



विद्या सर्वार्थ साधिका

ANANDALAYA  
PERIODIC TEST- 2  
Class : XI

Subject : Business Studies  
Date : 03-10-2023

M.M : 80  
Time : 3 Hours

**GENERAL INSTRUCTIONS:**

1. This question paper contains 34 questions. All questions are compulsory.
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.

1. 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) Speculative Risk (C) customer Risk (D) High Risk
2. The concept of 'Separate Legal Existence' applies to: (1)  
(i) Sole proprietorship (ii) Partnership (iii) Joint stock company (iv) Cooperative society  
Choose the correct option.  
(A) i and iii (B) ii and iii (C) ii and iv (D) iii and iv
3. 'Global enterprises may issue equity shares, debentures or bonds to public' Identify this feature. (1)  
(A) huge capital resource (B) production innovation  
(C) foreign collaboration (D) centralised control
4. Commercial Banks provide the facility of fund transfer from one place to another, on account of inter-connectivity of branches. Such facility is called as \_\_\_\_\_. (1)  
(A) Acceptance of deposits (B) Allied services  
(C) Lending of funds (D) Remittance of funds
5. **Assertion (A)** Profit earning is essential for the survival, growth and expansion of any business. (1)  
**Reason (R)** It is the sole objective of all business firms.  
(A) Both A and R are true. R is the correct explanation of A.  
(B) Both A and R are true, but R is not the correct explanation of A.  
(C) A is correct, but R is incorrect.  
(D) A is incorrect, but R is correct
6. The maximum amount up to which a company can issue capital, is called \_\_\_\_\_. (1)  
(A) Authorised Capital (B) issued Capital  
(C) Called up Capital (D) Subscribed Capital
7. IRCTC's portal for ticket booking is an example of which of the following categories of business? (1)  
(A) B2B (B) B2C (C) C2C (D) Intra B
8. 'It is the responsibility of every business to provide accurate and full information about its working as well as schemes of future growth'. Towards which interested group is this social responsibility related to? (1)  
(A) Consumers (B) Employees (C) Investors (D) Government

9. Dell Inc is a company involved in manufacturing of Computer and related items. It's a very popular name among the computer savvy youth in India. There are different models of Desktop, Laptop, Tabs, Gaming and Workstations manufactured and sold by the company in the Indian market. Which type of Industry highlighted in the above case? (1)  
 (A) Genetic Industry (B) Extractive Industry  
 (C) Processing Industry (D) Assembly Industry
10. Match the following forms of business organizations with the minimum number of members required- (1)
- |                        |            |
|------------------------|------------|
| 1. Partnership         | a. Five    |
| 2. Cooperative Society | b. Seven   |
| 3. Private Company     | c. Two     |
| 4. Public Company      | d. Ten     |
|                        | e. Fifteen |
- (A) 1-c 2-d 3-c 4- b (B) 1-c 2- a 3-b 4-d (C) 2-c 1-d 3-c 4- b (D) 1-e 2-d 3-c 4- a
11. Companies typically pursue Joint Ventures for all of the following main reasons except\_\_\_\_\_. (1)  
 (A) To access a new market (B) To gain scale efficiencies  
 (C) To bring out regional development (D) To share risks for major investment
12. Mr. Kabir Singh desires to have two benefits from his bank account first, to earn higher interest on balance and 2nd to face minimum risk of dishonouring a cheque. Which type of account should be opened by him in Punjab National Bank? (1)  
 (A) Multiple Option Account (B) Recurring Account  
 (C) Current Account (D) Saving Account
13. Match the following: (1)
- |               |   |
|---------------|---|
| 1.Kaveripatta | a. It was an emporium of trade and people here subsisted on commerce.   |
| 2.Surat       | b. Chinese used to come in foreign ships to purchase pearls, glass and rare stones and in return they sold gold and silk. |
| 3.Mathura     | c. It was the centre of trade for perfumes, cosmetics, scents, silk, wool, cotton, etc....                                |
| 4.Kanchi      | d. It was the emporium of western trade during the mughal period. Textile was famous for gold borders (Zari).             |
- (A) 1-c 2-d 3-c 4- b (B) 1-c 2- d 3-a 4-b (C) 2-c 1-d 3-c 4- b (D) 1-b 2-d 3-c 4- a
14. **Assertion (A)** Partnership is formed by an agreement which may be oral or in writing. (1)  
**Reason (R)** It is always advisable to have written partnership agreement to avoid all kinds of disputes which may arise in future.  
 (A) Both A and R are true. R is the correct explanation of A.  
 (B) Both A and R are true, but R is not the correct explanation of A.  
 (C) A is correct, but R is incorrect.  
 (D) A is incorrect, but R is correct
15. Statement-I: Social Responsibility and Legal Responsibility are exactly the same. (1)  
 Statement-II : A better environment for doing business is not a ground for social responsibility.  
 Choose the correct option from the options given below:  
 (A) Statement I is correct and II is wrong  
 (B) Statement II is correct and I is wrong  
 (C) Both the statements are correct  
 (D) Both the statements are incorrect

16. Which of the following statements is incorrect? (1)
- (A) Ethical behaviour is above the behaviour required by law.  
 (B) Top management plays a crucial role in guiding the entire organisation towards ethical behaviour.  
 (C) Employees should not be involved in the process of developing ethical programmes.  
 (D) Ethics are essential for every business and for the progress of any society.

