

KENDRIYA VIDYALAYA SANGATHAN
ZONAL INSTITUTE OF EDUCATION & TRAINING, CHANDIGARH
SAMPLE PAPER, SET-1
CLASS – XI
BUSINESS STUDIES, 2022-2023

BLUE PRINT

UNIT NO.	NAME OF UNIT	VSA (1 MARK)	SA I (3 MARKS)	SA II (4 MARKS)	LA (6 MARKS)	TOTAL
PART A – FOUNDATION OF BUSINESS						
1	Evolution & Fundamentals of Business		1	1		16
2	Forms of Business Organisations		1		1	
3	Public, Private & Global Enterprises	2		1		14
4	Business Services	2			1	
5	Emerging Modes of Business	1		1		10
6	Social Responsibility of Business & Business Ethics	1		1		
	TOTAL	6(6)	6(2)	16(4)	12(2)	40(14)
PART B – FINANCE & TRADE						
7	Sources of Business Finance	4	1		1	20
8	Small Business	3		1		
9	Internal Trade	4	1	1		20
10	International Business	3			1	
	TOTAL	14(14)	6(2)	8(2)	12(2)	40(20)
	GRAND TOTAL	20(20)	12(4)	24(6)	24(4)	80(34)

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SAMPLE PAPER, SET-1

CLASS – XI
BUSINESS STUDIES, 2022-2023

QUESTION PAPER

TIME: 3 HOURS

M.M.: 80

Q. NO.	QUESTION	MARKS
1.	Name the organisation which is considered as a part of government only.	1
2.	In order to call a company, a government company, how much minimum partnership is necessary for the Government's ownership?	1
3.	Heterogeneity is the feature of which type of business service? a) Banking b) Insurance c) Warehousing d) All of the above	1
4.	Who can get an overdraft from a bank?	1
5.	What is meant by mode of business?	1
6.	When enterprises behave as good citizen, towards which group are they showing their responsibility?	1
7.	The term "redeemable" is used for which of the following: a) Preference Shares b) Equity Shares c) Trade Credit d) None of these	1
8.	Funds required for purchasing current assets is an example of: a) Fixed capital requirement b) Ploughing back of profits c) Working capital requirement d) Lease financing	1
9.	What is the status of debenture holders in a company?	1
10.	Give the name of the financial source when one company give loan to another company.	1
11.	The investment limit of SSI does not exceed_____	1

	a) Above Rs.25 lakh & up to Rs.5 crore b) Rs.2 crore c) Rs.3 crore d) Rs.10 crore	
12.	Which of the following provides opportunity for artisan? a) Companies b) Large-scale business c) Small business d) None of the above	1
13.	What is the outcome of entrepreneurship called? a) Entrepreneur b) Entrepreneurship c) Enterprise d) Entrepreneur & Entrepreneurship	1
14.	To sell readymade garments for children, men, women etc. is the example of: a) Single-shop product b) Single-line shop c) General store d) None of these	1
15.	Under GST system, the origin of GST takes place on the basis of the place of _____ of goods & services. (consumption/production)	1
16.	Assertion (A): Itinerant retailers do not have fixed selling point. Reason (R): Fixed Shop retailers have fixed selling point. a) Both assertion (A) & reason (R) are correct & reason is the correct explanation of assertion. b) Both assertion (A) & reason (R) are correct but reason is not the correct explanation of assertion. c) Assertion (A) is correct but reason (R) is incorrect. d) Assertion (A) is incorrect but reason (R) is correct.	1
17.	You are a student of class 11 and you have a special interest in the subject Business Studies. Your friend wants that he should do his business on the basis of Advertisement only, without opening any shop. You suggest to him what kind of business he should do.	1

18.	An exporter demands _____ from an importer for the satisfaction about the payment.	1
19.	<p>The WTO was established on _____.</p> <p>a) 1st January, 1955</p> <p>b) 1st January, 1995</p> <p>c) 1st January, 2005</p> <p>d) 1st January, 2009</p>	1
20.	<p>Which of the following is not the document of import trade?</p> <p>a) Indent</p> <p>b) Bill of lading</p> <p>c) Invoice</p> <p>d) Shipping bill</p>	1
21.	<p>Identify the following traits of business, profession & employment:</p> <p>a) Hari sells mobile phones on behalf of his employer.</p> <p>b) It requires minimum academic & other qualifications.</p> <p>c) A hawker sells toys for children outside a function.</p> <p>d) Dhruv is the manager of a mobile company.</p> <p>e) V Sanjay is an advocate of High Court.</p> <p>f) A person repairs scooters on roadside.</p>	3
22.	<p>A, B & C are partners in a firm manufacturing auto parts. Their firm is not registered. In order to increase the earnings of the firm, B decided to use low quality raw materials without the knowledge of A & C. As a result, many accidents were reported by the consumers & a case has been filed against the firm.</p> <p>a) Is this wrong act of B binding on A & C?</p> <p>b) State the feature related to it.</p> <p>c) Can A & C file case against B & why?</p>	3
23.	<p>ABC Ltd. is planning to expand their business & need money. The finance manager reported that company is not in a position to bear extra burden of paying interest & equity shareholders insisted not to issue more shares as there is risk of losing control on issue of new shares in the market.</p> <p>a) Suggest a source of owner's fund suitable in above case.</p> <p>b) State any two advantages of this source.</p>	3
24.	'Rakhi Footwear' deals in shoes. This company has opened 500 shops at	3

	different places of the whole country. The speciality of the business of this company is that at all its shops the goods available are of the same type & their price is also the same. By starting this type of business the company has done away with the Middlemen. The people are happy to buy goods from the producer or manufacturer directly. Identify the trade of 'Rakhi Footwear' & describe its features.	
25.	"Earning of profit cannot be the objective of business any more than the eating is the objective of living." Do you agree with this statement? Give reasons in support of your answer.	4
26.	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 fulfil this requirement. Now, this project will be completed jointly by both the public sector and private sector. What kind of partnership is it? Explain its features.	4
27.	Differentiate between e-business & traditional business on the following basis: a) Personal touch b) Risk involved c) Setting up cost d) Human resource required	4
28.	What do you mean by the principles derived from social values which guide and govern the conduct of businessmen? Explain its elements.	4
29.	Write a detailed note on IPR.	4
30.	Describe the services provided by retailer to wholesaler & consumer.	4
31.	"It is said to be an artificial person created by law, having a separate entity with perpetual succession & common seal." What is it? Explain its features.	6
32.	Explain the following principles of insurance with example: a) Principle of causa proxima b) Principle of contribution c) Principle of subrogation	6
33.	The directors of a company have decided to set up a new plant at an estimated cost of rupees ten crores. State the sources of finance available along with their merits.	6

34.	Jaipur Handicraft House has received a grand order for handmade products from a German company. The exporter has obtained the pre-shipment inspection report under the Export Quality Control & Inspection Act, 1963 & also got the Excise clearance certificate from the authorities. Briefly explain the next six procedural steps to be taken by the Indian counterpart to export these goods.	6
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-----**END OF PAPER**-----

KENDRIYA VIDYALAYA SANGATHAN
ZONAL INSTITUTE OF EDUCATION & TRAINING, CHANDIGARH
SAMPLE PAPER, SET-1
CLASS – XI
BUSINESS STUDIES
2022-2023
MARKING SCHEME

