

JB ACADEMY, AYODHYA

Business studies-054 (Class-XI)

Annual Examination-(2022-2023)**Time: 3 Hrs.****MM: 80**

General instructions:

- This question paper contains 34 questions.
- Marks are indicated against each question.
- 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. No business can survive without enough amount of funds. Banks are providing financial assistance to the businesses to overcome one of the following hindrances of trade

- a) hindrance of place
b) hindrance of time
c) hindrance of finance
d) hindrance of information

2. Match the forms of business organization with their merits. 1

- | | |
|------------------------|------------------------------------|
| a) Cooperative society | 1 Confidentiality of information |
| b) Sole Proprietorship | 2 Increase loyalty and Cooperation |
| c) Joint Hindu family | 3 Balanced Decision Making |
| d) Partnership | 4 Service motive |
| a) a-4, b-1, c-2, d-3 | b) a-3, b-2, c-3, d-1 |
| c) a-2, b-3, c-1, d-2 | d) a-3, b-4, c-2, d-1 |

3. Soaps are included under which type of industry- 1

- a) Synthetical Industry b) Analytical Industry.
c) Processing Industry. d) Assembling Industry.

4. John took a health insurance policy. At the time of taking policy, he was a smoker and he didn't disclose this fact. He got cancer. Insurance company won't pay anything as John didn't reveal the important facts. John has violated the insurance principle of-

- (a) utmost good faith
(b) indemnity
(c) insurable interest
(d) causa Proxima

5.Changes in market conditions, changes in price or changes in fashion and tastes of customers refers to which type of risk? 1

- a) Pure risk. b) High Risk. c) Low Risk. d) Speculative Risk.

6.A group of eight people decided to make a company and hence approached Foresight Business Consultants, a professional unit for seeking appropriate advice. This company helped them in identifying the different business opportunities and suggested to set up a mobile manufacturing company. Before converting this business opportunity into a real project, Foresight Business Consultants made certain arrangements for conducting technical, financial and economic surveys. For this they took the help of specialists like professional accountants, lawyers and engineers. On the basis of the given information above, answer the question What is this group of eight people called as

- (a) Agent (b) owner (c) promoter (d) director

7. Climax ltd decided to open up a new factory for readymade garments in the remote area of Bihar. Company aims is to generate employment opportunities for the unemployed youth and

to raise standard of living. Identify the business objectives followed by company Climax ltd decided to open up a new factory for readymade garments in the remote area of Bihar. 1

- (a) Social objectives (b) economic objectives
(c) personal objective (d) none

8. Life insurance is a contract of assurance because- 1

- a) The sum assured will certainly be paid b) The policy will certainly mature
c) Death will certainly occur d) The loss will definitely occur

9. Your father has an old scooter and you want to replace it with a new scooter. Your father is not ready to sell old scooter because he thinks he will not get good price for his old scooter and he cannot afford a new scooter. You found a buyer for your scooter at OLX who was ready to buy your scooter at a good price so you finally sold your old scooter. Which type of e-commerce 1

- (a) B2B (b) B2C (c) B2E (d) C2C

10. What is known as electronic pulse of e-business? 1

- (a) Man (b) Machine (c) Money (d) Material

11. In the 2001 resolution on industrial policy the number of industries exclusively reserved for the public sector was brought down. This meant that the private sector can now enter all areas, except these and the public sector would have to compete with them. Which of the following areas are now exclusive for the public sector? 1

- a. Atomic energy
b. Arms
c. Communication
d. Railways
(a) Only a, b and c (b) Only a, c and d (c) Only a, b and d (d) Only b, c and d

12. _____ is the payment method most often used in International Trade which offers the exporter the best assurance of being paid for the products sold internationally. 1

- (a) Bill of lading (b) Letter of credit (c) Open account (d) Drafts

13. The WTO was established to implement the final act of the Uruguay Round Agreement of _____. 1

- (a) MFA (b) GATT (c) TRIP's (d) UNO

14. Limit of investment in a small scale industry is _____. 1

- (a) One crore (b) Two crores (c) Five crores (d) Ten crores

15. Which of the following is part of the Village and Small Industries Sector? 1

- (a) Handicrafts (b) Sericulture (c) Handlooms (d) All of the above

16. The ordinary shares of a company are delivered to the depository bank, which in turn issues the depository receipts, known as _____. 1

- (a) Commercial banks
(b) ADR – American Depositary Receipt
(c) GDR – Global Depositary Receipt
(d) None of these

