner. Mr. D has allowed the firm to use his name as he enjoys good reputation among clients but he does not either contribute capital or take part in the management.</p> <p>Master 'E', 15 years of age is entitled to the benefits of partnership with mutual consent of all their members. He is not eligible to take part in management of firm and shares only profits and not losses of the firm.</p> <p>A. How many partners do the firm has, name them?</p> <p>B. Who is the active partner in the firm and what is the nature of his liability?</p> <p>C. What is the other name of the sleeping partner and identify the sleeping partner in the above case?</p>	4

	D. What kind of partner is Mr.C and what kind of liability does he have in the firm?	
28.	A. Who is a Promoter B. Explain the feasibility studies that that may be undertaken by a promoter.	4
29.	It is an organisation created under the Companies Act, 2013 or any other previous Company Law. The management of the organisation is regulated by the provisions of the Companies Act, like any other public limited company. The employees of the organisation are appointed according to their own rules and regulations as contained in the Memorandum and Articles of Association of the company. The Memorandum and Articles of Association are the main documents, containing the objects and its rules and regulations of the organisation. A. Identify the form of public enterprise B. Explain any (2) merits and (1) demerit of the identified form of public enterprise	4
30.	Enumerate the different types of Bank Accounts (Any 4)	4
31.	The cooperative society is compulsorily required to be registered under the Cooperative Societies Act 1912. The process of setting up a cooperative society is simple enough and at the most what is required is the consent of at least ten adult persons to form a society. The capital of a society is raised from its members through issue of shares. Explain Consumers, Producer's and Marketing Cooperative Societies (2 Points Each)	6
32.	Explain the steps to be taken in the stage of Capital Subscription	6
33.	Explain in detail any (4) Four Principles of Insurance with one example each	6

34.	<p>These enterprises are unable to take advantage of business opportunities. The bureaucrat's over-cautious and conservative approval does not allow them to take risky ventures. There is red tapism in day-to-day operations and no action can be taken unless it goes through the proper channels of authority. There is a lot of political interference. These organizations are usually insensitive to consumer needs and do not provide adequate services to them.</p> <p>A. Identify the type of public enterprise from the above case</p> <p>B. Explain any (2) features and (3) merits of the identified form of public enterprise</p>	6
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