



### Time-3hrs

1. This question paper contains 34 question
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the question carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks maybe about 150 words.
6. Answers to the questions carrying 6 marks maybe about 200 words.
7. Attempt all parts of the questions together

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5	Mail sent by purchase department to production department is example of which of the following a) B2B.                                      b) B2C c) C2C.                                      d) Intra B	1
6	Read the following statements carefully. Statement I: Business starts with production and ends with consumption. Statement II: Business includes industry trade and Commerce. Choose the correct option from the options given below: A)Statement I is true and II is false B)Statement II is true and I is false C)Both the statements are true D)Both the statements are false	1
7	Aquasure Ltd. manufactures RO water purifiers. In order to increase sales of their product, they encouraged their salesman to make false claims to customers about quality of their RO. This increased the sale of their water purifiers. Identify the group whose interest is being ignored by Squasure Ltd. (a) Shareholders                                      (c) Government (b) Consumers                                      (d) Society	1
8	Read the following statements carefully: In the light of the given statements, choose the correct alternative from the following: (a) Statement 1 is true and statement 2 is false. (b) Statement 1 is false and statement 2 is true. (c) Both statements 1 and 2 are true. (d) Both statements 1 and 2 are false. Statement 1: Social responsibility is broader than legal responsibility of business. Statement 2: Legal responsibility may be fulfilled by mere compliance with the law.	1
9	When enterprises behave as a good citizen, towards which group are they showing their responsibility?	1
10	Who are the primary risk bearers of the company?	1
11	The preference shares which carry the right to accumulate unpaid dividend in future years are known as-----?	1
12	The working capital requirements of a business which sells goods on credit are usually a) more than that of a business selling goods only on cash basis b) same as that of a business selling goods only on cash basis c) less than that of a business selling goods only on cash basis d) None of these.	1
13	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 company1	1
14	M/s XYZ a small scale enterprise has investments in its business its total investment is only 723 lakh (i.e. cost of Plant and machinery + Factory shed + Land). Research and development cost and industrial safety equipments are not the part of investment in plant and machinery Decide the	1

	category to which M/s XYZ belongs? (a) Micro enterprise. (c) Medium enterprise	(b) Small enterprise (d) Cottage industry	
15	Name the tax which combines all the indirect taxes.		1
16	Normally all the governments impose some tax on the imports and exports. These taxes are called-----.		1
17	By providing assistance to small business, government aims to achieve various targets by a single means. When industries are established in rural areas, people don't have to move to cities in order to find work and on the other hand, rural poor and artisans get job. Therefore, it can be said that by helping small business, government achieves all of these goals. Government at various levels are providing assistance to small business by various means. By helping small industries government aims at (a) prevention of migration. (c) employment to artisans	(b) poverty alleviation (d) All of these	1
18	When the goods are loaded on the ship, the captain of the ship issues a receipt regarding the acquisition of the goods, which is called-----.		1
19	-----is a document prepared by the shipping company to acknowledge the receipt and acceptance of goods on the ship and gives an Undertaking to carry them to the port of destination a) bill of entry. c) dock challan.	b) bill of lading d) shipping order	1
20	Entrepreneurship development program is the process of improving the skills and knowledge of Entrepreneurs because the Entrepreneurs contribute to economic growth of the country as (a) Job-seeker (b) Job-provider.	(c) Job-hunter (d) Job-applicant	1
21	An auto company car generation Ltd is facing a problem of declining market share due to increased competition from other new and existing players in the market. Its competitors are introducing lower priced models for mass consumers who are price sensitive. For quality conscious customers the company is introducing new models with added features in new technological advancement. On the basis of the given information about Car Generation Ltd ,answer the following questions: (a) Identify the concept of business highlighted in the above case. (b) Enumerate the different methods of dealing with the business concept identified in part (a) above.		3
22	Flavour Mobiles is a leading smartphone brand in the country with numerous accolades under its belt. Company was started in 2009 with an aim to bring the benefits of Smartphone telephony to the masses. Within a short span of time, Flavour has become the brand of choice of the discerning mobile consumer in a country which has one of the fastest growth rates in mobile device consumption. For this purpose, company officials interact with different suppliers to get necessary raw material through the Internet to manufacture its products. Next Battery Ltd., is the leading supplier of batteries to the company. Flavour Mobiles use a network of computers to interact with their Suppliers. Transactions like, placing orders, delivery of components, making payments are done electronically through the Internet. The company officials find dealing through the Internet quite convenient. Moreover, the Internet has enabled them to interact with many suppliers from		3

