



INDIAN SCHOOL AL WADI AL KABIR

FINAL ASSESSMENT

BUSINESS STUDIES (054)

Date: 26/02/2025

Time Allowed : 3 hours

Class: XI

Maximum 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.	PART A	Marks
1	_____ removes the hindrance of risk. (a) Advertising (b) Trade (c) Insurance (d) Transportation	1
2	The refund of excise duty is known as a) Duty Withdrawn b) Duty drawback c) Duty Refund. d) Duty Reimbursement	1
3	Assertion: The principle of 'one man one vote' governs the cooperative society. Reason: Right to vote given to the members lends the cooperative society a democratic character. a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true and R is not the correct explanation of A.	1

	c) A is true but R is false. d) A is false but R is true.	
4	A person gets his stock with 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? a) Principle of Indemnity b) Principle of Subrogation c) Principle of Contribution d) Principle of Insurable Interest	1
5	Statement 1: Social responsibility is enforceable by law. Statement 2: Business has nothing to do with social responsibility. Choose the correct option from the following: a) Both the Statement are true. b) Both the Statement are false. c) Statement 1 is true and Statement 2 is false. d) Statement 2 is true and Statement 1 is false.	1
6	Which of the following is not a function of insurance? a) Risk sharing b) Lending of funds c) Assist in capital formation d) None of the above.	1
7	E-commerce does not include: a) A business's interactions with its suppliers b) A business's interactions with its customers c) Interactions among the various departments within the business. d) Interactions among the geographically dispersed units of the business.	1
8	Assertion (A) : Multinationals create numerous employment opportunities in host countries. Reason (R) : Multinationals make foreign direct investment, which leads to economic development of host countries. Choose the correct option from the following:	1

	<p>a) Assertion (A) and Reason (R) both are correct and Reason (R) is the correct explanation of Assertion(A).</p> <p>b) Assertion (A) and Reason (R) both are correct but Reason (R) is not the correct explanation of Assertion(A).</p> <p>c) Assertion (A) is true but Reason (R) is wrong.</p> <p>d) Assertion (A) is wrong but Reason (R) is true.</p>	
9	<p>Sending report by purchase department to finance department through e mail is an example of which of the following.</p> <p>(a) B2B</p> <p>(b) B2C</p> <p>(c) C2C</p> <p>(d) Intra B</p>	1
10	<p>Assertion (A) : Equity share capital act as a temporary source of capital for the business.</p> <p>Reason (R) : Equity capital is to be repaid at the time of liquidation of a company.</p> <p>Choose the correct option from the following:</p> <p>a) Assertion (A) and Reason (R) both are correct and Reason (R) is the correct explanation of Assertion(A).</p> <p>b) Assertion (A) and Reason (R) both are correct but Reason (R) is not the correct explanation of Assertion(A).</p> <p>c) Assertion (A) is true but Reason (R) is wrong.</p> <p>d) Assertion (A) is wrong but Reason (R) is true</p>	1
11	<p>Expand NSIC</p> <p>(a) National Small Industries Corporation</p> <p>(b) National Small Business Industries Center</p> <p>(c) National Small Indian Corporation</p> <p>(d) None of these.</p>	1
12	<p>Rates of interest offered on public deposits are usually _____ than that offered on bank deposits</p> <p>(a) Lower</p> <p>(b) higher</p> <p>(c) Equal</p> <p>(d) none of these</p>	1

13	Which of the following are considered for protection as trademarks in some parts of the world but all are not recognised as trademarks in India? a) Smell and taste b) Logo c) Label d) Colour Combination	1
14	Read the following statements carefully: Statement 1: Legal responsibility may be fulfilled by mere compliance with the law. Statement 2: Social responsibility involves an element of compulsory action on the part of business people for the benefit of society. a) Both the Statement are true. b) Both the Statement are false. c) Statement 1 is true and Statement 2 is false. d) Statement 2 is true and Statement 1 is false.	1
15	Sale through mail is carried out by: a) Mail Order House b) Departmental Stores c) Chain Stores d) All of these	1
16	(A) GST is a single tax at the national level to be levied at all stages right from manufacturer to final consumption. (R) Ultimately the final consumer will bear the burden of tax under GST. a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true and R is not the correct explanation of A. c) A is true but R is false. d) A is false but R is true.	1
17	The industries which provide support services to other industries are known as (a) Primary industries (b) Secondary industries (c) Commercial industries (d) Tertiary industries	1

18	Which of the following is not an example of business ethics- (a) royalty (b) honesty (c) integrity (d) law abiding	1
19	Letter of credit is a guarantee issued by: a) Exporter's Bank b) Importer c) Importer's Bank d) Exporter	1
20	Funds required to purchase fixed assets like Land and Building, Plant and Machinery and Furniture and Fixtures are called _____. a) Business Finance b) Working Capital c) Fixed Capital d) Commercial Paper	1
PART B		
21.	Ganga started a small factory in the backward district of Nagaland to manufacture handicraft items. Ganga aims to use the local talent and resources in order to provide good quality products. His factory has helped in improving economic condition of local people by providing ample employment opportunities. Discuss the role performed by Ganga's small business in development of rural India. OR Describe the aims of Start-up India Scheme.	3
22	Explain the first 3 steps involved in Export Procedures. OR What benefits do firms derive by entering into international business? Explain any three benefits.	3
23	Statutory corporation has several merits as compared to other public sector enterprise. Discuss any three such merits.	3