TIME: 3 HOURS

M.M.: 80

Q. NO.	ANSWER	MARKS
1.	Departmental Undertaking	1
2.	Minimum 51%	1
3.	(d) All of the above	1
4.	A holder of current account i.e. Businessman	1
5.	It means manner of conducting business.	1
6.	Government & Community	1
7.	(a) Preference Shares	1
8.	(c) Working capital requirement	1
9.	Creditors	1
10.	Inter-corporate Deposits	1
11.	(a) Above Rs.25 lakh & up to Rs.5 crore	1
12.	(c) Small business	1
13.	(c) Enterprise	1
14.	(b) Single-line shop	1
15.	Consumption	1
16.	(b) Both assertion (A) & reason (R) are correct but reason is not the correct explanation of assertion.	1
17.	Mail order business	1
18.	Letter of credit	1
19.	(b) 1 st January, 1995	1
20.	(d) Shipping bill	1
21.	a) Employment b) Profession c) Business d) Employment	3

	e) Profession f) Business (6 * 0.5)																
22.	a) Yes b) Mutual agency c) No, partners of an unregistered firm cannot file case on each other. (3 * 1)	3															
23.	a) Retained Earnings b) Any two advantages of retained earnings (1+2)	3															
24.	Chain Store Any two features of chain store with explanation (1+2)	3															
25.	Yes, I agree with this statement. Reasons: Explain any three other objectives of business. (Social/Personal) (1+3)	4															
26.	Public Private Partnership Explain any three features with explanation (1+3)	4															
27.	<table border="1"> <thead> <tr> <th>BASIS</th><th>TRADITIONAL BUSINESS</th><th>E-BUSINESS</th></tr> </thead> <tbody> <tr> <td>a) Personal touch</td><td>Personal touch is present.</td><td>There is no personal touch</td></tr> <tr> <td>b) Risk involved</td><td>Less risk is involved.</td><td>High risk is involved.</td></tr> <tr> <td>c) Setting up cost</td><td>It is high.</td><td>It is low.</td></tr> <tr> <td>d) Human resource required</td><td>Technically qualified & IT professionals are required.</td><td>Semi-skilled & skilled labour required.</td></tr> </tbody> </table> (4 * 1)	BASIS	TRADITIONAL BUSINESS	E-BUSINESS	a) Personal touch	Personal touch is present.	There is no personal touch	b) Risk involved	Less risk is involved.	High risk is involved.	c) Setting up cost	It is high.	It is low.	d) Human resource required	Technically qualified & IT professionals are required.	Semi-skilled & skilled labour required.	4
BASIS	TRADITIONAL BUSINESS	E-BUSINESS															
a) Personal touch	Personal touch is present.	There is no personal touch															
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d) Human resource required	Technically qualified & IT professionals are required.	Semi-skilled & skilled labour required.															
28.	Business Ethics Any three elements of business ethics with explanation. (1+3)	4															
29.	Meaning of IPR: It refers to the special right to the creator for a definite period, which is provided to him for the use of his creative work.	4															

	<p>a) Copyright: it refers to the right given to the creator on his literary & artistic creations.</p> <p>b) Patent: It refers to the right given to a creator as a result of his creation of a new, useful & non-obvious product or process.</p> <p>c) Trademark: It refers to the right given to the creator under which no other person or business concern can use his 'well protected distinguishing identity.'</p> <p>(1+3)</p>	
30.	Any two services provided by retailer to wholesaler & consumer each. (2+2)	4
31.	It is Joint Stock Company. Explain any five features with explanation. (1+5)	6
32.	Explain all three principles of insurance with the help of example. (3 * 2)	6
33.	Equity Shares, Preference Shares, Debentures (with meaning) 1 Advantage of each source (2+2+2)	6
34.	<ol style="list-style-type: none"> 1. Obtaining certificate of origin 2. Reservation of shipping space 3. Packing & Forwarding 4. Insurance of goods 5. Custom clearance 6. Obtaining mate's receipt. <p>(6 * 1)</p>	6

-----END OF PAPER-----

KENDRIYA VIDYALAYA SANGATHAN
ZONAL INSTITUTE OF EDUCATION & TRAINING, CHANDIGARH
SESSION ENDING EXAMINATION
CLASS – XI, SET-2
BUSINESS STUDIES, 2022-2023

BLUE PRINT

UNIT NO.	NAME OF UNIT	VSA (1 MARK)	SA I (3 MARKS)	SA II (4 MARKS)	LA (6 MARKS)	TOTAL
PART A – FOUNDATION OF BUSINESS						
1	Evolution & Fundamentals of Business	2	1	1		16
2	Forms of Business Organisations	1			1	
3	Public, Private & Global Enterprises	3		1		14
4	Business Services	1			1	
5	Emerging Modes of Business	1		1		10
6	Social Responsibility of Business & Business Ethics	1		1		
	TOTAL	9(9)	3(1)	16(4)	12(2)	40(16)
PART B – FINANCE & TRADE						
7	Sources of Business Finance	3	1	1	1	20
8	Small Business	4				
9	Internal Trade	2	1		1	20
10	International Business	2	1	1		
	TOTAL	11(11)	9(3)	8(2)	12(2)	40(18)
	GRAND TOTAL	20(20)	12(4)	24(6)	24(4)	80(34)

KENDRIYA VIDYALAYA SANGATHAN
ZONAL INSTITUTE OF EDUCATION & TRAINING
SESSION ENDING EXAMINATION, SET-2
CLASS – XI
BUSINESS STUDIES

Time Allowed: 3 Hours

M.M.: 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.N.	QUESTION	MARKS
1.	Which of the following comes under Modern Small Industries? a) Khadi b) Handicrafts c) Coir d) Power looms	1
2.	Limit of investment in small scale industry is _____. a) ten crore b) five crore c) two crore d) one crore	1
3.	_____ consists of various organisations owned and managed by the government. a) Public sector b) Private sector c) Service sector d) Manufacturing sector	1
4.	State which of the following statements regarding reasons for international business are correct: a) International business transactions involve use of currencies of more than one country. b) Labour productivity and production costs differ among nations due to various socioeconomic, geographical and political reasons c) Availability of various factors of production differs among nations d) All of the above	1
5.	A warehouse keeper accepts goods for the purpose of _____. a) export b) selling c) storage d) packaging	1
6.	B2B commerce means: a) None of these b) Firm's interactions with other business	1

	c) Firm's internal processes d) Firm's interactions with its customers	
7.	Funds required for purchasing current assets is an example of: a) Fixed capital requirement b) Lease financing c) Working capital requirement d) Ploughing back of profits	1
8.	Equity shareholder are called _____ of the company. a) Owners (b) partners (c) Executives (d) Guardians	1
9.	_____ are set up under an Act of parliament and are governed by the provisions of the Act. a) Limited companies b) Partnership c) Private companies d) Statutory corporations	1
10.	Which of the following is the form of business organisation? a) Mixed Sector b) Private Sector c) Public Sector d) All of these	1
11.	Where is WTO headquartered? a) Uruguay b) Doha c) Geneva d) Washington	1
12.	Which of the following statements is correct for wholesalers? a) They undertake additional activities. b) They generally take the title of the goods and bear the business risks in their own name c) They engage in buying and selling of goods d) All of these	1
13.	Stages in the formation of a public company are in the following order a) Capital Subscription, Promotion, Incorporation, Commencement of Business b) Incorporation, Capital Subscription, Promotion, Commencement of Business c) Promotion, Commencement of Business, Incorporation, Capital Subscription d) Promotion, Incorporation, Capital Subscription, Commencement of Business	1
14.	The term “redeemable” is used for _____ (a) Preference shares (b) Commercial Papers (c) Equity shares (d) Public deposits	1
15.	Which of the following is not an environmental problem? a) Afforestation b) Danger to biological diversity c) Ozone depletion d) Global warming	1
16.	Indian Railways is the example of _____ form of public enterprises?	1