	<p>different nations and select the one which offers the required raw materials at low price.</p> <p>on the basis of the given information about flavour mobiles answers of following questions-</p> <p>a) Identify the two benefits of e-business transactions highlighted above by coating the lines from the case.</p> <p>b) Explain one limitation of e-business transactions to an organisation.</p>	
23	<p>“Protection of the environment is the moral obligation of every business”. In the light of this statement explain the role of business in environment protection.</p>	3
24	<p>Five friends, LLP after getting training from the Entrepreneur skill Centre, Delhi, established Limited Liability Partnership(LLP) with the objective of doing something new and better. As their firm fulfilled all the conditions of 'Startup', the Registration of their firm under the Scheme was done. To collect funds was a big problem before the partners. One day, with this objective in view, all the partners had a meeting. All the partners gave their respective suggestions in this way.</p> <p>The first partner said, we should contact some retired person who is interested in investing in equity capital. In order to do so we will have to talk about our project.</p> <p>The second partner said, several such investors are there in the market who are interested in investing money in small quantities. In order to contact them we should use various social media services.</p> <p>The third partner gave his suggestion, for self-financing, we should invest only our own savings in the business.</p> <p>Identify the different methods of fund arrangement discussed in the above paragraph .</p>	3
25	<p>Explain objectives of WTO.</p>	4
26	<p>Differentiate between life insurance and Fire insurance on the following basis.</p> <p>a) Element.      b) insurable interest.      c) duration.      d) surrender value</p>	4
27	<p>Kunal has surplus money of 25,00,000, which he wants to invest either in equity shares or in preference shares. Two real estate companies (Magic Estate and Skylark Enterprises), with almost the same creditworthiness are launching their public issue. Magic Estate is coming up with a public issue of preference shares, while Skylark Enterprises is coming up with equity shares. Kunal is confused about the two issues. He consulted his friend Shitij, who is a portfolio manager and Shitij convinced him to invest the money in Magic Estate due to 'Preferential Rights' of preference shareholders over equity shareholders.</p> <p>a) State the preferential rights stated by Kshitiz which convince Kunal to invest in magic estate.</p> <p>b) Explain any two demerits of preference shares also.</p>	4
28	<p>A) Madhav took a fire insurance policy of ₹ 20 lakh for his factory at the annual premium of 24,000. In order to avoid a premium more than this amount, he did not disclose that highly explosive chemicals are being manufactured in his factory. Due to a fire, his factory gets severely damaged. The insurance company refused to make the payment for claim as it became aware about the highly explosive chemicals. Is Madhav entitled to receive the claim? Give reason in support of your answer by explaining relevant principle.</p> <p>B) A transport company took an accident insurance policy for all its vehicles. A truck of that company carrying oranges met with an accident. Due to that accident there was no damage to oranges but oranges were unloaded from that truck and reloaded to another. Due to time wasted in unloading and reloading the oranges got spoiled. Will the company get compensation for loss of oranges from the insurance company or not? Which principle is related with this case?</p>	4

