

**SUBJECT : BUSINESS STUDIES (SET-I)****Time : 3 Hrs.****M.M.: 90****General Instructions :**

- (1) *Answers to questions carrying 1 mark may be answered in one word to one line.*
- (2) *Answers to questions carrying 3 marks should not exceed 75 words.*
- (3) *Answers to questions carrying 4-5 marks should not exceed 150 words.*
- (4) *Answer to questions carrying 6 marks should not exceed 200 words.*

- Q1. Does secret partner, like other partners, contribute capital, share profit and losses, participate in the management of the business? What is the nature of his liability? (1)
- Q2. Define analytical industry. (1)
- Q3. Krishan intends to start a business of toy manufacturing. He finds that the plastic needed to manufacture toys is available in the neighbouring country. The plastic cannot be imported because of poor political relations with that country. Is his business idea feasible? (1)
- Q4. Enumerate the various types of fixed shop small retailers. (1)
- Q5. How does partnership business overcome the limitations of sole proprietorship business? (1)
- Q6. Differentiate between public sector and private sector enterprise on the basis of objectives. (1)
- Q7. How does insurance help in sharing of risk? (1)
- Q8. What is ICD? (1)
- Q9. Discuss the main documents used in internal trade. (3)
- Q10. To which type of cause of business risk does "unexpected increase in competition" relate to? Explain the cause of business risks. (3)

- Q11. Write a short note on DIC. (3)
- Q12. Explain the features of Public-Private Partnership. (3)
- Q13. Mr. Nitin is the owner of a factory manufacturing crackers. He insured his factory against fire. While taking the insurance policy, he did not disclose about the product being manufactured, as this would have led to payment of much higher premium. Once the factory severely got damaged in fire but the insurance company refused to accept his claim. He filed a case against the company. The court favoured the insurance company on the ground that Mr. Nitin did not reveal the fact related to the type of product being manufactured. So, the contract of insurance is voidable at the discretion of the insurer?
- (a) Which principle of insurance is Mr. Nitin violating?
  - (b) What values are lacking in him?
  - (c) Explain any other one principle of insurance. (3)
- Q14. Explain different international sources of financing. (3)
- Q15. Employees of a company formed a cooperative store to ensure that they get goods at a reasonable price from it. Since the membership is voluntary and open to all of them irrespective of caste, gender and religion, majority of them became its members. Moreover everyone was given a chance to vote for choosing the management committee.
- (a) Name the type of cooperative society formed by the employees and the Act which governs it.
  - (b) Identify the values involved in the formation of the society.
  - (c) Explain any other two types of cooperative society. (4)
- Q16. Hans Ltd. is an IT Company having many shareholders. In its meeting with shareholders it presented a very rosy picture of the financial affairs of the company to attract more of them. Explain the social responsibility of business towards its shareholders, in the light of this statement. (4)

Q17. Explain the steps required to be taken for incorporation of a company. (4)

Q18. Post and Telegraph Department is a major part of Ministry of Communication. It is organised, financed and controlled by the Communication Ministry. The finances are arranged by annual appropriations from the government treasury and its revenues are paid into the treasury. Being under the control of government, it is subject to the same budget, accounting and audit controls as applicable to government departments. As far as the recruitment, appointment and conditions of service of its permanent staff are concerned, it is just like those of civil servants.

In the light of this, outline the features of a departmental undertaking. (4)

Q19. You wish to import computers for your software development business. Explain the next four steps that the firm is required to take after procurement of an import license. (4)

Q20. 'Business is essentially a social institution and not merely a profit making activity.' Explain arguments in favour of social responsibility in the light of this statement. (5)

Q21. Explain the various types of bank accounts. (5)

Q22. Which type of company can start its business after receiving the certificate of Incorporation? Explain the main features of this type of company. (5)

Q23. What benefits do nations and firms derive by entering into international business? (5)

Q24. 'E-business involves many risks.' In the light of this statement, explain the main risks faced by it.

OR

Why is equity share capital the permanent capital for the business? Also, explain the merits and limitations of raising funds through equity shares. (6)

(3)

Q25. Discuss the role of small business in India.

OR

Memorandum of association is the principal document and it contains certain clauses. Explain them. (6)

Q26. 'Some argue that wholesalers are unnecessary link in the trade channels.' Do you agree? Explain why?

OR

What motivates a company to go global? Explain its benefits. (6)

Q27. 'Business is an economic activity connected with conversion of resources into useful goods.' In the light of this statement, explain the characteristics of business.

OR

Differentiate between departmental stores and chain stores. (6)