	a) Public corporations c) Departmental Undertaking	b) Government Company d) None of these	
17.	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. a) ancillary small industry c) micro business industry	b) export-oriented unit d) village industries	1
18.	Cattle breeding farms, poultry farms, and fish hatchery come under which industry? a) Genetic b) None of these c) Manufacturing d) Extractive		1
19.	The District Industries Centre's Programme was launched on: a) September 1, 1978 c) May 1, 1978	b) July 1, 1978 d) 15 August 1978	1
20.	Metro is an example of which form of public sector enterprises? a) Government Company c) Multinational Companies	b) Public Corporation d) PPP	1
21	The forwarding Agent of Paliwal Private Ltd. , after getting the goods loaded on the ship gets the Mate's Receipt. What will the Forwarding Agent have to do immediately after it? Explain briefly.		3
22.	Folly is doing his business of buying and selling of garments products within India. He goes on business trips around his state even on very short notice. Sometimes through his own car. There are no or very few formalities involved in Folly's business. Payments are made and received in the home country currency only i.e., no exchange of currency is required. i. Buying and selling goods within the geographical area of the country. Which type of trade is it? ii. Give types of such trade.		3
23.	Distinguish between Pure risk and Speculative risk on the following basis: i. Meaning ii. Possibility of profits/loss iii. Risk coverage. <p style="text-align: center;">OR</p> Name the six hindrances to trade.		3
24.	Why is adequate finance necessary to start the business? <p style="text-align: center;">OR</p> What are the advantages of preference shares?		3

25.	<p>State and explain briefly the first four steps of executing the Import trade.</p> <p style="text-align: center;">OR</p> <p>State the objectives of World trade Organisation (WTO).</p>	4
26.	<p>India is the largest milk producer in the world. Moreover, increasing demand for milk and milk product has made dairy farming a profitable business. Considering these facts Raghu, an industrialist has decided to set up a dairy farm and a cheese producing unit in Haryana. He plans to deal in an extensive range of Fresh Mozzarella, Processed Cheeses, Pizza Cheese, Cheese Singles, Naturally Flavored Cheeses (with Black pepper, Garlic, Cumin, Herbs & Spice), Mascarpone, Mozzarella & Grated Cheese for Pizza in various combinations.</p> <p>In the context of the above case:</p> <ol style="list-style-type: none"> Identify the different kinds of industries Raghu wants to set up. State and explain the categories of types of industries to which the different kind industries as identified in part (i) belong to. <p style="text-align: center;">OR</p> <p>Karan is running a grocery shop in the nearby local market whereas his friend Priyanshu works as a finance manager in a reputed IT company. In the context of the above case:</p> <ol style="list-style-type: none"> Identify the different types of economic activities both the friends are engaged in. Distinguish between the two different types of economic activities as identified in part (i) of the question (any two points). 	4
27.	<p>After completing a course in gemology, Esha joins her father in the family business of fashion jewellery. Her father owns two showrooms at different locations in the city and operates his business through them. However, Esha intends to expand the business by venturing into online retailing. She also intends to introduce flexible manufacturing with the use of computer networks wherein the marketing department can interact constantly with the production department and get the customized products made as per the requirements of the individual customer.</p> <ol style="list-style-type: none"> How is the mode of business that Esha intends to adopt different from the one that her father has been following over the years? Distinguish between the two different modes of business as identified in part (a) of the question by giving any four points. 	4
28.	<p>Why is the government company form of organization preferred to other types in the public sector?</p>	4

29.	<p>Britannia Industries Ltd. is committed to helping secure every child's right to growth and development through good food every day. The company is working in partnership with Global Alliance for Improved Nutrition (GAIN) and the Naandi Foundation to supply iron-fortified Tiger biscuits to supplement the Mid-Day Meal program in schools. Iron deficiency among Indian children is a key cause of school dropouts as well as decreased productivity. In keeping with its core essence of "Swasth Khao Tan Man Jagao", the company constantly strives to find sustainable opportunities to drive home the message of nutrition and good food habits among children at the right age.</p> <p>In the context of the above case answer the following questions:</p> <ol style="list-style-type: none"> Identify the kind of social responsibility being discharged by Britannia Industries Ltd. Briefly explain any two other kinds of social responsibilities. 	4
30	<p>Suhasini and some of her friends jointly set up 'Trimurti Limited'. The business of their company was to manufacture blankets at a low rate. At the time of setting up the company, they issued 25000 shares of the face value of 100. In this way, they started their business with a capital of 25 lac. Before collecting the money from the public, they decided that they would issue such security as should not let the company undergo any fixed financial burden. Also, they wished to have the capital from such a source as should enable the company to keep the capital for a long time. To collect the capital Suhasini and her friends issued a prospectus. Through it, they told the public that in the coming years, the company expected to earn a big profit and that the price of its shares would be very high. As a result, investors would be able to earn extra profit. In the prospectus, it was also said that the company would organize its meetings from time to time and that the investors would be invited to these meetings. They would have the right to cast their votes in these meetings. The company collected money from the public and the company's business started. The company started earning more profit than what had been promised to the investors.</p> <ol style="list-style-type: none"> Identify and explain the type of shares issued by 'Trimurti Limited.' Quoting the relevant lines write about the two advantages each to the investors and to the company from the shares identified in (i). 	4
31.	<p>Cafe Coffee Day (abbreviated as CCD) is an Indian cafe chain owned by Coffee Day Global Limited, a subsidiary of Coffee Day Enterprises Limited. There are around 1,600 outlets of CCD across India. All the outlets of CCD are under the control of the head office.</p>	6

	<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>Several middlemen remain present between the producers and consumers. Their presence causes an unnecessary increase in the prices of goods. Some consumers of a locality resolved to free themselves from the clutches of the middlemen. They think that the profit which goes to the middlemen should come to them. You suggest to him what kind of business they should begin. All these people know nothing about business. Therefore, tell them about the demerits or limitations of business also.</p>	
32.	<p>“Prakash Ltd” is a company manufacturing Electric devices. The company’s financial manager Mr. Sherlock, in order to fulfil the long-term financial need, is on the lookout for such a financial source, on which tax advantage may be available. Advise him about the financial source which should fulfil his need. Also explain its merits & demerit.</p> <p style="text-align: center;">OR</p> <p>Yamini bought three hundred 10% preference shares of ABC Ltd. in the year 2016. The face value of each share is Rs. 100. She didn't receive any dividend on them during 2016 due to insufficient profits of the company. In the year 2017, the company made surplus profits. Calculate the amount of dividend payable to her in the year 2017 assuming that she is holding:</p> <p>a. Cumulative Preference Shares</p> <p>b. Non-Cumulative Preference Shares</p>	6
33	Define Company? Discuss five merits of the Company.	6
34	<p>Danush visited a new restaurant 'Darbaar' with his parents. They all liked the food served in the restaurant. After a week Danush took his friends to 'Darbaar' and placed an order for the same dishes that he had liked during his previous visit. But to his surprise, he found that the taste of the food was not as good as it was during his previous visit. As a result, he felt very disappointed.</p> <p>In the context of the above case, answer the following questions:</p> <p>a. Identify the feature of services being discussed above.</p> <p>b. Explain briefly three other features of services.</p>	6

-----END OF PAPER-----

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SESSION ENDING EXAMINATION, SET-2
CLASS – XI
BUSINESS STUDIES
MARKING SCHEME