29	<p>With exponential growth seen in domestic air traffic requiring additional airport infrastructure , the government has decided to offer more airports to private parties for operation and management. In India as many as 300 airports need to be revived and upgraded in coming years to support the double-digit growth in the sector.. this would require use private investment as public funds are limited for infrastructure development.In February 2017, government announced that airport infrastructure will be built under the PPP model in smaller cities and towns .Besides ,major airports in Delhi ,Mumbai, Bangalore and Hyderabad had been handed out to private developers.</p> <p>In the context of the above case:</p> <p>(a) Outline the concept of PPP along with its features .</p> <p>(b) State any two ways in which the government is likely to be benefited by pursuing projects under PPP model.</p>	4
30	<p>Kajal ,Kiran and Kavita have been involved in a partnership business for over a period of 5 years. Unfortunately Kavita died in a road accident. Kajal and Kiran were very upset at the sudden loss of a resourceful partner. Knowing that Kavita's 17 year old sister Namitha ,is equally efficient in her work, they decided to have her as a partner in their business. Kajal shared her PAN with her father Mr Gulati who is a lawyer. Mr Gulati told Kajal that Namitha cannot become a partner in their firm. However, Namita can be admitted to the benefit of the partnership firm with special terms and conditions..</p> <p>In context of the above case</p> <p>a) why does law not permit a minor to be admitted as a partner in a firm?</p> <p>b) what are the terms and conditions under which Namitha as a minor may be admitted to the benefit of a partnership firm.</p> <p>c) what will be the position of Namitha after attaining maturity.</p>	4
31	<p>Superb Ltd., is a well diversified company engaged in development of real estate, tourism and textiles. The Company plans to raise a sum of 120 crore in order to finance its expansion plans. Presently, there is a conflict among its financial managers as to whether the company should float an issue of equity shares or debentures to raise the required amount of funds.</p> <p>a)Which of the two sources of funds will you suggest considering the fact that the company has not raised much debt capital so far and why?</p> <p>b) Also alert the company about the two demerits of the fund suggested.</p>	6
32	<p>Jasbir, a resident of Rajouri Garden, reads in the newspaper that the Modern Departmental Store, situated in South Extension, is giving a special discount on the Purchase of I-phones. Although the Modern Departmental Store was quite far away from his residence, he decided to avail that offer. But on visiting the store, he found that the price of the product was quite high as compared to the market price. Also he was not attended by any sales person in the store.</p> <p>A) Name three demerits of a departmental store which have been referred to in the above para by quoting the lines.</p> <p>B) Differentiate between Departmental stores and Chain Stores on any three basis.</p>	6

33	<p>India enjoys a unique global position in terms of production of all commercially useful varieties of silk. India. the second largest producer of silk. With sericulture activities spread across 52,360 villages, in India, silk indus is one of the largest generators of employment and foreign exchange for the cOuntry. The industry provides employment to over 8.25 million people in the country. The silk products exported include natural silk fabrics, readymade garments, silk carpets and silk waste. The top ten importers of Indian silk and silk products are US, UK, China, UAE, Germany, Italy, Canada, France, Singapore and Hong Kong. On the basis of the aforesaid information about silk products, answer the following questions</p> <p>a) Enumerate three benefits available to the Indian business firms who are engaged in silk export.</p> <p>b) How do the different nations engaged in trade of silk stand to gain? Explain any three such gains.</p>	6
34	<p>Sridhar is planning to promote an e-commerce company under the name 'MUSAFIR'. The website of the company will help the users to plan holidays with the help of technology. At a conceptual level the offering is highly simple, but at the computer science level and a technology level it is immensely complicated. For example a planned itinerary for a 10 day trip to Paris will have a trillion possibilities and number of permutations. The success of the business will depend upon its ability to churn out plans based on logic and according to preference within seconds. With the help of a business planner Shearer has determined that the capital investment can be arranged within the available means. Moreover. he has analysed that the level of competition in this segment is low.</p> <p>In the context of the above case:</p> <p>a) Identify the various kinds of feasibility studies that Sridhar has undertaken as a promoter by quoting lines from the paragraph.</p> <p>b) what are the various formalities that Sridhar will have to fulfil for the name approval of the company.?</p> <p>c) Under what conditions is the proposed name of the company likely to be rejected? Mention any two such conditions.</p>	3 + 2 + 1





**O.S.D.A.V. Public School, Kaithal**  
**Second Terminal Examination**  
**December ( 2024-25)**  
**Subject - Business Studies(Marking scheme set-A)**  
**CLASS-XI**  
**Mm-80. Time-3hrs**

