

Roll Number		
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SET A



**INDIAN SCHOOL MUSCAT  
FIRST TERM EXAMINATION  
BUSINESS STUDIES (054)**

CLASS: XI

23.11.2021

Time Allotted: 90 min.

Max. Marks: 40

**General Instructions:**

1. The Question Paper contains 3 sections.
2. Section A has 24 questions. Attempt any 20 questions.
3. Section B has 24 questions. Attempt any 20 questions.
4. Section C has 12 questions. Attempt any 10 questions.
5. All questions carry equal marks.
6. There is NO negative marking.

**Section - A**

**(20 questions out of 24 questions are to be attempted)**

- 1 Organic Tea Ltd. is a Singapore based company dealing in import of tea from India and re exporting it to many South East Asian countries. It has a huge go down near the seaport where it has made scientific arrangements for storing tea till it is re-exported. Name the type of trade mentioned in the above case.  
(A) Entrepot trade (B) Import trade  
(C) Export trade (D) Retail trade
- 2 If the required outlay for the project is so large that it cannot easily be arranged within the available means, the project has to be given up. Which aspect has been highlighted by aforesaid statement?  
(A) Technical feasibility (B) Economic feasibility  
(C) Financial feasibility (D) Professional feasibility
- 3 'Indian Railways' is a part of Railway Ministry. It is organised, financed and controlled by Railway Ministry. The finances are allocated from government treasury and whatever revenue it earns is deposited to government treasury only. It is treated as a part of government and even the appointment, recruitment and selection of employees is done in the same way as that of civil servant. Name the type of public sector enterprise 'Indian Railways' is  
(A) Public corporation  
(B) Government company  
(C) Private owned business  
(D) Departmental undertaking

- 4 Mr. Amit gets his factory insured against fire of ₹40,00,000 with insurer A and ₹10,00,000 with insurer B. A loss of ₹5,00,000 occurred during the year. How much compensation can be claimed?  
(A) ₹40,00,000 from insurer A and ₹10,00,000 from insurer B  
(B) ₹4,00,000 from insurer A and ₹1,00,000 from insurer B  
(C) ₹5,00,000 from insurer A  
(D) ₹5,00,000 from insurer B
- 5 .....is online buying and selling of shares and other financial instruments?  
(A) e-Procurements  
(B) e-Bidding  
(C) e-Delivery  
(D) e-Trading
- 6 CSR stands for.....  
(A) Company Social Responsibility  
(B) Corporate Social Responsibility  
(C) Corporate Societal Responsibility  
(D) Corporate Shared Responsibility
- 7 The production of goods takes place in particular locations but they are used at different places. So, the obstacle of place is removed by  
(A) Banking  
(B) Advertising  
(C) Insurance  
(D) Transport
- 8 Which of the following contract is signed by the promoters with the third party on behalf of the company?  
(A) Preliminary contract  
(B) Provisional contract  
(C) Prospectus  
(D) Memorandum of Association
- 9 ABC Ltd is a leading marketing company of soft drinks. Its 32% of total paid up capital is held by Central Government and 21% is by Delhi Government. Identify the type of public sector enterprises in the above statement.  
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- 10 Ramesh is a teacher who wants to open an account in a bank with an aim to do saving. He approaches the Bank Manager who guides him of various accounts and their utilities. Assist him to identify the features of various accounts.

(i.) The accounts that encourage savings.	(a) Fixed accounts
(ii.) Amount is deposited for a fixed period and carries higher rate of interest	(b) Current accounts
(iii.) Amount is withdrawn regularly, especially for business.	(c) Saving accounts
(iv.) A fixed amount is deposited regularly for a fixed period.	(d) Recurring deposit

- (A) (i) - (a), (ii) - (b), (iii) - (a), (iv) - (c)  
 (B) (i) - (c), (ii) - (b), (iii) - (a), (iv) - (d)  
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- 11 Nature of contact with the supplier and customer in traditional business can explained as?  
 (A) Direct personal contact  
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- 12 Which is not the responsibility of the business to the government:  
 (A) Following the pollution laws as set by the government  
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- 13 In which economic activity capital is not required  
 (A) Business (B) Profession (C) Employment (D) Trade
- 14 Which of the following statement is not true about a minor partner?  
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- 15 The shares of Bharat Heavy Electricals Ltd are purchased in the name of:  
 (A) The Chief Justice of India  
 (B) The Prime Minister of India  
 (C) The President of India  
 (D) The Speaker of Parliament
- 16 The principle of insurance where in insured is not allowed to make any profit.  
 (A) Insurable Interest  
 (B) Proximate Cause  
 (C) Subrogation  
 (D) Utmost Good Faith