1.	(d) Power looms.	1
2.	(d) one crore.	1
3.	(a) Public sector.	1
4.	(d) All of the above	1
5.	(c) Storage.	1
6.	(b) Firm's interactions with other business.	1
7.	(c) Working capital requirement.	1
8.	(a) Owners	1
9.	(d) Statutory corporations.	1
10.	(d) All of these	1
11.	(c) Geneva.	1
12.	(d) All of these.	1
13.	(d) Promotion, Incorporation, Capital Subscription, Commencement of Business	1
14.	(a) Preference Shares	1
15.	(a) Afforestation.	1
16.	(c) Departmental Undertaking	1
17.	(a) Ancillary small industry.	1
18.	(a) Genetic.	1
19.	(c) May 1, 1978.	1
20.	d) PPP	1
21.	After getting Mate's receipt, the forwarding agent has to go to the office of the shipping company and fill up a form. This form is known as the 'Bill of Lading'. Now he will have to deposit the Bill of Lading and the Mate's Receipt in the office. The Officer of the shipping company will keep the Mate's Receipt with himself and return the Bill of Lading to the Forwarding Agent after putting his signatures.	3
22.	i. Internal trade ii. Explanation of wholesale & retail trade	3
23.	Difference between Pure risk and Speculative risk on the following basis:	3

	Basis of Distinction	Pure risk	Speculative risk	
	(i) Meaning	Pure risk involves no possibility of gain; either a loss occurs or no loss occurs	Speculative Risk is the risk which involves three possible outcomes: loss, gain or no change	
	(ii) Possibility of profits/loss	The occurrence of this risk may result in loss only and no gains.	The occurrence of this risk may result in the possibility of both gains as well as loss.	
	(iii) Risk coverage	Insurance services provide coverage of such risks.	Such risks cannot be covered under insurance provisions.	
	OR			
	i. Hindrance of persons. ii. Hindrance of place. iii. Hindrance of time. iv. Hindrance of risk. v. Hindrance of finance. vi. Hindrance of information/Knowledge			
24.	Business need finance to pay for their overhead costs as well as their day to day and variable expenses. Here are three situations when businesses need to finance the most: i. Starting a business: Huge amount of finance is needed to start a business that requires buying fixed assets, paying rents, and other overheads as well as producing or procuring the raw material and goods to sell. The finance required to start a business is known as start-up finance. ii. Expanding a business: when expanding a huge amount of capital is needed in order to buy more fixed assets or to fund a takeover. Internal growth by developing new products also requires a notable amount of finance. iii. A business in difficulties: A loss-making businesses money is needed to buy more efficient machinery or to cover negative cash flow. OR Explanation of any three advantages.			3
25.	Following are the steps of Import procedure. 1. Trade enquiry			4

	<div>2. Procurement of Import License</div> <div>3. Obtaining Foreign Exchange</div> <div>4. Placing Order or Indent</div> <div>OR</div> <div>The following are the major objective of WTO.-</div> <div>1. To ensure reduction of tariffs and other trade barriers imposed by different countries.</div> <div>2. To engage in such activities which improve standard of living, create employment, increase income and effective demand and facilitae higher production and trade.</div> <div>3. To facilitate the optimal use of the worlds resources for sustainable development</div> <div>4. To promote an integrated , more viable and durable trading system.</div>													
26.	<div>i. The different kinds of industries Raghu wants to set up are</div> <div>a. Primary Industry: Dairy Farming</div> <div>b. Secondary Industry: Cheese Production Unit</div> <div>ii. The categories of types of industries discussed above are:</div> <div>a. Genetic Industry which is a type of Primary Industry. Genetic Industries are engaged in breeding plants and animals for their use in future reproduction like dairy farming industry.</div> <div>b. Manufacturing Industry which is a type of Secondary Industry. Manufacturing industries are engaged in the processing of raw materials to produce finished goods. Here Cheese Production Unit produces various combinations of cheese.</div> <div>OR</div> <div>The different types of economic activities both the friends are engaged in are: Karan is doing Business whereas the occupation of Priyanshu is Employment.</div> <div>The difference between Business and Employment is given below:</div> <table><tr><th>S. No.</th><th>Basis</th><th>Business</th><th>Employment</th></tr><tr><td>1</td><td>Qualification</td><td>There is no minimum qualification required for running a business successfully.</td><td>A person should be qualified in accordance with the nature of employment that he/she wishes to take up.</td></tr><tr><td>2</td><td>Reward</td><td>Profit earned is the reward for a businessman</td><td>An employee is paid salary/wages.</td></tr></table>	S. No.	Basis	Business	Employment	1	Qualification	There is no minimum qualification required for running a business successfully.	A person should be qualified in accordance with the nature of employment that he/she wishes to take up.	2	Reward	Profit earned is the reward for a businessman	An employee is paid salary/wages.	4
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27.	<p>a. Esha intends to start e-business, whereas her father is following the traditional business. b. The difference between e-business and traditional business is as follow:</p> <table><tr><th>S. No.</th><th>Basis of distinction</th><th>Traditional business</th><th>e-business</th></tr><tr><td>1.</td><td>Ease of formation</td><td>The procedure involved in setting up the business is difficult.</td><td>The procedure involved in setting up the business is simple.</td></tr><tr><td>2.</td><td>Physical presence</td><td>Required</td><td>Not required</td></tr><tr><td>3.</td><td>Cost of setting up</td><td>High investment is needed</td><td>Investments are low as there is no need for physical facilities</td></tr><tr><td>4.</td><td>Operating cost</td><td>Operating cost is high due to fixed charges associated with an investment in procurement and storage, production, marketing, and distribution facilities.</td><td>The operating cost is low since the business operates on a network of relationships rather than ownership of resources.</td></tr></table>	S. No.	Basis of distinction	Traditional business	e-business	1.	Ease of formation	The procedure involved in setting up the business is difficult.	The procedure involved in setting up the business is simple.	2.	Physical presence	Required	Not required	3.	Cost of setting up	High investment is needed	Investments are low as there is no need for physical facilities	4.	Operating cost	Operating cost is high due to fixed charges associated with an investment in procurement and storage, production, marketing, and distribution facilities.	The operating cost is low since the business operates on a network of relationships rather than ownership of resources.	4
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28.	<p>The government company form of organization preferred to the other types in the public sector, due to the following reasons:</p> <ul style="list-style-type: none">i. It has a separate legal entity, apart from the government.ii. It enjoys autonomy in all management decisions and takes actions according to business prudence.iii. A government company can be established by fulfilling the requirements of the Indian Companies Act. A separate act in the parliament is not required.	4																				
29.	<p>a. Discretionary responsibility is being discharged by Britannia Industries Ltd. as it is working towards the welfare of the children purely on a voluntary basis.</p> <p>b. The other two other kinds of social responsibilities are stated below:</p> <ul style="list-style-type: none">i. Economic responsibility is the primary responsibility of a business enterprise and relates to the production of goods and services that are as per the needs and wants of society and selling them at a profit.ii. Legal responsibility means that every business must operate within the laws of the land.	4																				
30	<ul style="list-style-type: none">i. Equity Shares with explanationii. a. Advantages to Company:<ul style="list-style-type: none">I. They decided that they would issue such security and fixed Financial Burden.	4																				