1	A	1
2	A) Partnership	1
3	B	1
4	D	1
5	D	1
6	B	1
7	Consumer	1
8	C	1
9	Govt and society	1
10	Equity shareholders	1
11	Cumulative preference shares	1
12	A	1
13	D	1
14	B	1
15	GST	1
16	Custom duty	1
17	D	1
18	Mate Receipt	1
19	Bill of lading	1
20	B	1
21	A) Business Risk	1+2

	<p>B) 1. Business should avoid to enter into risky Ventures  2. Business must share its rest with wholesaler and retailers or other third party  3. Business must take insurance</p>																
22	<p>A) Global reach and convenience with relevant lines  B) Low personal touch</p>	3															
23	<p>1. Top management commitment  2. Participating in government workshop  3. Creating awareness regarding environment protection  4. Involving all the employees  5. Any three points</p>	1+1+1															
24	<p>A) Angel investor  B) Crowd funding  C) Boot strapping</p>	2+1															
25	<p>1. The main objective of WTO was to reduce the trident tariff barriers and introducing a unified tax system.  2. Enhance the standard of living and generating more and more in climate opportunities  3. To introduce a durable and viable trading system  4. To frame such policies so that world resources may be used judicially and sustainably.</p>	1++1+1+1															
26	<table border="1"> <tr> <td>Basis</td><td>Life insurance</td><td>Fire insurance</td></tr> <tr> <td>Element</td><td>Investment and protection</td><td>Only protection</td></tr> <tr> <td>Insurable interest</td><td>Must be presenting at the time of taking policy not at the time of taking claim</td><td>Must be present at both the time. At the time of policy taking and claim</td></tr> <tr> <td>Duration</td><td>long period or up to the life of ensured</td><td>It is for one year only</td></tr> <tr> <td>Surrender value</td><td>Present</td><td>No surrender value</td></tr> </table>	Basis	Life insurance	Fire insurance	Element	Investment and protection	Only protection	Insurable interest	Must be presenting at the time of taking policy not at the time of taking claim	Must be present at both the time. At the time of policy taking and claim	Duration	long period or up to the life of ensured	It is for one year only	Surrender value	Present	No surrender value	1+1+1+1
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27	<p>A) 1. They will get fixed rate of dividend prior to the equity shareholders  2. They will get their claim, at the time of liquidation before the equity shareholders.  B) They rate of dividend is fixed  Preference share capital is not permanent capital for the company.</p>	2+2															
28	<p>A) Utmost good Faith with explanation</p>	1+1+1+															

	B) Proximate cause with explanation	1						
29	<p>A) PPP is partnership between public sector and private sector for some common purpose. It is based on common memorandum of understanding between both the sectors. In this construction and designing risk is transfer to private sector</p> <p>B) Government will get experience and expert is of private sector.</p> <p>C) Infrastructure for the benefit of the society.</p>	2+2						
30	<p>A) A minor cannot become a partner because as per the Indian contract act a minor is not be eligible to enter into any contract and partnership is based on contract.</p> <p>B) If in special circumstances minor becomes the partner then:</p> <ul style="list-style-type: none"> <li>• His liability will be limited</li> <li>• He cannot participated decision making of the firm</li> <li>• He can only share profits</li> </ul> <p>C) After attaining maturity, a minor partner have to give disclaimer within 6 months. If after attaining maturity he accepts to be the partner then his liability will be unlimited like other partners and he can participate in decision making of the firm. If minor fails to give disclaimer within 6 months he will be termed as a partner.</p>	1+2+1						
31	<p>A) Debentures Reasons: Interest paid on debenture is tax deductible that makes it the cheapest source of finance Only fix rate of interest have to be paid so they do not participate in the growth of the company They do not get any voting right so the right to participating management is not diluted It's not a permanent capital company can we meet in case it has axcess capital.</p> <p>B) Demerits of Debentures Since issue of debenture create a charge on the assets so it affects the fund raising capacity of the company Company have to pay the interest on debentures even in case of losses and insufficient profits.</p>	3+2+1						
32	<p>Demerits of departmental store</p> <ol style="list-style-type: none"> <li>1. High operational cost</li> <li>2. No person touch</li> <li>3. Inconvenience location</li> </ol> <p>Difference between Departmental store and chain store</p> <table border="1"> <thead> <tr> <th>Basis</th><th>Departmental store</th><th>Chain Store</th></tr> </thead> <tbody> <tr> <td> </td><td> </td><td> </td></tr> </tbody> </table>	Basis	Departmental store	Chain Store				1 mark for each correct point
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33	<p>A) Benefit to firms</p> <ol style="list-style-type: none"> <li>1. Way out to intense domestic competition</li> <li>2. Sharp business vision</li> <li>3. Better capacity utilisation</li> </ol> <p>B). Benefit to nation</p> <ol style="list-style-type: none"> <li>1. Earning of foreign exchange</li> <li>2. Employment generation</li> <li>3. Better standard of living</li> </ol> <p>all points with explanation</p>	2+4									
34	<ul style="list-style-type: none"> <li>• Technical feasibility</li> <li>• Economic feasibility</li> <li>• Financial feasibility</li> <li>• b) Application must be given to registrar of companies with four names of choice in order of preferences.</li> <li>• One must pay the required amount of fees to registrar of company.</li> <li>• c) 1. if the name resembles with the name of some existing business.</li> <li>• 2. If it is misleading.</li> </ul>	4+2									



