

3. When business firms use eco-friendly method of production, then they are performing social responsibilities towards : 1

- (a) Customer (b) Employees
(c) Shareholders (d) Community

4. This trade centre served as a major centre on the important land route between India and Central Asia. It was also a city of financial and commercial bank. Name it. 1

- (a) Patliputra (b) Peshawar
(c) Taxila (d) Mathura

OR

“This community derived power and prestige from guilds. Even kings were supposed to accept and respect the rules of these guilds.” Identify the guild being specified in the case. 1

- (a) Merchant corporations (b) Hakims
(c) Mahajans (d) Nagarseths

5. The wholesaler serve as a link between the : 1

- (a) Manufacturers and retailers (b) Retailers and customers
(c) Manufacturers and consumers (d) None of the above

OR

For day to day supervision of chain stores, head office normally appoints :

- (a) Inspector (b) Branch manager
(c) Supervisor (d) Officer

6. The shares of Government company are held under the name of : 1

- (a) Prime Minister of India (b) President of India
(c) Industries Minister of India (d) Chief Justice of India

7. Aman decided to enter into a start-up business after completing his studies. Aman is looking to self-finance his business without any external help or capital.

This way to fund a start-up is called _____ . 1

- (a) Crowd funding (b) Angel investment
(c) Venture capital (d) Boot strapping

8. Name the type of internal trade where a businessman buys and sells goods in small quantities. 1
- (a) Retail trade (b) Export trade
(c) Import trade (d) Wholesale trade
9. Computer industry is the example of : 1
- (a) Processing Industry (b) Assembling Industry
(c) Synthetic Industry (d) Analytical Industry
10. This Public Sector Enterprise does not hold majority shareholding by the community and neither does it accept any interference in audit and accounting from the government but at the same time enjoys high dividend distribution to its members in case of profits. Name it. 1
- (a) Government Company (b) Public Corporation
(c) Joint Venture Company (d) One Person Company
11. _____ was set up in 1955 with a view to promote, aid and foster the growth of small business units in the country. 1
- (a) National Bank for Agriculture and Rural Development
(b) National Small Industries Corporation
(c) Rural and Women Entrepreneurship Development
(d) District Industries Centers
12. _____ business refers to those business activities that take place beyond the geographical limits of a country. 1
- (a) Internal Business (b) International Business
(c) Retail Business (d) Wholesale Business

Read the following text and answer question no. 13–16 on the basis of the same :

Dhan-Dhan bank is a private sector bank offering various services to its customers. It offers various types of bank account options to its customers. Krishna being a businessman has chosen the type of account in which the deposits are the most liquid and there are no limits to the number of transactions or the amount of

transactions in a day. On the other hand, his sister Subhadra has opened a type of account where she can conveniently deposit the money she saves. She has got cheque facility and lot of flexibility for deposits, whereas his brother Balram opened a new account where he will deposit ₹ 1,000 per month for next three years on a fixed date.

13. Identify the type of account Krishna is opening with Dhan-Dhan bank. 1
- (a) Saving bank account (b) Fixed deposit account
(c) Multi option deposit account (d) Current account
14. How much total money Balram is going to deposit in his new opened account ? 1
- (a) ₹ 12,000 (b) ₹ 18,000
(c) ₹ 24,000 (d) ₹ 36,000
15. “Subhadra has opened a type of account where she can conveniently deposit the money she saves.” Identify the type of bank account discussed above. 1
- (a) Saving bank account (b) Recurring deposit account
(c) Current account (d) Fixed deposit account
16. Who is going to earn higher rate of interest on their bank account balance ? 1
- (a) Krishna (b) Subhadra
(c) Balram (d) All will earn same interest amount

Read the following text and answer question no. 17–20 on the basis of the same :

Ayush is running a cloth manufacturing unit for past seven years. He plans now to start two more units in Bangalore and Mumbai. For expanding business, he needs additional capital. He took guidance from one of his friend, Piyush, who is a financial consultant. Piyush suggested him various options. He talks about one of the Owner’s funds which provide permanent source of capital. He also suggests that Ayush can go for another source of owner’s fund which does not enjoy voting rights though they have the status of owners. In the end, Piyush suggested about source which puts permanent obligation on the company to pay interest irrespective of profits.

17. Which source of capital is considered Permanent ? 1
- (a) Debentures (b) Equity shares
(c) Preference shares (d) Public deposits

18. Which source does not enjoy voting rights but they are part of owner's fund ? 1
(a) Trade credit (b) Retained earnings
(c) Equity shares (d) Preference shares
19. Which one of the following is the characteristic of Equity shares ? 1
(a) Receives fixed rate of dividend
(b) Repayment in future at fixed date
(c) Least risky source of capital
(d) Have a right to participate in management
20. Which source of fund allows obtaining funds from International market through Equity ? 1
(a) Global Depository Receipts (b) Preference shares
(c) Retained earnings (d) Debentures
21. OPT is one of the leading shipbuilding and repair yard in India, which has an infrastructure that combines economy, scale and flexibility, and has ISO 9001 accreditation. It has its own constitutional code of conduct and is registered under a special legislation passed by the parliament. Its annual report is presented in parliament every year. It was formed on 1st October, 1995. 3
(a) Name the type of Public Sector Enterprise described above.
(b) State its two limitations of this form of organisation.
22. "A businessman must perform social responsibility." State any three cases for social responsibility in the reference of above statement. 3

OR

"The businessmen are responsible for aggravating the problem of pollution. So it becomes their moral duty to take steps for controlling pollution." In the light of this statement, explain any three steps to be taken by the business in checking pollution.