	<p>(No fixed burden)</p> <p>II. Also, they wished to have the capital from such a source as should enable the company to keep the capital for a long time. (Arrangement of Permanent capital)</p> <p>b. Advantages to Investors:</p> <p>I. As a result, investors would be able to earn extra profit. (To earn a capital profit)</p> <p>II. They would have the right to cast their votes in these meetings. (To participate in managerial activities)</p>	
31.	<p>a. The type of retail outlet being described is 'Chain Stores or Multiple Shops'.</p> <p>b. Five features of Chain Stores are:</p> <p>i. Location: These shops are located in populated localities, where a sufficient number of customers can be approached.</p> <p>ii. Centralised Purchases: The head office makes all the purchases for all these multiple shops. Thereafter, goods are dispatched to different shops as per their requirements. It saves the cost of operation of these shops.</p> <p>iii. Centralised control: All stores are controlled by the head office, which formulates policies and gets them implemented in different shops.</p> <p>iv. Cash sales: All the sales at the multiple shops are made on a cash basis and cash is deposited daily into the bank account on behalf of the head office and a report is sent to the head office in this regard.</p> <p>v. Regular inspection: The head office normally appoints inspectors, who inspect the retail shops with respect to the quality of customer service provided, adherence to policies of head office, and so on.</p> <p style="text-align: center;">OR</p> <p>These people will find "Consumers' Cooperative Store" useful to be set up because this is only the business organisation which can save/free them from the clutches of middlemen. But before beginning this business, it is necessary for them to be aware of its demerits.</p> <p>Demerits of Consumers Co-operative Store:</p> <p>i. Loss has to be faced when the market is dull.</p> <p>ii. There is a possibility of quarrels because consumers form groups.</p> <p>iii. There is a lack of speciality in these stores because the customers cannot play the role of businessmen successfully.</p> <p>iv. The spirit of cooperativeness is lost because of the large number of members.</p> <p>v. There is the facility of withdrawing one's capital. Sometimes, when a large</p>	6

	number of members take out their capital, it endangers the existence of the store.	
32.	<p>Mr Sherlock can get the tax advantage by issuing Debentures, because the interest paid on the debentures is regarded as accepted deduction from the calculated taxable income of the company. Explain its merits & demerits as well.</p> <p style="text-align: center;">OR</p> <p>a. On Cumulative Preference Shares, the unpaid dividend on shares gets accumulated and is due for payment in future years. Dividend due to Yamini in the year 2016 = $300 \times 100 \times 10/100 = \text{Rs. } 3000$ Dividend due to Yamini in the year 2017 = $300 \times 100 \times 10/100 = \text{Rs. } 3000$ Total dividend due to Yamini = Rs. 6000.</p> <p>b. On Non-Cumulative Preference Shares, the unpaid dividend on shares does not get accumulated and is not paid as arrears in the future years. Therefore, only Rs. 3000 is due to Yamini as a dividend. (Dividend due to Yamini in the year 2017 = $300 \times 100 \times 10/100 = \text{Rs. } 3000$)</p>	6
33	<p>Company is an artificial person created by Law having separate entity with a perpetual succession and a common seal.</p> <p>Merits</p> <ol style="list-style-type: none"> 1. Limited Liability 2. Transfer of interest 3. Perpetual existence 4. Scope for expansion 5. Professional Management 	6
34	<p>a. The feature of services being discussed above is 'Inconsistency'. It means unlike goods; services are not standardised. It may differ from individual to individual and is based on consumer demands and expectations. Moreover, the quality of services may also vary depending upon the approach of the service providers. The efficiency of a dedicated and committed service provider will be more.</p> <p>b. The three other features of services are:</p> <ol style="list-style-type: none"> i. Intangibility: Like goodwill of a business, services are intangible in nature. They cannot be touched. Since they are purely experiential in nature the quality of services cannot be determined before consumption. Therefore, it is essential that the service providers work deliberately towards creating desired services in order to ensure that the consumer undergoes a favourable experience. For example, watching a movie should be a pleasant experience for the audience. ii. Inseparability: The presence of the customer is required and his/her interaction with the process of providing services has to be managed. It is the 	6

	<p>simultaneous activity of production and consumption, thereby making both of them inseparable.</p> <p>iii. Inventory: Unlike goods, services cannot be produced and stored beforehand. The services have to be performed as and when a consumer asks for it. Services are perishable therefore; the marketers may keep an inventory of the related goods but not the services itself. For example, a beauty salon may only keep a ready stock of accessories like a comb, water dispenser, hairdryer, scissors, etc. which are needed to provide a haircut service to a client, but the service itself cannot be stored.</p>	
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KENDRIYA VIDYALAYA SANGATHAN
ZONAL INSTITUTE OF EDUCATION & TRAINING, CHANDIGARH
SAMPLE PAPER, SET-3
CLASS – XI
BUSINESS STUDIES, 2022-2023
BLUE PRINT

TIME: 3 HRS

MM: 80

(PART- A)

S.NO	TOPIC	1M	3M	4M	6M	TOTAL
1	Nature and Purpose of Business	2	1			5
2	Forms of Business Organisations	2	1		1	11
3	Public, Private and Global Enterprises	2		1		6
4	Business Services	2			1	8
5	Emerging Modes of Business	2	1			5
6	Social Responsibility of Business and Business Ethics	2	1			5
(PART-B)						
7	Sources of Business Finance	2		1	1	12
8	Small Business			2		8
9	Internal Trade	3		1		7
10	International Business	3		1	1	13
	TOTAL	20(20)	12(4)	24(6)	24(4)	80(34)

KENDRIYA VIDYALAYA SANGATHAN,

SESSION ENDING EXAMINATION 2022-23

CLASS: XI, SET-3

BUSINESS STUDIES (054)


TIME: 3 HRS

M.M:80

GENERAL INSTRUCTIONS:

- a) This question paper contains 34 questions.**
- b) Marks are indicated against each question.**
- c) Answers should be brief and to the point.**
- d) Answers to the questions carrying 3 marks may be from 50 to 75 words.**
- e) Answers to the questions carrying 4 marks may be about 150 words.**
- f) Answers to the questions carrying 6 marks may be about 200 words.**
- g) Attempt all parts of a question together.**

Q.N.	QUESTION	MARKS
1	Earning profit is considered to be an essential objective of every business because: a) It is an important source of finance for meeting expansion needs of business. b) It indicates that the business is being run efficiently. c) It helps to build up the goodwill of the business. d) All of the above.	1
2	Which of the following is true about statutory corporations? a) Statutory corporations are subject to the same accounting and audit procedure as are applicable to government departments. b) Statutory enterprises are funded directly by the government treasury. c) Statutory corporations are public enterprises that come into existence by a Special Act of the Parliament. d) The employees of statutory enterprises are civil servants.	1
3	When a property is insured by more than one insurance (i.e. in case of multiple insurance), the insurers are to share losses in what proportion? a) Ratio of premiums received b) Ratio of duration of insurance c) Ratio of amount insured d) Equal Ratio	1
4	There is a full guarantee by the issuing bank branch about its payment to the payee. So, there is no risk of _____ getting dishonoured. a) Bank Draft b) Cheque c) Both(a) & (b) d) None of these	1
5	Today, customers can also make use of call centres set up by companies to make toll free calls to make queries and lodge complaints round the clock at no extra cost to	1