**O.S.D.A.V.Public School, Kaithal**  
**Second Terminal Examination**  
**December ( 2024-25)**  
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**CLASS-XI**

**Mm-80.**

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**General Instructions:**

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1	Rudra Ltd., is a well-known company in the industry to which it belongs. A very important document at the time of its incorporation was prepared. The main feature of this document is that-any act beyond it will be considered invalid and cannot be ratified even by a unanimous vote of the members. Name the document (a) Memorandum of Association (b) Articles of Association (c) Prospectus (d) None of these.	1
2	In a survey conducted by the Government of India, it was found that many farmers of the country are unable to secure loans for their agricultural needs. Keeping this in mind, the government decided to form a public enterprise under a Special Act of the Parliament, which will be free from government interference and will have financial and operational autonomy. Which type of public enterprise would you suggest to the government?	1
3	Mr Ankit has a current aCcount in State Bank of India, he is having many transactions of funds transfer every day. One day he asked the bank manager to transfer 40,000 to a client in Mumbai immediately. The bank manager replied to transfer the fund immediately, the minimum amount should be above ₹ 2,00,000. Identify the concept discussed in the above case. a)NEFT b)RTGS c)Digital cash. (d) None of these	1
4	Opportunity for a batter career prospectus is a social responsibility of business towards which group?	1
5	Renuka Pvt. Ltd., is availing such type of credit facility from his suppliers which is generally extended by one trader to another for the purchase ne r S n of goods and services. It facilitates the purchase of supplies without immediate payment. Such credit appears in the record of the buyer of goods as 'Sundry Creditors' or 'Account Payable'. Identify the source of finance used by the company (a) Retained Earning. (b) Trade Credit (c) Public deposits (d) Inter-corporate deposits.	1