23. Differentiate between Internal trade and International trade on the following basis: 3
(a) Currency used in business transactions
(b) Customer heterogeneity across markets
(c) Business regulations and policies

24. Explain three features of Public Deposits as a source of Business Finance. 3

OR

Explain any three characteristics of Retained Earnings.

25. Sandeep is pursuing B.com from a degree college in Patna. In one of the discussion at the college, he shares with his friends that he is a member of a business by birth. Although, he does not have the right to take any decisions regarding the business. His grandfather takes all the decisions related to the business. 4

(a) Identify the form of business organisation being described in the above lines.

(b) State three other features of this form of business organisation.

26. India is considered to be one of the leading exporters of leather goods. Simran Ltd. is a big manufacturer of leather items. Leather items manufactured by Simran Ltd. are sold not only in India, but are also exported to various countries like UK, USA etc.

Briefly explain the benefits available to Simran Ltd., which is engaged in leather export. 4

27. Sam has taken fire insurance policy of ₹ 5,00,000 for his godown. A fire broke and he suffered a loss of ₹ 3,00,000. He claimed the loss from the insurance company and he gets the compensation within a week. Goods that were lost by fire were scrapped for ₹ 30,000. Sam wants to keep this money with himself, while the insurance company claims that ₹ 30,000 should be handed over to the company. 4

(a) Identify and explain the principle which is applicable in the above case.

(b) Also, state who has the right over ₹ 30,000.

OR

Manan purchased a new car and got it insured with ABC insurance for ₹ 2,00,000 and XYZ insurance for ₹ 4,00,000. In an accident, the car was damaged. He claimed for a compensation of ₹ 60,000 from both the companies.

(a) Is he entitled to get compensation from both the companies ?

(b) Identify and explain the relevant principle of insurance applicable in this regard.

28. Explain the various causes of risk associated with Business. 4
29. Name the retail organisation where a number of shops with standardised products having similar appearance are established and they are spread over different parts of the country. Also, explain its any three features. 4
30. Star Bamboo is a small business setup making Bamboo furniture, owned by Shekhar. He has set up his tiny industrial unit in a small village in Assam for manufacturing quality furniture from bamboo. Shekhar purchased automated machinery for his new factory and employed people from the nearby villages to work in his factory. Shekhar ensured that proper sanitation and cleanliness is being maintained in the factory.
- On the basis of above information, explain the role played by Star Bamboo in development of rural India. 4

OR

“It is the process of setting up one’s own business as distinct from pursuing any other economic activity, be it employment or practising some profession. The output of this process is called an enterprise.”

In the light of above statement, identify the concept and explain any three characteristics of the identified concept.

31. Name the branch of E-business where company have its own intranet to interact and deal between various departments and persons within the firm. Also, explain five benefits provided by E-business. 6
32. The Board of directors are the chief managing body of this form of business organisation. Describe any four limitations of this form of business organisation. 6

OR

Briefly, explain the various steps of ‘Capital Subscription Stage’ in the formation of a company.

33. Anushika is successfully running a bakery shop in her residential colony. She has wisely invested funds in different areas in order to ensure smooth running of her business. She owns a manufacturing unit, whereas the shop through which she

operates is on rent. Recently, she took a loan from the bank to install air conditioners and create provision for sitting for the customers by extending the shop area. Although she buys majority of the ingredients like flour, sugar, oil on 15 days credit from the local suppliers but sales are made only in cash. 6

(a) Identify the various external sources of finance that Anushika has employed in her business.

(b) Also, give two features of each sources of finance identified in part (a).

34. Sunny Industries produces a wide variety of beauty products. Since, they were new in the market; they decided to sell their products through wholesaler in each district and promised them that they will remain the exclusive dealers in that area. After few years, newly appointed sales manager suggested that if they sell the product directly to retailers they will be able to offer competitive prices which will increase the sales turnover and eventually the profits. New sales manager was directly supporting the elimination of wholesaler, while completely ignoring the importance of presence of wholesalers in the chain of distribution of goods. 6

Describe any four benefits of wholesalers to Sunny Industries.

OR

Shop-Stop has opened a new retail outlet in Patna. It offers a wide variety of products; classified into well-defined units each one is confined to one kind of product to satisfy every customer's need under one roof. It purchases goods directly from the manufacturers and thus eliminates middlemen.

Identify the type of large scale outlet and state any of its five features.

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