- 17 State bank of India provides the facility of fund transfer from one place to another, on account of inter-connectivity of branches. Such facility is called as:  
 (A) Acceptance of deposits  
 (B) Allied services  
 (C) Lending of funds  
 (D) Remittance of funds
- 18 .....can be responsible for diseases like loss of hearing, malfunctioning of the heat and mental disorder.  
 (A) Water pollution  
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- 20 Romi is a friend of Somi, who is a partner in a software firm "simple solutions." On Somi's request, Romi accompanies her to a business meeting with Mohan software. Romi actively participates in the negotiation process for the business deal and gives an impression that she is also a partner in Simple solutions. Which type of partner is Romi?  
 (A) Active partner (B) Sleeping partner  
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- 21 Identify the organisation in which government is the major shareholder and registered under the Companies Act.  
 (A) Post & Telegram  
 (B) Food Corporation of India  
 (C) Steel Authority of India Ltd  
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- 22 Mariya a business woman has a Current Account in Punjab National Bank (PNB). Her Current Account shows balance of just ₹50,000, while she urgently needs ₹3,00,000 to pay off one of her creditors. She approaches PNB to allow her to withdraw ₹3,00,000, using the facility extended by the bank to her due to her credit worthiness. The Bank agrees to it.  
 Identify the facility which has been provided by PNB to Mariya.  
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- 23 Shape of the organizational structure in e-business?  
 (A) Vertical  
 (B) Cross  
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- 24 The CSR provisions is applicable to companies with an annual turnover or net worth or net profit as  
 (A) ₹10,000 crore or more, ₹5,000 crore or more, ₹50 crore or more  
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 (D) ₹10 crore or more, ₹5 crore or more, ₹1 crore or more

**Section – B**  
**(20 questions out of 24 questions are to be attempted)**

- 25 There is a time gap between production and consumption of goods therefore warehousing is required which overcomes the problem of.  
 (A) Funds (B) Storage (C) Time (D) Place
- 26 Mrs. Kavitha intends to start a business in the form of private limited company. But she has no idea about the formalities to be followed in the formation of company. Suggest her a specialized person who would undertake all activities for the formation of a company.  
 (A) Registrar  
 (B) Promoter  
 (C) Director  
 (D) Manager
- 27 Assertion (A): Departmental undertakings are headed by IAS officers and civil servants.  
 Reason (R): They act through the officers of Govt and its employees are Govt employees.  
 (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)  
 (B) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)  
 (C) Assertion (A) is true but Reason (R) is false  
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- 28 Which of the following statement is NOT true?  
 (A) Recurring deposit account is a time deposit account  
 (B) Number of transactions every month is limited in savings bank account  
 (C) A current account can be opened with an initial deposit of ₹5,000.  
 (D) Fixed deposit account is demand deposit account

- 29 The insurer in Marine Insurance is known as \_\_\_\_\_.  
 (A) Nominee  
 (B) Underwriters  
 (C) Insured  
 (D) Agents
- 30 Which of the following combinations are correct for internal trade?  
 (A) Import and export  
 (B) Wholesale trade and entrepot  
 (C) Retail trade and import Trade  
 (D) Wholesale and retail trade
- 31 Which among the following is not a characteristic of a business activity?  
 (A) Production or procurement of goods and services.  
 (B) Sale or exchange of goods and services.  
 (C) Donation of a percentage of profit for charity.  
 (D) Uncertainty of returns
- 32 Vineeth Bani is an old person. He lives in a small town with his wife and family. He along with his family members are engaged in a family business. They make jute bags and sell it in the nearby market. They purchase the raw material from the local market. Vidhya Vani manages his business very well as others support him in all ways. Name the form of business organization discussed here.  
 (A) Sole Proprietorship (B) Joint stock companies  
 (C) Partnership (D) Hindu Undivided Family Business
- 33 Departmental undertakings are suitable in the case of \_\_\_\_\_.  
 (A) National security  
 (B) Commercial undertakings  
 (C) Industrial undertakings  
 (D) Infrastructural facilities
- 34 Assertion (A): Life insurance is not based on the principle of indemnity.  
 Reason (R): Principle of Utmost Good Faith is not applicable in Life Insurance  
 (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)  
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- 35 Commerce is a combination of two types of activities these are  
 (A) Industry and trade  
 (B) Trade and commerce  
 (C) Trade and auxiliaries to trade  
 (D) Production and consumption of goods