	them. Which variants of e-commerce is highlighted above? a) B2B Commerce b) B2C Commerce c) Intra-B Commerce d) C2C Commerce							
6	Which of the following is not social responsibility of business towards Shareholders? a) To provide fair return on their capital investment. b) To supply right quality of goods at reasonable prices. c) To provide information regarding schemes of future growth. d) To provide accurate information about working of the company.	1						
7	From the following picture, identify the hindrance of commerce highlighted:  a) Hindrance of Risk b) Hindrance of Finance c) Hindrance of Place d) Hindrance of Time	1						
8	“Management of an enterprise should provide opportunities for meaningful work. It should try to create the right kind of working conditions.” The given statement highlights the social responsibility of business towards the _____. a) Shareholders or owners b) workers c) consumers d) government and community	1						
9	Which of the following is not a characteristics of a cooperative society? a) Membership is open to all, irrespective of their religion, caste, and gender. b) The society can enter into contracts and hold property in its name, sue and be sued by others. c) In a cooperative society, the power to take decisions lies in the hands of all the members of society. d) The cooperative society through its purpose lays emphasis on the values of mutual help and welfare.	1						
10	This application involves online trading of securities and other financial instruments. a) e-bidding b) e-communication c) e-delivery d) e-trading	1						
11	Match the columns and choose the correct alternative: <table><tr><th>COLUMN - I</th><th>COLUMN - II</th></tr><tr><td>A. The name clause</td><td>i) This clause contains the name of the company with which the company will be known, which has already been approved by the Registrar of Companies.</td></tr><tr><td>B. Objects clause</td><td>ii) This clause specifies the maximum capital which the company will be authorized to raise through the issue of shares.</td></tr></table>	COLUMN - I	COLUMN - II	A. The name clause	i) This clause contains the name of the company with which the company will be known, which has already been approved by the Registrar of Companies.	B. Objects clause	ii) This clause specifies the maximum capital which the company will be authorized to raise through the issue of shares.	1
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	<div>C. Liability clause</div> <div>iii) This is the most important clause of the memorandum. It defines the purpose for which the company is formed.</div>	
	<div>D. Capital clause</div> <div>iv) This clause limits the liability of the members to the amount unpaid on the shares owned by them.</div>	
	a) A-i, B-iv, C-iii, D-ii b) A-ii, B-iii, C-iv, D-i c) A-i, B-iii, C-iv, D-ii d) A-iii, B-i, C-iv, D-ii	
12	Prabhat and Rishi are doing separate business of installing Centralised Air Conditioning units in Mumbai. They enter into a partnership contract to install Centralised AC unit in a hotel in Shirdi. Identify the type of partnership being highlighted in the given case. a) Partnership at will b) Particular Partnership c) General Partnership d) Limited Partnership	1
13	Debenture is a source of raising finance a) Long term b) Medium term c) Short term d) None of the above	1
	Read the following text and answer Q.14-16on the basis of the same: Paras Manek is a successful businessman who is engaged in manufacturing auto spare parts. The products manufactured by his business enterprise Paras Manek Ltd. are sold not only in India, but also exported to various countries such as Singapore, Switzerland, China, North Korea, etc. Trudy Ltd., a Russian company wants to import auto spare parts from Paras Manek Ltd. Paras Manek Ltd. has received an enquiry regarding the goods and trade. Paras Manek Ltd. has replied to it in the form of a quotation. Finding it favourable, Trudy Ltd. Has placed an order containing description of goods, price and other instructions, etc. But before exporting the goods it has to fulfill certain legal formalities like procuring export license and preparing the documents related to goods, shipment, and payment.	
14	but also exported to various countries such as Singapore, Switzerland, China, North Korea, etc." Identify the type of business discussed above. a) Domestic Business b) International Business c) Both (a) and (b) d) Neither (a) nor (b)	1
15	In case of export, a buyer sends an enquiry to exporter to seek information about: a) Availability of goods b) Price of goods c) Terms and conditions of trade d) All of these	1
16	Paras Manek Ltd. has replied to it in the form of a quotation." Identify the document stated here. a) Proforma Invoice b) Indent c) Letter of Credit d) Enquiry	1
17	Retained Earnings are also known as:	1

	a) Capital b) Ploughing back of profit c) Surplus profit d) Gross profit	
18	Who is the Chairperson of GST Councillors: a) Prime Minister b) President c) Finance Minister d) none of the above	1
19	Buying round the clock is possible at: a) Retail Shop b) Vending machine c) Departmental Store d) none of the above	1
20	Shops having same Interior exterior and sell at uniform price are called: a) Departmental store b) Chain Store c) Both (a) & (b) d) None of the above	1
21	Explane any two auxiliaries to trade.	3
22	<p>Manan and ketan decide to start a partnership business of manufacturing computer keyboards. Manan is of the view that they should have a written agreement and they should also register their partnership firm. However, Ketan wants to have a verbal agreement. Manan explained the consequences of non- registration to Ketan, after which Ketan agreed it. State the consequences of non- registration of a firm which were explained by Manan to Ketan.</p> <p style="text-align: center;">OR</p> <p>Climax India Private Limited was formed as a Private Company by a group of five friends. Their business has grown considerably over the years. Now, they want to expand their business and for this, they need more funds. They are planning to convert their company into a public company and raise more funds through issue of shares. Mention any three privileges that the company will have to forgo as a private company after conversion.</p>	3
23	<p>A group of people in a locality of Delhi used to go for a walk in the morning. After the walk, they would often sit together and discuss the subjects like politics, demonetization, elections, market prices of different goods etc. There were about fifty persons in this group. One day, instead of other subjects, their focus of discussion was 'Market Prices of Different Goods'. During the discussion, the emphasis laid on the point was that goods become very costly by the time they reach the consumers after getting transported from the producers. Consequently, everyone's budget is getting disturbed. To get rid of this problem some people suggested that they should join together to form a society. The society would sell the goods to all the members as per their requirements after buying them in a large quantity directly from the producers. This suggestion was appreciated by them. They all became members of the society and encouraged other people also to become its members. In no time, 100 members assembled and the society was formed. The idea of forming the society immediately proved to be successful. Now their budget became balanced. A special characteristic of this society was that apart from its members it was also selling goods to the other people of the society at cheaper rates. All of them were very happy with the formation of the society.</p> <p>a) Identify and explain the type of cooperative society formed by them. b) Under which act, the society must have been formed? c) What is the liability of the members of the society so formed?</p>	3

24	<p>Govind is a manufacturer of readymade kids garments. He sells his products through various dealers across the country. However, his sales are decreasing over the years. Recently, his wife gifted him a jacket, which she had ordered through Myntra (an Online Shopping site for fashion and lifestyle). This gave Govind an idea to start selling his products online. State any three benefits that Govind can get through e-business.</p> <p style="text-align: center;">OR</p> <p>Unique enterprise is dealing in auto spare parts. With the expansion in business the enterprise found that the decisions are delayed and level of coordination is coming down. The CEO of the company called for a meeting of all managers. Ayush, 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 connection for connecting all the employee on line.</p> <p>a) Which type of e- commerce is suggested by Mr. Ayush? Explain. b) Also, explain types of e-commerce which are not mentioned in above para.</p>	3
25	<p>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.</p> <p>a) Identify the form of enterprise. b) Explain any three features of such enterprise.</p> <p style="text-align: center;">OR</p> <p>Why Multi National Corporations (MNCs) are in a position to exercise massive control on the world economy?</p>	4
26	<p>Differentiate between Departmental stores and Chain stores on any four basis.</p> <p style="text-align: center;">OR</p> <p>What are the services offered by retailers to consumers?</p>	4
27	Explain the role of small business in India with emphasis on the rural basis.	4
28	Explain first four steps involved in Export procedure.	4
29	<p>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.</p> <p>Suggest which source of finance is suitable for this company.</p>	4
30	<p>The government of India launched a program on May, 1978, with special stress on the development of small tiny and cottage and village industries by providing integrated administrative support in the area. To achieve this objective an agency was set up at district level.</p> <p>(a) Write down the name of that agency. (b) Discuss the functions of the agency highlighted in the statement.</p>	4
31	<p>Saurabh has taken fire insurance policy of Rs.9,00,000 for his factory. Due to fire, he suffered a loss of Rs.6,00,000. He claimed the loss from the insurance company and he gets the compensation within a month.</p> <p>Goods that were lost by fire were sold for Rs.70,000. Saurabh wants to keep this money with himself, while the insurance company claims that Rs.70,000 should be handed over to the company.</p> <p>a) Identify and state the principle of insurance which is applicable in the given case. b) Also, explain the Principle of Insurable Interest and Indemnity with suitable example.</p> <p style="text-align: center;">OR</p> <p>Ankit's warehouse was covered by a Fire Insurance Policy of Rs.10,00,000. Two years back, his warehouse caught fire. Ankit immediately called up the nearest fire</p>	6

