

CBSE
Class XI Business Studies
Sample Paper – 1

Time: 3 hrs

Max. Marks: 80

General Instructions:

- i. Marks for questions are indicated against each question.
 - ii. Question Nos. **1–20** are objective type/MCQ questions carrying **1** mark each.
 - iii. Question Nos. **21–25** are short answer I questions carrying **3** marks each.
 - iv. Question Nos. **26–28** are short answer II questions carrying **4** marks each.
 - v. Question Nos. **29–31** are long answer I questions carrying **5** marks each.
 - vi. Question Nos. **32–34** are long answer II questions carrying **6** marks each.
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Section A

- 1. Which of the following partners contribute capital to the business but does not take part in any activities of the business? (Choose the correct alternative) [1]
 - A. Sleeping Partner
 - B. Secret Partner
 - C. Nominal Partner
 - D. All of the above

- 2. Name any two kinds of social responsibility. [1]

- 3. Dharmendra Industries started a new glass manufacturing factory. For this purpose, it purchased hi-tech machinery from France worth Rs 5 crore and an additional purchase of pollution control instruments for Rs. 1 crore. Identify the category under which Dharmendra Industries can be classified? (Choose the correct alternative) [1]
 - A. Micro enterprise
 - B. Small enterprise
 - C. Medium enterprise
 - D. Cottage enterprise

- 4. What do you understand by the term carting order? [1]

- 5. A company abides by the new regulations regarding payment of taxes in India. It is performing its social responsibility towards the _____. (Choose the correct alternative) [1]
 - A. Consumers
 - B. Citizens
 - C. Government

- D. Community
6. Give one point of difference between joint venture and public private partnership [1]
7. Which of the following does not fall within the category of owner's fund? (Choose the correct alternative) [1]
- A. Debentures
 - B. Retained earnings
 - C. Equity shares
 - D. All of the above
8. State a single point of difference between equity shares and preference shares with respect to voting rights. [1]
9. In which type of account if the deposit exceeds a particular limit, it is converted into fixed account? (Choose the correct alternative) [1]
- A. Forex Account
 - B. Recurring Deposit Account
 - C. Multiple Option Deposit Account
 - D. Current Deposit Account
10. Which of the following statements is/are not true about Scheme of Fund for Regeneration of Traditional Industries (SFURTI)? (Choose the correct alternative) [1]
- A. Statement 1: This fund was set up to make the traditional industries more productive and competitive and to facilitate their sustainable development
 - B. Statement 2: The fund has to be implemented by the Ministry of Corporate affairs
 - C. Statement 3: The Central Government set up this fund with Rs. 100 crore allocation to begin within the year 2005
 - D. Statement 4: One of its aim was to develop clusters of traditional industries in various parts of the country
11. Which of the following is/are the feature/s of retail trade? (Choose the correct alternative) [1]
- A. Sells goods and services directly to the customer
 - B. Maintains personal relations with customers
 - C. Last link of the distribution channel
 - D. All of the above
12. Name the four important segments of Business Process Outsourcing. [1]
13. In Global enterprises, centralized control is exercised by _____ and limited to _____. (Choose the correct alternative) [1]
- A. Branches, raise funds from various sources

- B. Government, day-to-day operations
 - C. Host country, sales promotion
 - D. Headquarters, framing of policies
14. Mr Chandresh is a well-known lawyer of the Supreme Court. On weekends, he attends a nearby village and helps those people to file cases in various courts with respect to any issues they are facing in the area. What type of human activity can be seen here? [1]
15. Shyamlal, a porter, who is famous throughout his village for making artistic pots. He also taught this art to his children. Now, his entire family is engaged in the business of making and selling pots. What type of industry is this? (Choose the correct alternative)[1]
- A. Cottage Industry
 - B. Village industry
 - C. Agro industry
 - D. Both A and B
16. What are the stages in the formation of a company? [1]
17. Which of the following enterprises enjoy maximum autonomy in all management activities? (Choose the correct alternative) [1]
- A. Departmental undertaking
 - B. Statutory corporation
 - C. Government company
 - D. None of these
18. What do you mean by intangibility of services? [1]
19. E-Tray is a start-up. It provides an online forum to consumers so that they can buy or sell their products. What type of transactions take place on this forum? (Choose the correct alternative) [1]
- A. B2B
 - B. B2C
 - C. Intra B
 - D. C2C
20. Dharma requires Rs1 lakh to start his own business. In terms of business what is this 1 lakh called? [1]

Section B

21. An industry situated on the banks of a river is the least bothered about the pollution it is creating. What steps would you like to suggest to the firm to protect the environment from the dangers of pollution? [3]

(OR)

In a discussion among various college students, many favoured the fact that business is a profit-making entity. On the other hand, there was hardly anyone who agreed with the fact that it is essentially a social institution. On what basis can it be said that business is essentially a social institution and not merely a profit-making activity.

22. All small industries are highly labour intensive. Give reason. [3]
23. Explain any three major agreements of WTO. [3]
24. Name the form of business apt for the following: [3]
- A. Boutique store
 - B. Shopping mall
 - C. Wholesale merchants
25. Shahid Ltd is a manufacturer of fine chocolate. It has an online website through which only departmental stores and wholesalers can order chocolates. The company supplies chocolates to almost all the departmental stores in India. Identify and explain the type a transaction reflected in the question. [3]

Section C

26. Incorporation of a private company entitles it to certain privileges. Explain these privileges. [4]

(OR)

Two college friends Mr A and Mr B studying in the same college decided to venture into business after their graduation. However, both are adamant about the type of company they should form with respect to profits and efficiency. The former is interested in opening a private company, while the latter wants it to be a public company. What would be your advice to Mr A and Mr B?

27. Hari insures his house against theft for ₹20 lakhs with insurer A and for ₹10 lakhs with insurer B. He suffers a loss of ₹12 lakhs. How much compensation can he claim from both insurers? Give reason. [4]
28. State the differences between a large retail showroom and identical retail shops. [4]

Section D

29. To ease parking problems in the mega city, Kolkata Municipal Corporation decided to start an underground car parking system. It started in 2007 and is still in operation. The project is a success as it has been able to reduce traffic jams, problems for

pedestrians and haphazard and unruly parking of vehicles. [5]

A. Which type of enterprise is being discussed here?

B. Define the type of enterprise mentioned above.

C. Mention the features of this enterprise.

(OR)

The Indian Postal Service was founded on the 1st of April 1854. The demand for its services was huge 10 years ago. However, nowadays its services are hardly used, but they still continue to offer some facilities even today. State some of those facilities.

30. There is a fund which is contributed by the owner and remains with the company. Also, this fund stays with the company and the company has no liability to repay the fund. [5]

A. Which fund is being referred to here?

B. Explain the types of fund which is identified above.

(OR)

What are preference shares? Discuss the merits of preference shares

31. There is a type of product selling business which is carried through newspapers, magazines and circulars. [5]

A. What type of selling business is being referred to here?

B. Explain its usefulness.

Section E

32. Mr Pawan had a flourishing domestic business. He decided that he needs to venture into international business. What factors he needs to know before selecting the mode of entry into international business. [6]

(OR)

Discuss the benefits that a nation receives when they engage in international business?

33. "Small-scale industries compared to large-scale industries have been facing various problems. Many think that they are on the verge of extinction." Do you agree with the statements? Give reasons [6]

34. Business risk is the possibility of occurrence of losses or insufficient profits because of various unexpected events which cannot be controlled by business. Explain its types and causes. [6]

(OR)

Explain the characteristics of business.