- 36 Ram, Mohan and Sohan are good friends. Ram is working as a doctor in a private hospital and getting salary of ₹1,50,000 per month. Mohan is a farmer and producing 50 quintals wheat for his own consumption. Sohan is working as a teacher in a school and getting salary of ₹40,000 per month. In addition to that, Sohan teaches some slum area children in the evening and does not charge anything from them. It gives him a psychological and mental satisfaction. Which type of human activity is performed by Ram?
- Economic activity
  - Non-economic activity
  - Social activity
  - Charity
- 37 Changes in market conditions, changes in price or changes in fashion and tastes of customers refer to which type of risk?
- Pure risk
  - High Risk
  - Low Risk
  - Speculative Risk
- 38 'A Ltd.' The famous group of promoters submitted an application to the Registrar of the Company for the approval of name for a soft drink company. They chose the name as 'Pepsi Ltd.' So as to increase the sale because Pepsi is well known established brand. The selected name was rejected by the Registrar of the Company. Why was the proposed name rejected by the Registrar?
- It was similar to an existing company name.
  - Didn't like the Registrar
  - It was too short
  - Registrar has no authority to select
- 39 Life insurance is a contract of assurance because \_\_\_\_.
- The sum assured will be certainly paid
  - The policy will certainly mature
  - Death will certainly occur
  - The loss will definitely occur
- 40 Rahul and his father were travelling to their native place by road. Rahul saw various industries at regular intervals on their journey. Every time they passed an industry Rahul came to understand that most of industries are concerned with the extraction of natural resources or reproduction and development of living species. Identify the type industry mentioned in Rahul's statement.
- Synthetically industry
  - Assembling Industry
  - Genetic Industry
  - Primary Industry
- 41 e-Choupal is an initiative of Indian Tobacco Corporation (ITC) Limited to link directly with rural farmers for procurement of agricultural produce. e-Choupal was conceived to tackle the challenge posed by the unique features of Indian agriculture characterised by fragmented farms, weak infrastructure and the involvement of numerous intermediaries. Through e-Choupal, ITC aims to change the quality of life and the entire outlook of Indian farmers. Towards which interest group, is ITC discharging its social responsibility?
- Owners
  - Workers
  - Consumers
  - Society
- 42 Deepak Wadhwa and sons have been carrying on the business of diamond cutting since the last three generations in Bhuj Gujarat. Since Bhuj is prone to earthquakes, the firm has decided to ensure their business premises and inventory with Star Insurance Company. Which kind of risk the company is trying to minimise?
- Natural causes
  - Economic causes
  - Financial causes
  - Human causes
- 43 In the 2001 resolution policy the number if industries exclusively reserved for public sector was brought down. This meant that the private sector can enter all areas except these. Which of the following areas are now exclusive for the public sector?
- Atomic
  - Arms
  - Communication
  - Railways
- (a), (b) and (c)
  - (a), (c) and (d)
  - (a), (b) and (d)
  - (b), (c), and (d)
- 44 As per the basic principle of the fire insurance policy, it is primary duty of the insured to take reasonable steps to prevent fire from occurring and to minimize the losses to the insured property. It is the duty of the insured to behave with prudence and not to be careless just because he has an insurance cover.
- Indemnity
  - Proximate cause
  - Subrogation
  - Mitigation
- 45 Assertion (A): An old customer has sold his used refrigerator to another customer through OLX. It is an example of C2C commerce.  
Reason (R): To establish e- business large investment is needed to purchase various requirements for the business

- (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)  
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 (D) Assertion (A) is false but Reason (R) is true
- 46 Which is the best to explain Ethical responsibility from the below statements?  
 (A) Produce goods and services that society wants  
 (B) Operate business within the law of Land  
 (C) Respecting the dignity of people while advertising  
 (D) Providing charity
- 47 Which of the following excludes the feature of Departmental undertaking?  
 (A) Subject to Government Audit  
 (B) Employees are Government servants  
 (C) Direct control by the concerned ministry  
 (D) Created under a special Act of Parliament
- 48 Assertion (A): The business can avoid excessive government regulations by voluntarily assuming social responsibilities  
 Reason (R): Payment of taxes to government is a social duty.  
 (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)  
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### Section – C

(10 questions out of 12 questions are to be attempted)

**Read the following text and answer question number 49-53 on the basis of the same.**

Every day Amul collects 4,47,000 liters of milk from 2.12 million farmers (many illiterate), converts the milk into branded, packaged products, and delivers goods worth ₹6 crores (₹60 million) to over 5,00,000 retail outlets across the country. It all started in December 1946 with a group of farmers' keen to free themselves from intermediaries, gain access to markets and thereby ensure maximum returns for their efforts. Based in the village of Anand, the Khera District Milk Cooperative Union (better known as Amul) expanded exponentially. It joined hands with other milk cooperatives, and the Gujarat network now covers 2.12 million farmers, 10,411 village level milk collection centers and fourteen district level plants (unions). Amul is the common brand for most product categories produced by various unions: liquid milk, milk powder, butter, ghee, cheese, cocoa products, sweets, ice-cream and condensed milk. Amul's sub-brands include variants such as Amulspray, Amulspree, Amulya and Nutramul.