24	Three friends Rani, Roma and Soma completed their studies and planned to join their father's business. Rani got engaged in his Sugarcane farm, Roma joined his father's sugar mill and Soma joined the transport business of his father. Identify and briefly define the different types of industries being discussed in the given case.	3
25	Gas Authority of India Limited (GAIL) is carrying on various project of energy and power. Majority of its shares are hold by Government of India. It is registered under the companies Act 2013 and enjoy all the characteristics of a company. The Board of directors are appointed by the Government. They are responsible for efficient working of the company. The company prepares its annual report and submit to the appropriate authority. (a) Name the types of Public Sector Enterprise referred to the above para. (b) Government buys shares in whose Name? (c) Where does GAIL submit its Annual Report? (d) At least how much of the paid-up share capital of a such Public Sector Enterprise is held by the government.	4
26.A.	Explain the social responsibilities of business towards owners, consumer, employees, government and community.	4
	OR	
26.B.	Star well Ltd is a real estate company in India. The activities of the company are governed by the value of truthfulness, respect, justice commitment Trust and citizenship. The company has 6 branches across the country. What are the socially determined values which govern the activities of business known as? Also describe it's any three elements.	4
27	What do you mean by e-Business? Differentiate between traditional and e-business on the basis of; i) Nature of internal communication ii) Operating cost iii) Transaction risk	4
28.	Deepak has taken fire insurance policy of ₹9, 00,000 for his factory. Due to fire, he suffered a loss of ₹6, 00,000. He claimed the loss from the insurance company and he gets the compensation within a month. Goods that were lost by fire were scrapped for ₹70,000. Deepak wants to keep this money with himself, while the insurance company claims that ₹70,000 should be handed over to the company.	4

	<p>a) Identify and explain the principle of insurance which is applicable in the given case.</p> <p>b) mention two other principles of insurance other than above.</p> <p style="text-align: center;">OR</p> <p>Amar took a fire insurance policy of 20 lakhs for his factory at the annual premium of 24,000. In order to avoid premium more than this amount, he did not disclose that highly explosive chemicals are being manufactured in his factory. Due to a fire, his factory gets severely damaged. The insurance company refused to make the payment for claim as it became aware about the highly explosive chemicals.</p> <p>a) Is Amar entitled to receive the claim? Identify the principle of insurance violated by Amar.</p> <p>b) Discuss any TWO Principles of contract of insurance?</p>	
29	<p>'As a source of finance, retained earnings are better than other sources.' Write any 4 reasons to support this statement.</p>	4
30	<p>There is a very famous shopping complex 'Great India Place' in Noida. Varied types of products and services are available here under one roof. Customer not only purchase the products but also get entertainment and food.</p> <p>1. Identify the type of retail outlet being described in the above lines.</p> <p>2. Explain any 3 features of the above identified concept</p>	4
31	<p>Identify the following concepts related to Business finance & entrepreneurship.</p> <p>a. Individuals with surplus cash with a keen interest to invest in upcoming startups. –</p> <p>b. Professionally managed funds which are invested in companies that have huge potential. –</p> <p>c. Pooling of resources by a group of people for a common goal! –</p> <p>d. self- financing –</p> <p>e. This is a type of IPR which protects the scientific inventions. –</p>	6

	f. Recipe of Coca Cola comes under which type of Intellectual Property Right? –	
32.	<p>Cafe Coffee Day is an Indian cafe chain owned by Coffee Day Global Limited, a subsidiary of Coffee Day Enterprises Limited. There are around 1,200 outlets of Cafe Coffee Day across India. All the outlets of Cafe Coffee Day are under the control of the head office.</p> <p>(a) Identify the type of retail outlet being described in the given case.</p> <p>(b) State five features of the type of retail outlet as identified in part (a) of the question.</p> <p style="text-align: center;">OR</p> <p>Describe any three difficulties each faced by Manufacturers and Retailers due to elimination of Wholesalers from the channel of distribution.</p>	6
33	Why is partnership considered by some to be relatively unpopular form of business ownership? Explain any three merits and limitations of partnership?	6
34.	<p>Maurya Pvt. Ltd. is facing the shortage of long-term finance as it is a period of depression in the economy. The experts were consulted to determine the source of finance the company should raise.</p> <p>One financial advisor, Ms Sweta Bansal advised that the company use a security on which it has tax advantage and no dilution of control of the existing shareholders.</p> <p>Another financial specialist, Mr. Bhargav advised that the company should not issue any debt or equity but raise such a source of long-term finance which can be redeemed in easy installments.</p> <p>(i.) Quoting the lines from the above para, identify and explain the sources of finance suggested by the two specialists.</p> <p>(ii.) Give one merit of each of the two sources identified, other than those which have already been discussed in the para.</p> <p style="text-align: center;">OR</p> <p>XYZ Ltd is not having good liquidity position. It has invested in "Long Term Investment Project "and will get smooth cash flow after five years. It is not in position to bear risk of fixed burden of paying interest.</p> <p>Suggest which two sources of finance will be suitable for this company and state two merits of each of the suggested sources of finance.</p>	6