

CBSE
Class XI Business Studies
Sample Paper – 3

Time: 3 hrs

Max. Marks: 80

General Instructions:

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

SECTION A

1. Insurance can be taken for a close family member such as spouse or child; however, taking insurance for an unknown person is not acceptable.
Which of the following principles of insurance has been referred to above? [1]
 - a. Indemnity
 - b. Insurable interest
 - c. Utmost good faith
 - d. Subrogation
2. Which are the three trends shaping business in today's world? [1]
3. Which of the following organisations are owned by the government? [1]
 - a. Private sector companies
 - b. Public sector companies
 - c. Global companies
 - d. All of the above
4. Explain the term services and give example of any two business services [1]
5. Dharmendar Industries is a glass-manufacturing industry. It purchases hi-tech machinery from France for Rs 5 crore and additionally purchases pollution control instruments for Rs 1 crore. Identify the category under which Dharmendar Industries falls. [1]
 - a. Micro enterprise
 - b. Small enterprise
 - c. Medium enterprise
 - d. Cottage enterprise

6. What are GDRs? [1]
7. What are secondary industries? [1]
8. For businesses like grocery shop, health clinic, tailoring shop etc., which form of business organisation is most suitable? [1]
- a. Joint Hindu family business
 - b. Partnership
 - c. Sole proprietorship
 - d. Cooperative society
9. Explain the term public-private partnership. [1]
10. What is entrepôt trade? [1]
- a. Goods imported to be exported to other nations
 - b. Goods produced to be exported to other nations
 - c. Goods produced to be imported
 - d. Goods produced specially for internal trade
11. What is digital cash? [1]
12. Zac Ltd. is following the procedure laid down by the Maharashtra state government for installing pollution control devices. This is an example of which kind of social responsibility? [1]
- a. Discretionary responsibility
 - b. Economic responsibility
 - c. Legal responsibility
 - d. Ethical responsibility
13. Mention any two social objectives of business. [1]
14. Differentiate between owner's fund and borrowed fund on the basis of right to obtain return. [1]
15. Charlet Enterprises is a textile business started by Mr. Dilshaan Sheikh, an IIT graduate from Kharagpur. He wants to know the eligibility criteria for a startup with respect to turnover. Which of the following is considered an eligibility criterion for a startup with respect to its turnover? [1]
- a. Annual turnover must be less than 50 crore
 - b. Annual turnover must be less than 15 crore
 - c. Annual turnover must be less than 10 crore
 - d. Annual turnover must be less than 25 crore

16. Why is pollution a serious problem? [1]
17. Define business finance. [1]
18. Sharmilee sells flowers on the streets on fixed days in different markets. This helps her to earn more money in comparison to other traders. What type of a trader is she? [1]
- a. Cheap jack
 - b. Street trader
 - c. Hawker
 - d. Periodic market trader
19. Name one way to fund a startup. [1]
20. What are the two ways of exporting and importing goods? [1]

SECTION B

21. XYZ Co. is a multinational company. It assigns its marketing functions to outside agencies so that they can concentrate on important business matters. Such services are provided to XYZ Co. by Anand Co. Pvt. Ltd. Which type of business is discussed in this example? Explain the concept. [3]
22. All individuals have social and legal responsibilities. Define social responsibility and state how these responsibilities are different from each other. [3]
23. 'In modern times, business is no longer dealing only with goods or services'. Do you agree with this? Discuss the goals of business in modern times. [3]
24. Nikki and her friend Suhana decide to open a partnership firm for their business. Suhana informs Nikki that they need to get their firm registered because it will be helpful, but Nikki refuses by saying that it is not mandatory. However, Suhana is determined to get it done. Who do you think is right regarding the registration? [3]
25. Shamrao is a large-scale wheat producer, whereas Mritanio is a company which supplies products to various departmental stores all over India. Mritanio and Shamrao have a tieup wherein Mritanio buys wheat on a large scale only from Shamrao. Identify and explain the type of internal trade in this case. [3]

OR

Ramlal is a manufacturer of toys. He has his factory in Rajasthan and he supplies toys to dealers in Gujarat.

- a) Explain the term taxable event.
- b) Is this a taxable event?

SECTION C

26. Differentiate between licensing and franchising. [4]

OR

S Radhesham has a firm named Vrindavan. He wants to start exporting spices to Netherlands to earn more revenue. He is unaware about the documents required for entering the export business. Please guide him regarding the following points:

- Which is the most important document required to enable the export of goods?
 - List the prerequisites for obtaining such a document.
27. George came across an advertisement in the newspaper wherein a company offered people a fixed amount of interest if they deposited money with it for a period of two years. Identify and explain the type of source of finance. [4]
28. Explain any 4 terms used in trade. [4]

SECTION D

29. Harjas has a sole proprietorship form of business over the last two decades and has many branches in his area. Now, he wants to spread his wings by opting for a joint stock company.
- What would he gain by remaining a sole proprietor? [2]
 - How would establishing a joint stock company help him? [2]
 - State one disadvantage of a joint stock company. [1]

OR

Discuss the features of a joint Hindu family business.

30. Naina lives in Delhi. Every month she transfers a particular amount of money to her parents, who live in a small village near Rajasthan, without having to visit the bank for depositing money. She also regularly pays all her bills online and can easily check the balance in her accounts. Which service provided by the bank allows her to carry out all these activities? State the benefits of these services to customers. [5]

OR

Write a detailed note on postal services.

31. 'Now the environment between the private sector and the public sector is more open and competitive'. Do you agree? State the points which depict the journey of the changing roles of both sectors since Independence. [5]

SECTION E

32. Mr A and Mr B both decided to start a partnership form of business organisation. However, they were unsure about their decision. In this regard, explain three

limitations and three merits of partnership. [6]

OR

Mr Mittal was a worker in a factory manufacturing wooden toys. After working as an employee for 6 years, he thought of starting his own business. The greatest challenge before him was to choose an appropriate form of business that would suit his requirements. Please guide him regarding the factors which should be taken into consideration while choosing a form of business. (Any 6)

33.What are consumer cooperative stores? State its main objective and explain its limitations. [6]

34.What is trade credit? Explain its merits and demerits as sources of short-term finance for business enterprise. [6]

OR

Write about the classification of sources of finance.