- 49 Which type cooperative society is Amul?  
 (A) Consumers cooperative societies  
 (B) Producers cooperative societies  
 (C) Marketing cooperative societies  
 (D) Farmers' cooperative societies
- 50 Irrespective of the amount of capital contribution by a member, each member is entitled to equal voting rights.  
 (A) One man one vote  
 (B) One Share one vote  
 (C) One man two votes  
 (D) One man no vote
- 51 Formation cooperative societies are governed by the provisions of .....  
 (A) Cooperative Societies Act 1921  
 (B) Cooperative Societies Act 1912  
 (C) Cooperative Societies Act 1911  
 (D) Cooperative Societies Act 1913
- 52 If any surplus is generated as a result of its operations, .....in conformity with the bye-laws of the society  
 (A) it is distributed amongst the members as dividend  
 (B) it is not distributed amongst the members as dividend  
 (C) it is retained for the further expansion  
 (D) it is distributed amongst the managing committee as dividend
- 53 What is the maximum risk that a member can be asked to bear for cooperative societies?  
 (A) Amount contributed by them as Asset  
 (B) Amount contributed by them as Loan  
 (C) Amount contributed by them as Advance  
 (D) Amount contributed by them as Capital

**Read the following text and answer question number 54-56 on the basis of the same.**

"Let us do some shopping," Rita woke up Rekha, her friend from the home-village who had come to Delhi during the vacations. "At this hour well past midnight," said Rekha rubbing her eyes, "Who would be sitting with his shop open for you?" "Oh! Perhaps I could not convey it properly. We are not going anywhere! I am talking about online shopping over the internet!" told Rita. "Oh yes! I have heard of online shopping, but have never done any," Rekha said, "What would they be selling over the internet, how will they deliver, what about payment... and why is it that internet has not yet become as popular in the villages? As Rekha was grappling with these questions, Rita had already logged on to one of India's largest online shopping mall.

- 54 Which is not an advantage of e-commerce business?  
(A) Convenience  
(B) Global reach  
(C) High risk  
(D) Ease of formation
- 55 Companies conduct online surveys to ascertain as to who is buying what and what the customer satisfaction level is'. It is an example of ..... commerce.  
(A) B2C (B) B2B (C) C2C (D) Intra-B
- 56 Which of the following statement is false about E Business?  
(A) E-Business includes all the functions and transactions done with the help of computer networks  
(B) E-business is a part of e-commerce  
(C) E-business requires technically and professionally qualified employees  
(D) The initial investment for an e-business is low when compared to a traditional business
- 57 The Companies Act encourages companies to spend what percentage of their average net profits in the previous three years on CSR activities?  
(A) 1% (B) 2% (C) 3% (D) 4%
- 58 Which of the following is not related to One Person Company?  
(A) No person shall be eligible to incorporate more than a One Person Company or become nominee in more than one such company.  
(B) No minor shall become member or nominee of the One Person Company or can hold share with beneficial interest.  
(C) Such company cannot be incorporated or converted into a company under Section 8 of the Act.  
(D) Such company can carry out Non-Banking Financial Investment activities including investment in securities of anybody corporate.
- 59 Darshan Sharma prepares 'Sohanpapri' for customers during Diwali season every year. He prepared more 'Sohanpapri' due to increased demand with adulterated ingredients. He employed women and children for packing and paid them less salary. This way he generated good profit from himself. Which objective of business is not fulfilled here?  
(A) Personal (B) Social (C) Economical (D) Cultural
- 60 Due to which characteristic of business there is always a possibility of losses being incurred, despite the best efforts put into the business:  
(A) Uncertainty of returns  
(B) Production or procurement of goods and services.  
(C) Economic activity  
(D) Profit earning

**End of the Question Paper**

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SET B



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- 24 Organic Tea Ltd. is a Singapore based company dealing in import of tea from India and re exporting it to many South East Asian countries. It has a huge go down near the seaport where it has made scientific arrangements for storing tea till it is re-exported. Name the type of trade mentioned in the above case.
- Export trade
  - Import trade
  - Entrepot trade
  - Retail trade

### Section - B

(20 questions out of 24 questions are to be attempted)