	<p>station and started removing the goods from the warehouse in order to save them from fire. He took all reasonable steps to minimize the loss or damage. As a result, the actual loss by fire to him was Rs.3,00,000, which could have gone up to Rs.7,00,000, if he had not acted as a prudent person. After scrutiny of the loss, the insurance company handed over the cheque of Rs.3,00,000 to Ankit.</p> <p>a) Identify and state the Principle of Insurance which was followed by Ankit in the given case.</p> <p>b) Also, explain the Principle of Proximate Cause and Contribution.</p>	
32	<p>Surya company, an LED lights manufacturing company has good growth prospects. The owners of the company are planning to expand their business. For this, the company needs additional funds. The finance manager reports that the company is not in a position to bear extra burden of paying any fixed financial charges like interest or dividend. They do not want to bear any flotation costs even. Also, the equity shareholders insist not to issue further shares as there is risk of dilution of control.</p> <p>(1) Suggest the source of finance most suitable for the company.</p> <p>(ii) Enumerate any three merits and two demerits of the source of finance identified in part (i).</p>	6
33	<p>“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. Discuss the procedure to be followed by the company.</p>	6
34	<p>Raj has recently completed his MBA in international business from IIM-A. He is now planning to start his own international business. His father advised him to take into consideration the benefits of international business, before investing huge money. Suggest any four benefits of international business to Raj.</p> <p style="text-align: center;">OR</p> <p>Explain the meaning of the following documents used in connection with import transactions.</p> <p>(i) Trade enquiry (ii) Import license</p> <p>(iii) Shipment advice (iv) Import general manifest</p>	6

-----END OF PAPER-----

KENDRIYA VIDYALAYA SANGATHAN,
SESSION ENDING EXAMINATION 2022-23
CLASS – XI, SET-3
BUSINESS STUDIES (054)
MARKING SCHEME

Q.N.		MARKS
1	d) All of the above	1
2	c) Statutory corporations are public enterprises that come into existence by a Special Act of the Parliament	1
3	c) Ratio of amount insured	1
4	a) Bank Draft	1
5	b) B2C Commerce	1
6	b) To supply right quality of goods at reasonable prices.	1
7	d) Hindrance of Time	1
8	b) workers	1
9	c) In a cooperative society, the power to take decisions lies in the hands of all the members of society.	1
10	d) e-trading	1
11	c) A-i, B-iii, C-iv, D-ii	1
12	b) Particular Partnership	1
13	a) Long term	1
14	b) International Business	1
15	d) All of these	1
16	a) Proforma Invoice	1
17	b) Ploughing back of profit	1
18	c) Finance Minister	1
19	b) Vending machine	1
20	b) Chain Store	1
21	Transportation and communication, Banking and finance, Insurance, Warehousing (any two with correct explanation)	3
22	<p>The consequences of non-registration of a firm are:</p> <p>i) a partner of an unregistered firm cannot file a suit against the firm or other partners.</p> <p>ii) the firm cannot file a suit against third parties.</p> <p>iii) the firm cannot file a case against the partners.(1x3)</p> <p style="text-align: center;">OR</p> <p>Following are six privileges that the company will have to forgo as a private company after conversion:</p> <p>i) Private company can be started with just two members where as a public company requires at least 7 members</p> <p>ii) there is no need to issue a prospectus as public is not invited to subscribe to the shares of a private company</p> <p>iii) it can allot shares without receiving the minimum subscription</p> <p>iv) private company can start its work just after getting a certificate of</p>	3

	incorporation. (any three)	
23	a) Consumers' Cooperative Society (1 mark for identification and explanation) b) The Cooperative Societies Act, 1912 (1 mark) c) Limited Liability (1 mark with correct explanation)	3
24	Benefits of e-Business:(any three) i) Ease of formation and lower investment requirements ii) Convenience iii) Speed iv) Global Reach v) Movement towards a paperless society(1/2 mark for heading and ½ mark for correct explanation=3) OR a) Intra-B Commerce with correct explanation (1 marks) b) B2B Commerce, B2C Commerce and C2C Commerce with correct explanation(1/2 mark for heading and ½ mark for explanation=2)	3
25	a) Public Private Partnership (1) b) The main features are:(any three) (3) i) There is a contract with the private party to design and build public facility. ii) The facility is finance and owned by the public sector. iii) The key driver is the transfer of design and construction risk OR MNCs are in a position to exercise massive control on the world economy because of their : i) Huge capital resources ii) Advanced technology iii) Market Strategies iv) Centralised control (1/2 Mark for heading and ½ mark for correct explanation)	4
26	Any four differences 1x4 =4 OR Services to Consumers: (i) Ready or quick supply (ii) Wide variety: (iii) Guiding customers: (iv) Demonstration and after-sale services: (v) Home delivery: (Any 4 with correct explanation)	4
27	(1) Employment opportunity (2) Prevent migration (3) Reduce inequalities (4) Mobilisation of local resources (1x4 for correct explanation)	4
28	(1) Receipt of enquiry and sending quotation (2) Receipt order or indent (3) Assessing importer creditworthiness and securing for payment (4) Obtaining export licence (1 mark for each correct point)	4

29	(1) Equity shares (2) Retained earnings (2 marks for each with three correct explanation)	4
30	DIC (1 marks for identification) (3 marks for three correct functions)	4
31	a) Principle of Subrogation with correct explanation. (2 marks) b) 2 marks for correct explanation of other two principles. (2x2=4) OR a) Principle of Mitigation of loss with correct explanation (2 marks) b) 2 marks for correct explanation of other two principles (2x2=4)	6
32	(1) Retained earnings (1 mark for identification) Merits: (3 marks) 1) most dependable source 2) economic source 3) no dilution of control Demerits : (2 marks) 1) overcapitalization 2) Dissatisfaction among shareholder	6
33	The steps required for raising funds from the public are as follows (with correct explanation): i) SEBI approval ii) Filling of prospectus or statement in lieu of prospectus iii) Appointment of bankers, brokers and underwriters iv) Minimum subscription v) Application to stock exchange vi) Allotment of shares (1x6=6)	6
34	Explanation of any four benefits of international business. (4*1.5) OR (i) Trade enquiry: It is a written request made by an importing firm to the overseas supplier for providing information regarding the price and various terms and conditions for exporting goods. (ii) Import license: In India, certain goods can be imported freely, while for others, it is compulsory to obtain an import license. Importers can refer the Export-Import Policy to know whether license is needed or not. In case license is mandatory for the given goods, then the importer must obtain license from the licensing authority. (iii) Shipment advice: It is a document sent by the exporter to the importer in order to inform the importer that the shipment of goods has been made. Shipment advice provides details about invoice number, bill of lading, name of the vessel, the port of export, etc. (iv) Import general manifest: It is a document which provides complete details regarding the imported goods. The unloading of the cargo takes place on the basis of this document.	6

KENDRIYA VIDYALAYA SANGATHAN
ZONAL INSTITUTE OF EDUCATION & TRAINING, CHANDIGARH
SAMPLE PAPER, SET-4

CLASS – XI
BUSINESS STUDIES, 2022-2023

BLUE PRINT

TIME: 3 HRS

MM: 80

(PART- A)

S.NO	TOPIC	1M	3M	4M	6M	TOTAL
1	Nature and Purpose of Business	2	1			5
2	Forms of Business Organisations	2	1		1	11
3	Public, Private and Global Enterprises	2		1		6
4	Business Services	2			1	8
5	Emerging Modes of Business	2	1			5
6	Social Responsibility of Business and Business Ethics	2	1			5
(PART-B)						
7	Sources of Business Finance	2		1	1	12
8	Small Business			2		8
9	Internal Trade	3		1		7
10	International Business	3		1	1	13
	TOTAL	20(20)	12(4)	24(6)	24(4)	80(34)