6	The deposit made by one company with another company is called-----?	1
7	The working capital requirements of business is high if a) sales turnover of business is high.      b) itself goods on credit c) it has any expansion plans.                      d) all of the box	1
8	M/s XYZ a small scale enterprise has investments in its business its total investment is only ₹23 lakh (i.e. cost of Plant and machinery + Factory shed + Land). Research and development cost and industrial safety equipment are not the part of investment in plant and machinery. Decide the category to which M/s XYZ belongs? (a) Micro enterprise.                                      (b) Small enterprise (c) Medium enterprise                                      (d) Cottage industry	1
9	Read the following statements carefully. Statement I: business starts with production and ends with consumption. Statement II: business includes industry trade and Commerce. Choose the correct option from the options given below: A)Statement I is true and II is false B)Statement II is true and I is false C)Both the statements are true D)Both the statements are false.	1
10	Name the act under which any Patent can be registered and mention its validity period.	1
11	The exclusive right of the creator to prohibit the unauthorised use of his content is known as a) patent.    b) trademark c) copyright.    d) all of the above	1
12	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 <sup>1</sup>	1
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15	<p>-----represents that form of retailing in which business transactions are conducted through postal communication, without any personal contact with the buyers.</p> <p>(a) Mail Order House                      (b) Chain Stores (c) Departmental Stores                  (d) None of these</p>	1
16	<p>Entrepreneurship development program is the process of improving the skills and knowledge of entrepreneurs because the entrepreneurs contribute to economic growth of the country as</p> <p>(a) Job-seeker                      (c) Job-hunter (b) Job-provider.                  (d) Job-applicant</p>	1
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18	<p>Aquasure Ltd. manufactures RO water purifiers. In order to increase sales of their product, they encouraged their salesman to make false claims to customers about the quality of their RO. This increased the sale of their water purifiers. Identify the group whose interest is being ignored by Squasure Ltd.</p> <p>(a) Shareholders                      (c) Government (b) Consumers                      (d) Society</p>	1
19	<p>Mail sent by purchase department to production department is example of which of the following</p> <p>a) B2B.                      b) B2C c) C2C.                      d) Intra B</p>	1
20	<p>Read the below statement of assertion and reason and choose one of the correct alternative given below:</p> <p>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. D) Assertion A is false but reason R is true.</p> <p>Assertion A: Risk arise in business due to uncertain future Reason R: Natural calamities ,change in demand and prices etc. create risk for business because these future events are not known in advance.</p>	1
21	<p>Anand and Krishana are partners selling electronic products across India. They import the components from their friend Subhash who does his business in Japan and assemble them in their factory established in a rural area in Bihar. Most of the workers in the factory are children and women. They are paid very less salaries thus the owner saves on labour cost. They store their stocks in a warehouse but do not take proper safety measures against fire, burglary. There was a short circuit in the factory and as a result, most of the stock was damaged.</p> <p>On the basis of the given information about Anand and Krishana, answer the following questions:</p> <p>a) Specify the type of industry in which Anand and Krishana are engaged. (b) Specify the type of business activity performed by Subhash. (c) Specify the auxiliary to trade used by Anand and Krishana.</p>	3

22	<p>“The Yamuna river, often called Delhi's lifeline, is gasping for life. The 22 km stretch along the national capital has virtually no aquatic life as drains pour untreated sewage and other waste into the river. Experts say factors like. river-basin degradation, ecological pollution, solid / liquid waste pollution and encroachment on riverbed have all combined to kill Yamuna's aquatic life. The vegetables grown on the land of such water have posed the threat of cancer “</p> <p>The Delhi Government has come up with the plan to implement an ethical code of conduct for polluting units and construct a canal parallel to the river to restrict sewage to flow into it.</p> <p>a) Identify and explain the element of business ethics implemented by the government.</p> <p>b) Name the group towards whom the responsibility is not being fulfilled by the Industrial units and residents near the river.</p>	3
23	<p>Riya, Mayank and Naman all the three are the residents of the same village. All the three have completed their MBA. They want the country to benefit from their education. With this aim, they want to do such a business that should generate more employment, provide economic strength, opportunity for artisans, contribute to Balanced Regional Development and promote Standard of Living. All the three planned to set up a Small-Scale Industry. They set up a Small-Scale Industrial Unit in their own village.</p> <p>Do you think they will be able to contribute to the development of Rural India? If yes, what sort of contribution? Write any three specific points.</p>	3
24	<p>Flavour Mobiles is a leading smartphone brand in the country with numerous accolades under its belt. Company was started in 2009 with an aim to bring the benefits of Smartphone telephony to the masses. Within a short span of time, Flavour has become the brand of choice of the discerning mobile consumer in a country which has one of the fastest growth rates in mobile device consumption. For this purpose, company officials interact with different suppliers to get necessary raw material through the Internet to manufacture its products. Next Battery Ltd., is the leading supplier of batteries to the company. Flavour Mobiles use a network of computers to interact with their Suppliers. Transactions like, placing orders, delivery of components, making payments are done electronically through the Internet. The company officials find dealing through the Internet quite convenient. Moreover, the Internet has enabled them to interact with many suppliers from different nations and select the one which offers the required raw materials at low price.</p> <p>on the basis of the given information about flavour mobiles answers of following questions-</p> <p>a) Identify the two benefits of e-business transactions highlighted above by quoting the lines from the case.</p> <p>b) Explain one limitation of e-business transactions to an organisation.</p>	3
25	<p>Explain the following:</p> <p>a) Principle of utmost good Faith</p> <p>b) Recurring deposit account</p> <p>c) speed post</p> <p>d) bank overdraft</p>	4
26	<p>Daffodils Tech Ltd., is a software engineering company, a technology partner to many dynamic organisations across the globe. The company's ability to look beyond technologies and deliver innovative and progressive solutions has been lauded by its clients as well as the tech community worldwide. The company experiments with the latest technologies, design approaches and development methodologies to build cutting edge software products. The company has issued equity and preference shares to meet its financial requirements. Other</p>	4