- 25 Assertion (A): The business can avoid excessive government regulations by voluntarily assuming social responsibilities  
Reason (R): Payment of taxes to government is a social duty.
- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
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  - Proximate cause
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- 30 In the 2001 resolution policy the number if industries exclusively reserved for public sector was brought down. This meant that the private sector can enter all areas except these. Which of the following areas are now exclusive for the public sector?
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- (a), (b) and (c)
  - (a), (c) and (d)
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- It was similar to an existing company name.
  - Didn't like the Registrar
  - It was too short
  - Registrar has no authority to select
- 36 Changes in market conditions, changes in price or changes in fashion and tastes of customers refer to which type of risk?
- Pure risk.
  - High Risk.
  - Low Risk.
  - Speculative Risk
- 37 Ram, Mohan and Sohan are good friends. Ram is working as a doctor in a private hospital and getting salary of ₹1,50,000 per month. Mohan is a farmer and producing 50 quintals wheat for his own consumption. Sohan is working as a teacher in a school and getting salary of ₹40,000 per month. In addition to that, Sohan teaches some slum area children in the evening and does not charge anything from them. It gives him a psychological and mental satisfaction. Which type of human activity is performed by Ram?
- Economic activity
  - Non-economic activity
  - Social activity
  - Charity
- 38 Commerce is a combination of two types of activities these are
- Industry and trade
  - Trade and commerce
  - Trade and auxiliaries to trade
  - Production and consumption of goods
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  - Joint stock companies
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- Registrar
  - Promoter
  - Director
  - Manager
- 48 There is a time gap between production and consumption of goods therefore warehousing is required which overcomes the problem of.
- Funds
  - Storage
  - Time
  - Place

### Section - C

(10 questions out of 12 questions are to be attempted)

**Read the following text and answer question number 49-53 on the basis of the same.**

Every day Amul collects 4,47,000 liters of milk from 2.12 million farmers (many illiterate), converts the milk into branded, packaged products, and delivers goods worth ₹6 crores (₹60 million) to over 5,00,000 retail outlets across the country. It all started in December 1946 with a group of farmers' keen to free themselves from intermediaries, gain access to markets and thereby ensure maximum returns for their efforts. Based in the village of Anand, the Khera District Milk Cooperative Union (better known as Amul) expanded exponentially. It joined hands with other milk cooperatives, and the Gujarat network now covers 2.12 million farmers, 10,411 village level milk collection

centers and fourteen district level plants (unions). Amul is the common brand for most product categories produced by various unions: liquid milk, milk powder, butter, ghee, cheese, cocoa products, sweets, ice-cream and condensed milk. Amul's sub-brands include variants such as Amulspray, Amulspree, Amulya and Nutramul.

- 49 What is the maximum risk that a member can be asked to bear for cooperative societies?
- Amount contributed by them as Asset
  - Amount contributed by them as Loan
  - Amount contributed by them as Advance
  - Amount contributed by them as Capital
- 50 If any surplus is generated as a result of its operations, .....in conformity with the bye-laws of the society
- It is distributed amongst the members as dividend
  - It is not distributed amongst the members as dividend
  - It is retained for the further expansion
  - It is distributed amongst the managing committee as dividend
- 51 Formation cooperative societies are governed by the provisions of .....
- Cooperative Societies Act 1921
  - Cooperative Societies Act 1912
  - Cooperative Societies Act 1911
  - Cooperative Societies Act 1913
- 52 Irrespective of the amount of capital contribution by a member, each member is entitled to equal voting rights.
- One man one vote
  - One Share one vote
  - One man two votes
  - One man no vote
- 53 Which type cooperative society is Amul?
- Consumers cooperative societies
  - Producers cooperative societies
  - Marketing cooperative societies
  - Farmers' cooperative societies
- 54 Due to which characteristic of business there is always a possibility of losses being incurred, despite the best efforts put into the business:
- Uncertainty of returns
  - Production or procurement of goods and services.
  - Economic activity
  - Profit earning
- 55 Darshan Sharma prepares 'Sohanpapri' for customers during Diwali season every year. He prepared more 'Sohanpapri' due to increased demand with adulterated ingredients. He employed women and children for packing and paid them less salary. This way he generated good profit from himself. Which objective of business is not fulfilled here?
- Personal
  - Social
  - Economical
  - Cultural

- 56 The Board of Directors of Axe limited has decided to
- (A) No person shall be eligible to incorporate more than a One Person Company or become nominee in more than one such company.
  - (B) No minor shall become member or nominee of the One Person Company or can hold share with beneficial interest.
  - (C) Such company cannot be incorporated or converted into a company under Section 8 of the Act.
  - (D) Such company can carry out Non-Banking Financial Investment activities including investment in securities of anybody corporate.
- 57 The Companies Act encourages companies to spend what percentage of their average net profits in the previous three years on CSR activities?
- (A) 1%                      (B) 2%                      (C) 3%                      (D) 4%

**Read the following text and answer question number 58-60 on the basis of the same.**

“Let us do some shopping,” Rita woke up Rekha, her friend from the home-village who had come to Delhi during the vacations. “At this hour well past midnight,” said Rekha rubbing her eyes, “Who would be sitting with his shop open for you?” “Oh! Perhaps I could not convey it properly. We are not going anywhere! I am talking about online shopping over the internet!” told Rita. “Oh yes! I have heard of online shopping, but have never done any,” Rekha said, “What would they be selling over the internet, how will they deliver, what about payment... and why is it that internet has not yet become as popular in the villages? As Rekha was grappling with these questions, Rita had already logged on to one of India’s largest online shopping mall.