17. Which hindrance of trade is removed by the activity shown in image given below? (1)



18. 'It is a democratic large sized organisation having numerous shareholders; the owners having minimum influence in terms of controlling or running the business.' Which form of organisation and the corresponding demerit is highlighted here? (1)
- (A) Cooperative Society — Government Control  
 (B) Joint Stock Company — Impersonal Work Environment  
 (C) Cooperative Society — Inefficiency in Management  
 (D) Joint Stock Company — Oligarchic Management

19. Which of the following principles is not applicable to life insurance? (1)
- (A) Subrogation            (B) Indemnity            (C) Mitigation            (D) Insurable interest

20. Ajay Private Limited manufactures mobile phones but is unable to get its parts. On the suggestion of its manager, Ajay Pvt. Ltd posted the demand for parts on the Go4World Business website for purchase and within two days a seller Company was found. Name the type of e business. (1)
- (A) B2B Commerce    (B) B2C Commerce    (C) C2C Commerce    (D) Intra B Commerce

21. The business assets of an organisation amounted to ₹ 20,00,000 but the debts amounted to ₹32,00,000. What action can a creditor take if - (3)
- (a) The organisation is a sole proprietorship firm.  
 (b) Rajesh and Dhanesh are partners in partnership firm.  
 (c) It is a Hindu undivided family Where Mr. Somesh is the Karta.  
 Whom shall the creditor approach for repayment of Debt? Why?

22. Unique enterprise is dealing in auto spares part with the expansion in business the enterprise found that the decisions are delayed and level of coordination is coming down. The CEO called for a meeting of all the managers. Ravi a newly appointed manager suggested that company should have its own internet so that all the employees can interact and pass important information to each other through internet even short meeting of different departments can be conducted through video conferencing to take fast action. The CEO liked the idea and installed an internet for connecting all the employees in line. (3)
- (a) Briefly explain the branch of e-business suggested by Mr. Ravi.  
 (b) What are the benefits provided by e business?

23. The Government planned to begin a Road Project. The Government needed management specialists and financial help to complete it. The Government contacted the private sector to fulfill this requirement. Now, this project will be completed jointly by both the public and private sector. (3)  
 a) Identify the form of enterprise.  
 b) Explain any two features of such enterprise.
24. Inn Trin Ltd is a well-known company in telecom sector. The company is committed to treat everyone fairly with respect and dignity, regardless of difference in age, caste, creed, gender etc. It not only abides by all the laws and pay taxes on time, but also participates in social services projects. It prefers to give fair advertisement without any exaggeration, and change fairly from its customers and maintain quality. The Mangers work effectively and efficiently and minimize waste to maximize the return to their shareholders. The company is running a charitable hospital to provide medical facility to the people of that area. (3)  
 In the context of the above case, by quoting the lines from the paragraph, identify any three different Interest groups towards which company is fulfilling its social responsibilities.
25. ‘No business is risk free’ in light of this statement, explain the concept of business risk and also explain any three of its causes. (4)
26. “After the company is incorporated, the next stage for the public company is to raise the necessary capital”. In order to raise capital, a public company has to follow some procedure. List out the procedure to be followed by the company. (4)
27. ‘Government company form of organization is preferred to other types in the public sector’. Justify the given statement (4)
28. Name and discuss the benefits of banking service in which the customer can conduct banking activities over the internet. (4)
29. Differentiate between e-business & traditional business on the following basis: (4)  
 a) Personal touch    b) Risk involved    c) Setting up cost    d) Human resource required
30. “Certain factors have forced and convinced the business enterprises to consider their social responsibility”. Enumerate and discuss the factors in brief. (4)
31. “Profit is not an objective, but a requirement of business”. Do you agree with this argument? Give justifications for your answers. (6)
32. Rishi, a brilliant student, lives in a remote district of Orissa and has done mechanical engineering. He has won a lottery of ₹10 lakhs. He wants to invest this money in some business opportunity. One of his friends suggested him to form a company. So, he decided to manufacture tube lights and bulbs in his manufacturing unit and give jobs to unemployed youth in his village area. He has identified the business opportunity but is unaware about the other functions to be performed by him as a promoter of the company, Quoting the lines explain the step that already has been performed by Rishi in the above case. Also, explain other five steps to be performed by him as a promoter of the company. (6)
33. Distinguish between departmental undertaking and statutory corporation (6)
34. Mr. Tarun took an Insurance policy against his car and after three months he sold it to Mr. Sunil. The car was stolen from outside of Sunil’s house. Tarun made a claim to the insurance company. (6)  
 a) Was Mr.Tarun right in making claim? Give reason in support of your answer.  
 b) Who can claim compensation?  
 c) Explain any other three principles of insurance?