

INDIAN SCHOOL MUSCAT
CLASS: 11
FIRST PERIODIC ASSESSMENT
 Business Studies 054
SET - B

| QP.NO. | VALUE POINTS | SPLIT UP MARKS | | | | | | | | | | | | | | | | | | |
|---------------|---|---------------------------------|-------|----------|---------------|-----------------------|------------------|--------|----------|----------|-----------|------------------|---------------------------------|------|------|------|---------|--|-----------------------|---|
| 1. | (d) USA | 1 | | | | | | | | | | | | | | | | | | |
| 2. | Discuss any 3 merits of public deposits (1) The procedure for obtaining public deposits is simple (2) Cost is lower than cost of borrowings from banks (3) Do not usually create any charge on assets (4) Do not dilute the power of shareholders | (1+1+1=3) | | | | | | | | | | | | | | | | | | |
| 3. | Any 3 merits of trade credit (1) Convenient and continuous source of funds (2) Readily available for business (3) Increases the sales of business (4) Does not create any charge on assets. | (1+1+1=3) | | | | | | | | | | | | | | | | | | |
| 4. | Social responsibility towards various interest groups (1) Towards shareholders (3) Towards consumers (2) Towards employees (4) Towards Govt.& Community (Any 3 points. 1 mark each with explanation) | (1+1+1=3) | | | | | | | | | | | | | | | | | | |
| 5. | <table border="1"> <tr> <td>Basis</td><td>Owned</td><td>Borrowed</td></tr> <tr> <td>Voting rights</td><td>There is voting right</td><td>No voting rights</td></tr> <tr> <td>Reward</td><td>Dividend</td><td>Interest</td></tr> <tr> <td>Permanent</td><td>Permanent source</td><td>Redeemable after certain period</td></tr> <tr> <td>Risk</td><td>More</td><td>Less</td></tr> <tr> <td>Meaning</td><td>Provided by shareholders and retained earnings</td><td>Borrowings and loans.</td></tr> </table> | Basis | Owned | Borrowed | Voting rights | There is voting right | No voting rights | Reward | Dividend | Interest | Permanent | Permanent source | Redeemable after certain period | Risk | More | Less | Meaning | Provided by shareholders and retained earnings | Borrowings and loans. | 5 |
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| Reward | Dividend | Interest | | | | | | | | | | | | | | | | | | |
| Permanent | Permanent source | Redeemable after certain period | | | | | | | | | | | | | | | | | | |
| Risk | More | Less | | | | | | | | | | | | | | | | | | |
| Meaning | Provided by shareholders and retained earnings | Borrowings and loans. | | | | | | | | | | | | | | | | | | |
| 6. | Arguments in favour of social responsibility (1) Justification for existence and growth (2) Long-term interest of the firm (3) Avoidance of Govt. regulation (4) Maintenance of society (5) Availability of resources with business (6) Converting problems into opportunities (7) Better environment for doing business (8) Holding business responsible for social problems (Any 5 points with explanation) | 5 | | | | | | | | | | | | | | | | | | |
| | THE END | | | | | | | | | | | | | | | | | | | |