- 58 Which of the following statement is false about E-Business?
- (A) E-Business includes all the functions and transactions done with the help of computer networks
  - (B) E-business is a part of e-commerce
  - (C) E-business requires technically and professionally qualified employees
  - (D) The initial investment for an e-business is low when compared to a traditional business
- 59 Companies conduct online surveys to ascertain as to who is buying what and what the customer satisfaction level is’. It is an example of ..... commerce.
- (A) B2C                      (B) B2B                      (C) C2C                      (D) Intra-B
- 60 Which is not an advantage of e-commerce business?
- (A) Convenience                      (B) Global reach
  - (C) High risk                      (D) Ease of formation

**End of the Question Paper**

Roll Number		
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SET C



**INDIAN SCHOOL MUSCAT  
FIRST TERM EXAMINATION  
BUSINESS STUDIES (054)**

CLASS: XI

23.11.2021

Time Allotted: 90 min.

Max. Marks: 40

**General Instructions:**

1. The Question Paper contains 3 sections.
2. Section A has 24 questions. Attempt any 20 questions.
3. Section B has 24 questions. Attempt any 20 questions.
4. Section C has 12 questions. Attempt any 10 questions.
5. All questions carry equal marks.
6. There is NO negative marking.

**Section - A**

**(20 questions out of 24 questions are to be attempted)**

1. Which is not the responsibility of the business to the government:
  - (A) Following the pollution laws as set by the government
  - (B) Establishment of the industrial undertaking as per the government norms
  - (C) Providing after sales service
  - (D) Payment of the fees, tax, surcharge etc. with the honesty
2. Nature of contact with the supplier and customer in traditional business can explained as?
 

(A) Direct personal contact	(B) Indirect contact
(C) Indirect through intermediaries	(D) No contact
3. Ramesh is a teacher who wants to open an account in a bank with an aim to do saving. He approaches the Bank Manager who guides him of various accounts and their utilities. Assist him to identify the features of various accounts.

(i.) The accounts that encourage savings.	(a) Fixed accounts
(ii.) Amount is deposited for a fixed period and carries higher rate of interest.	(b) Current accounts
(iii.) Amount is withdrawn regularly, especially for business.	(c) Saving accounts
(iv.) A fixed amount is deposited regularly for a fixed period.	(d) Recurring deposit

- |                                                    |
|----------------------------------------------------|
| (A) (i) - (a), (ii) - (b), (iii) - (a), (iv) - (c) |
| (B) (i) - (c), (ii) - (b), (iii) - (a), (iv) - (d) |
| (C) (i) - (c), (ii) - (a), (iii) - (b), (iv) - (d) |
| (D) (i) - (b), (ii) - (c), (iii) - (a), (iv) - (d) |

4. ABC Ltd is a leading marketing company of soft drinks. Its 32% of total paid up capital is held by Central Government and 21% is by Delhi Government. Identify the type of public sector enterprises in the above statement.
  - (A) Statutory corporation
  - (B) Government company
  - (C) Private owned business
  - (D) Departmental undertaking
5. Which of the following contract is signed by the promoters with the third party on behalf of the company?
  - (A) Preliminary contract
  - (B) Provisional contract
  - (C) Prospectus
  - (D) Memorandum of Association
6. The production of goods takes place in particular locations but they are used at different places. So, the obstacle of place is removed by
 

(A) Banking	(B) Advertising	(C) Insurance	(D) Transport
-------------	-----------------	---------------	---------------
7. CSR stands for.....
  - (A) Company Social Responsibility
  - (B) Corporate Social Responsibility
  - (C) Corporate Societal Responsibility
  - (D) Corporate Shared Responsibility
8. ....is online buying and selling of shares and other financial instruments?
  - (A) e-Procurements
  - (B) e-Bidding
  - (C) e-Delivery
  - (D) e-Trading
9. Mr. Akshit gets his factory insured against fire of ₹40,00,000 with insurer A and ₹10,00,000 with insurer B. A loss of ₹5,00,000 occurred during the year. How much compensation can be claimed?
  - (A) ₹40,00,000 from insurer A and ₹10,00,000 from insurer B
  - (B) ₹4,00,000 from insurer A and ₹1,00,000 from insurer B
  - (C) ₹5,00,000 from insurer A
  - (D) ₹5,00,000 from insurer B
10. 'Indian Railways' is a part of Railway Ministry. It is organised, financed and controlled by Railway Ministry. The finances are allocated from government treasury and whatever revenue it earns is deposited to government treasury only. It is treated as a part of government and even the appointment, recruitment and selection of employees is done in the same way as that of civil servant. Name the type of public sector enterprise 'Indian Railways' is