KENDRIYA VIDYALAYA SANGATHAN

SESSION ENDING EXAMINATION, 2022-23

CLASS- XI, SET-4

SUBJECT- BUSINESS STUDIES

TIME- 3 HRS

M.M.-80

Q.NO	QUESTIONS	MARKS
1	Which of the following cannot be classified as an objective of business? (i) Investment (ii) Productivity (iii) Innovation (iv) Profit earning	1
2	Business risk is not likely to arise due to (i) Changes in government policy (ii) Good management (iii) Employee dishonesty (iv) Power failure	1
3	Provision of residential accommodation to the members at reasonable rates is the objective of (i) Producer's cooperative (ii) Consumer's objective (iii) Housing cooperative (iv) Credit cooperative	1
4	A partner whose association with the firm is unknown to the general public is called (i) Active partner (ii) Sleeping partner (iii) Nominal partner (iv) Secret partner	1
5	A government company is any company in which the paid up capital held by the government is not less than (a) 49 percent (b) 51 percent (c) 50 percent (d) 25 percent	1
6	Which of the following types of organisation has the capability of expansion of market territory and operates through a network of subsidiaries, branches and affiliates? (a) MOFA	1

	(b) MNC (c) Public Sector enterprises (d) Private sector enterprises	
7	Which of the following is not applicable in Life Insurance contract? (a) Conditional contract (b) Unilateral contract (c) Indemnity contract (d) None of the above	1
8	CWC stands for (a) Central Water Commission (b) Central Warehousing Commission (c) Central Warehousing Corporation (d) Central Water Corporation	1
9	The payment mechanism typical to e-business (a) Cash on delivery(CoD) (b) Cheques (c) Credit and Debit Cards (d) E-cash	1
10	It is not an application of e-business: (a) Online bidding (b) Online procurement (c) Online trading (d) Contract R and D	1
11	Which of the following can explain the need for pollution control? (a) Cost savings (b) Reduced risk of liability (c) Reduction of health hazards (d) All of them	1
12	Which of the following is capable of doing maximum good to society? (a) Business success (b) Laws and regulations (c) Ethics (d) Professional management	1
13	Public deposits are the deposits that are raised directly from (a) The public (b) The directors (c) The auditors (d) The owners	1
14	Debentures represent (a) Fixed capital of the company (b) Permanent capital of the company (c) Fluctuating capital of the company (d) Loan capital of the company	1

15	Give full form of WTO.	1
16	Tell (any one) parameter used to measure the size of business?	1
17	Tell the categories of internal trade.	1
18	Give an example of fixed shop.	1
19	Name any two documents regarding import export procedure.	1
20	What is international trade?	1
21	State the different types of economic activities.	3
22	<p>A person gets his stock of goods insured, but he hides the fact that the electricity board has issued him statutory warning letter to get his factory's wiring changed later on, the factory catches fire due to short circuit. Can he claim compensation? State the name of "Principle".</p> <p style="text-align: center;">OR</p> <p>Anju has taken from Avi against the security of the factory. Can Avi take a fire insurance policy of that factory? Why?</p>	3
23	<p>State any three importance of NSIC.</p> <p style="text-align: center;">OR</p> <p>Describe the role of small business in rural India?</p>	3
24	How does market information provided by wholesalers benefit the manufacturers?	3
25	If registration is optional, why do partnership firms willingly go through this legal formality and get themselves registered? Explain.	4
26	Why is the government company form of organization preferred to other types in the public sector?	4
27		4
28	<p>What preferential rights are enjoyed by preference shareholders? Explain.</p> <p style="text-align: center;">OR</p> <p>Explain the importance of finance for running the business smoothly.</p>	4
29	<p>Explain the different types of retail trade.</p> <p style="text-align: center;">OR</p> <p>What are merits and demerits of large retailers(two each)</p>	4

30	Describe the benefits of international trade to the business firm.	4
31	<p>State the important privileges available to a private company.</p> <p style="text-align: center;">OR</p> <p>What do you mean by incorporation of a company? What are the steps involved in incorporation of a company?</p>	6
32	Build up arguments for social responsibilities of a business.	6
33	<p>Discuss the sources from which a large industrial enterprise can raise capital for financing modernization and expansion.</p> <p style="text-align: center;">OR</p> <p>Differentiate between owners fund and borrowed fund.</p>	6
34	Explain the objectives of DICs.	6

-----**END OF PAPER**-----

KENDRIYA VIDYALAYA SANGATHAN,

SESSION ENDING EXAMINATION 2022-23

CLASS – XI, SET- 4

BUSINESS STUDIES (054)

MARKING SCHEME

Q.NO.	ANSWER	MARKS
1	(i)	1
2	(ii)	1
3	(iii)	1
4	(iv)	1
5	(b)	1
6	(b)	1
7	(c)	1
8	(c)	1
9	(d)	1
10	(d)	1
11	(c)	1
12	(c)	1
13	(a)	1
14	(d)	1
15	World trade organisation	1
16	Following parameters may be used to measure the size of business: Number of workers employed, Size of plant and machinery, Total output, Inventory size	1
17	Retail Trade and Wholesale Trade	1
18	Any example	1
19	Letter of credit, shipping bill...any document	1
20	Trade beyond geographical boundaries is called international trade.	1
21	Business, profession and employment	3
22	No, he cannot claim the compensation because the principle of utmost good faith is not followed. According to this principle, it is the duty of the insurer and insured to voluntarily make full accurate disclosure of all facts, material to the insurance contract. OR No, because of Principle of Insurable Interest. In case of fire insurance, insurable interest must be present both at the time of taking policy & claim.	3
23	Any three points of importance of NSIC	3

	<p style="text-align: center;">OR</p> <ol style="list-style-type: none"> 1. generate employment opportunities: 2. enable equitable income distribution: 3. help to accelerate growth 4. mitigate disguised unemployment and alleviate poverty 	
24	<ol style="list-style-type: none"> 1. The tastes and preferences of customers, 2. Conditions prevailing in the market 3. Level of competition in the market and 4. Types of goods and features demanded by consumers. 5. This information helps manufacturers to cater to the <p>(any three services)</p>	3
25	Consequences of Non-registration of partnership firm (any four points)	4
26	<ul style="list-style-type: none"> • It is registered or incorporated under Companies Act. • It has a separate legal entity. • Management is regulated by the provision of Companies Act. • Employees are recruited and appointed as per the rules and regulations contained in Memorandum and Articles of Association. • The government company obtains its funds from government shareholdings and other its private shareholdings. It can also raise funds from capital market. 	4
27		4
28	<ol style="list-style-type: none"> 1. They get dividend at a fixed rate and dividend is given on these shares before any dividend on equity shares. 2. When company winds up, preference shares are paid before equity shares. 3. Preference shares also have a right to participate in excess profits left after payment being made to equity shares. 4. They also have a right to participate in the premium at the time of redemption. In lieu of these preferential rights, their voting rights are taken i.e. they are not eligible for voting <p style="text-align: center;">OR</p> <p>Any four points of importance</p>	4
29	<p>Itinerant and small scale</p> <p style="text-align: center;">OR</p> <p>Any two merits and demerits each</p>	4
30	Any four benefits	4
31	<p>Any 4 privileges</p> <p style="text-align: center;">OR</p> <ol style="list-style-type: none"> 1. Filling of documents 	6

	2. Payment of fees 3. Certificate of incorporation	
32	Arguments for Social Responsibility: 1. Justification for Existence and Growth: 2. Avoidance of Government Regulation: 3. Maintenance of Society: 4. Long Term Interest of the Firm: 5. Availability of Resources with Business 6. Converting Problems into Opportunities	6
33	1. Equity Shares 2. Preference Shares 3. Debentures 4. Loans from Financial Institutions 5. Loans from Commercial Banks 6. Retained Earnings OR Any six points of difference	6
34	Any six objectives.	6