17. Under the factoring arrangement, the factor _____. 1
- (a) Produces and distributes the goods or services
 - (b) Makes the payment on behalf of the client
 - (c) Collects the client's debt or account receivables
 - (d) Transfer the goods from one place to another
18. When goods are imported for the purpose of export is called as _____. 1
- (a) Foreign trade
 - (b) Entrepot
 - (c) Home trade
 - (d) Trade
19. Minimum no. of members to form a public company- 1
- (a) 5
 - (b) 7
 - (c) 12
 - (d) 21
20. The small scale industry can enjoy the status of _____ if it supplies not less than 50% of its production to another industry, referred to as the parent unit. 1
- (a) Village industries
 - (b) Micro Business industry
 - (c) Export oriented unit
 - (d) Ancillary small industry
21. What is Commerce and its significance in modern life? 3
22. Explain a co-operative organisation in democratic setup. 3
23. Provide two features of a public-private partnership. 3
24. What do you understand by the term Insurance? How does it facilitate Business? 3
25. What is meant by Intra -B Commerce? 4
26. What is a "Memorandum of Association"? Briefly explain any three of its clauses. 4
27. 'Statement instead of Prospectus' What does it mean? 4
28. ABC Ltd is not having good liquidity position .It has invested in long term investment projects and will get smooth cash flow after five years. It is not in a position to bear risk of fixed burden of paying interest. 4
- Suggest which source of finance is suitable for this Company?
- Explain two features of this source of finance.
29. Government of Developed countries encourage many people to start small scale industries in rural and developed areas ,so that these can be developed and people of these areas can get employment and their economic conditions can improve. 4
- State the benefits of SSI refers in above case.
- State any three benefits of SSI.
30. The Government banned running of an industry near a famous monument Tajmahal but ABC Ltd does not go by the orders of the court and continue to operate. 4
- a) Is the company fulfilling its responsibilities?
 - b) State case for social responsibility
31. Identify the type of Internal trader from the following: 6
- a) Traders who open their shop on a fixed day
 - b) Petty retailers who have temporary independent shops.
 - c) Traders commonly found in populated areas.
 - d) A businessman dealing with larger variety of Goods under one roof.

- e) A businessman specialized in one line of product
 - f) A businessman dealing with larger variety of goods under one roof.
32. ABC Ltd is planning to modernise its plant with latest technology .The company is not having sufficient money.The finance manger plans to arrange the money for 3 years as after three years ,the company is expected a good return from their previous investment .The Finance manager do not want to approach stock exchange. 6
- a) Suggest the suitable source of finance in the above case.
 - b) How can company approach public without spending on flotation.
 - c) State any two benefits of this source of Finance.
- 33.Manish, Rahul and Madhav live in the same locality. They used to meet and discuss their ideas. After discussing the recent fire breakout in their area, they decided to take fire insurance for their house or work area. Manish gets his house insured against fire for ₹1 lakh and during the policy period, his house gets damaged due to fire and the actual loss amounts to ₹2.5 lakh. The insurance company acquired the burning material and approved his claim. Rahul gets his warehouse insured against fire for ₹1 lakh but does not take enough precautions to minimize the chances of fire like installing fire extinguishers in the factory. During the policy, a fire takes place in his warehouse and he does not take any preventive steps like throwing water and calling the employees from the fire fighting department to control the fire. He suffered a loss of ₹1,20,000. Madhav took a fire insurance policy of ₹20 lakh for his factory at an annual payment of ₹24,000. In order to reduce the annual premium, 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 payment for the claim as it became aware of the highly explosive chemicals. 6
- a) How much can Manish claim from the insurance company?
 - b) How much compensation can Rahul get from the insurance company?
 - c) Which principle is violated in the case of Rahul?
 - d) How much amount is the insurance company liable to pay to Madhav if he files a case against it?
 - e) Which principle of Insurance is violated by Madhav?
 - f) The insurance company acquired the burnt material and approved his claim. Which principle of Insurance is highlighted in the given statement.
34. Sarthak Electronics Ltd. has a loss of Rs 15,00,000 to pay. They are short of funds so they are trying to find means to arrange funds. Their manager suggested a claim from the insurance company against stock lost due to fire in the warehouse. He actually meant that they can put their warehouse on fire and claim from insurance companies against stock insured. They will use the claim money to pay the loan. 6
- a) Will the company receive a claim if the surveyor from the insurance company comes to know the real cause of fire?
 - b) Write any two Values which the company ignores while planning to arrange money from false claims.
 - c) State any three elements of fire insurance