- (A) Public corporation
  - (B) Government company
  - (C) Private owned business
  - (D) Departmental undertaking
- 11 If the required outlay for the project is so large that it cannot easily be arranged within the available means, the project has to be given up. Which aspect has been highlighted by aforesaid statement?
- (A) Technical feasibility
  - (B) Economic feasibility
  - (C) Financial feasibility
  - (D) Professional feasibility
- 12 Organic Tea Ltd. is a Singapore based company dealing in import of tea from India and re exporting it to many South East Asian countries. It has a huge go down near the seaport where it has made scientific arrangements for storing tea till it is re-exported. Name the type of trade mentioned in the above case.
- (A) Entrepot trade
  - (B) Import trade
  - (C) Export trade
  - (D) Retail trade
- 13 The CSR provisions is applicable to companies with an annual turnover or net worth or net profit as
- (A) ₹10,000 crore or more, ₹5,000 crore or more, ₹50 crore or more
  - (B) ₹1,000 crore or more, ₹500 crore or more, ₹5 crore or more
  - (C) ₹100 crore or more, ₹50 crore or more, ₹1 crore or more
  - (D) ₹10 crore or more, ₹5 crore or more, ₹1 crore or more
- 14 Shape of the organizational structure in e-business?
- (A) Vertical
  - (B) Cross
  - (C) Diagonal
  - (D) Horizontal
- 15 .....is a temporary arrangement under which a depositor is allowed to withdraw up to a certain limit, more than the amount he has credit in his account.
- (A) Cash credit
  - (B) Term loan
  - (C) Bank overdraft
  - (D) Consumer credit
- 16 Identify the organisation in which government is the major shareholder and registered under the Companies Act.
- (A) Post & Telegram
  - (B) Food corporation of India
  - (C) Steel Authority of India Ltd
  - (D) Proctor & Gamble

- 17 Romi is a friend of Somi, who is a partner in a software firm "simple solutions". On Somi's request, Romi accompanies her to a business meeting with Mohan softwares. Romi actively participates in the negotiation process for the business deal and gives an impression that she is also a partner in Simple solutions. Which type of partner is Romi?
- (A) Active partner
  - (B) Sleeping partner
  - (C) Nominal partner
  - (D) Partner by Estoppel
- 18 If a public sector was making losses continuously, it was referred to the..... for complete overhauling or shutdown.
- (A) Board for Industrial and Financial Reconstruction
  - (B) RBI
  - (C) Government
  - (D) Private sector
- 19 .....can be responsible for diseases like loss of hearing, malfunctioning of the heat and mental disorder.
- (A) Water pollution
  - (B) Air pollution
  - (C) Land pollution
  - (D) Noise pollution
- 20 State bank of India provides the facility of fund transfer from one place to another, on account of inter-connectivity of branches. Such facility is called as:
- (A) Acceptance of deposits
  - (B) Allied services
  - (C) Lending of funds
  - (D) Remittance of funds
- 21 The principle of insurance wherein insured is not allowed to make any profit.
- (A) Insurable Interest
  - (B) Proximate Cause
  - (C) Subrogation
  - (D) Utmost Good Faith
- 22 The shares of Bharat Heavy Electricals Ltd are purchased in the name of:
- (A) The Chief Justice of India
  - (B) The Prime Minister of India
  - (C) The President of India
  - (D) The Speaker of Parliament
- 23 Which of the following statement is not true about a minor partner?
- (A) He has to bear losses
  - (B) He can be informed about the business activities
  - (C) He can continue to be a partner even after attaining maturity
  - (D) He has to be appointed only for the profits of the firm

- 24 In which economic activity capital is not required  
(A) Business (B) Profession (C) Employment (D) Trade

**Section - B**

**(20 questions out of 24 questions are to be attempted)**

- 25 Commerce is a combination of two types of activities these are  
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 (D) Registrar has no authority to select

- 47 Changes in market conditions, changes in price or changes in fashion and tastes of customers refer to which type of risk?
- Pure risk.
  - High Risk.
  - Low Risk.
  - Speculative Risk
- 48 Ram, Mohan and Sohan are good friends. Ram is working as a doctor in a private hospital and getting salary of ₹1,50,000 per month. Mohan is a farmer and producing 50 quintals wheat for his own consumption. Sohan is working as a teacher in a school and getting salary of ₹40,000 per month. In addition to that, Sohan teaches some slum area children in the evening and does not charge anything from them. It gives him a psychological and mental satisfaction. Which type of human activity is performed by Ram?
- Economic activity
  - Non-economic activity
  - Social activity
  - Charity

### Section - C

(10 questions out of 12 questions are to be attempted)

**Read the following text and answer question number 49-53 on the basis of the same.**

Every day Amul collects 4,47,000 liters of milk from 2.12 million farmers (many illiterate), converts the milk into branded, packaged products, and delivers goods worth ₹6 crores (₹60 million) to over 5,00,000 retail outlets across the country. It all started in December 1946 with a group of farmers' keen to free themselves from intermediaries, gain access to markets and thereby ensure maximum returns for their efforts. Based in the village of Anand, the Khera District Milk Cooperative Union (better known as Amul) expanded exponentially. It joined hands with other milk cooperatives, and the Gujarat network now covers 2.12 million farmers, 10,411 village level milk collection centers and fourteen district level plants (unions). Amul is the common brand for most product categories produced by various unions: liquid milk, milk powder, butter, ghee, cheese, cocoa products, sweets, ice-cream and condensed milk. Amul's sub-brands include variants such as Amulspray, Amulspree, Amulya and Nutramul.

- 49 Formation cooperative societies are governed by the provisions of .....
- Cooperative Societies Act 1921
  - Cooperative Societies Act 1912
  - Cooperative Societies Act 1911
  - Cooperative Societies Act 1913

- 50 Irrespective of the amount of capital contribution by a member, each member is entitled to equal voting rights.
- One man one vote
  - One Share one vote
  - One man two votes
  - One man no vote
- 51 Which type cooperative society is Amul?
- Consumers cooperative societies
  - Producers cooperative societies
  - Marketing cooperative societies
  - Farmers' cooperative societies
- 52 What is the maximum risk that a member can be asked to bear for cooperative societies?
- Amount contributed by them as Asset
  - Amount contributed by them as Loan
  - Amount contributed by them as Advance
  - Amount contributed by them as Capital
- 53 If any surplus is generated as a result of its operations, .....in conformity with the bye-laws of the society
- It is distributed amongst the members as dividend
  - It is not distributed amongst the members as dividend
  - It is retained for the further expansion
  - It is distributed amongst the managing committee as dividend

**Read the following text and answer question number 54-56 on the basis of the same.**

"Let us do some shopping," Rita woke up Rekha, her friend from the home-village who had come to Delhi during the vacations. "At this hour well past midnight," said Rekha rubbing her eyes, "Who would be sitting with his shop open for you?" "Oh! Perhaps I could not convey it properly. We are not going anywhere! I am talking about online shopping over the internet!" told Rita. "Oh yes! I have heard of online shopping, but have never done any," Rekha said, "What would they be selling over the internet, how will they deliver, what about payment... and why is it that internet has not yet become as popular in the villages? As Rekha was grappling with these questions, Rita had already logged on to one of India's largest online shopping mall.

- 54 Which of the following statement is false about E Business?
- E-Business includes all the functions and transactions done with the help of computer networks
  - E-business is a part of e-commerce
  - E-business requires technically and professionally qualified employees
  - The initial investment for an e-business is low when compared to a traditional business

- 55 Companies conduct online surveys to ascertain as to who is buying what and what the customer satisfaction level is'. It is an example of ..... commerce.
- (A) B2C
  - (B) B2B
  - (C) C2C
  - (D) Intra-B
- 56 Which is not an advantage of e-commerce business.
- (A) Convenience
  - (B) Global reach
  - (C) High risk
  - (D) Ease of formation
- 57 Due to which characteristic of business there is always a possibility of losses being incurred, despite the best efforts put into the business:
- (A) Uncertainty of returns
  - (B) Production or procurement of goods and services.
  - (C) Economic activity
  - (D) Profit earning
- 58 Darshan Sharma prepares 'Sohanpapri' for customers during Diwali season every year. He prepared more 'Sohanpapri' due to increased demand with adulterated ingredients. He employed women and children for packing and paid them less salary. This way he generated good profit from himself. Which objective of business is not fulfilled here?
- (A) Personal
  - (B) Social
  - (C) Economical
  - (D) Cultural
- 59 Which of the following is not related to One Person Company?
- (A) No person shall be eligible to incorporate more than a One Person Company or become nominee in more than one such company.
  - (B) No minor shall become member or nominee of the One Person Company or can hold share with beneficial interest.
  - (C) Such company cannot be incorporated or converted into a company under Section 8 of the Act.
  - (D) Such company can carry out Non-Banking Financial Investment activities including investment in securities of anybody corporate.
- 60 The Companies Act encourages companies to spend what percentage of their average net profits in the previous three years on CSR activities?
- (A) 1%
  - (B) 2%
  - (C) 3%
  - (D) 4%

**End of the Question Paper**