	<p>sources of finance have not been considered for fundraising. This has resulted in payment of large amounts of taxes to the government. The company wants to seek tax benefits and hence, approaches its financial consultant for advice.</p> <p>On the basis of the given information about Daffodils Tech Ltd., answer the following questions</p> <p>(a) Why does the issue of equity and preference shares not provide tax benefits to the company?</p> <p>(b) List any two sources which will provide such benefit to the company.</p> <p>(c) State any two demerits of a source of funds specified in part(b).</p>	
27	<p>A) Madhav took a fire insurance policy of ₹ 20 lakh for his factory at the annual premium of 24, 000. In order to avoid a premium more than this amount, he did not disclose that highly explosive chemicals are being manufactured in his factory. Due to a fire, his factory gets severely damaged. The insurance company refused to make the payment for the claim as it became aware about the highly explosive chemicals. Is Madhav entitled to receive the claim? Give reason in support of your answer by explaining relevant principle.</p> <p>B) A transport company took an accident insurance policy for all its vehicles. A truck of that company carrying oranges met with an accident. Due to that accident there was no damage to oranges but oranges were unloaded from that truck and reloaded to another. Due to time wasted in unloading and reloading the oranges got spoiled. Will the company get compensation for loss of oranges from the insurance company or not? Which principle is related with this case?</p>	4
28	<p>Manish Behal, Mansi Joshi and Mohan Garg jointly established a business organisation 'MMR Food Products.' They dealt in rice business. Their business was to buy good quality rice from different rice mills and to sell it under their own brand. The name of their brand was 'Abhinandan'. Their rice was available in the packagings of 1 kg, 2 kg and 5 kg. Their slogan was 'High Quality, Reasonable Price'. They were doing their business very honestly. This was the very reason that there was little political interference in their business. They themselves looked after their business activities. There was another rival firm in the market, named 'Janak Rice Mills'. It had been set up by the Government. Having been set up by the government, this firm focused its attention a lot on the social responsibilities. On the other hand, 'MMR Food Products' aimed at serving the society by earning a reasonable profit. Day-by-day its business was growing more and more. It enjoyed a special recognition in its area. Although 'Janak Rice Mills' focused its attention on the social responsibility, its quality and supply system both were inferior.</p> <p>(a) To which business/sector does the business established by the three friends belong?</p> <p>b) Quoting relevant lines, point out the three characteristics of the business sector identified in the part(a)</p>	4
29	<p>Aamir, Brijesh, Chandan and Danish are partners in a firm with unlimited liability. But after 1991, Aamir, Brijesh and Chandan decided that they did not want to bear unlimited risk. With the consent of Danish, they made (a) amendments in the partnership deed and changed their liability. Now, Aamir, Brijesh and Chandan are responsible for the losses only to the extent of the capital invested by them.</p> <p>On the basis of the given information, answer the following questions:</p> <p>a) Name the two types of partnership formed before and after 1991.</p> <p>b) Differentiate the identified type of partnership on any two basis.</p>	4
30	Explain objectives of WTO.	4

31	<p>Sridhar is planning to promote an e-commerce company under the name 'MUSAFIR'. The website of the company will help the users to plan holidays with the help of technology. At a conceptual level the offering is highly simple, but at the computer science level and a technology level it is immensely complicated. For example a planned itinerary for a 10 day trip to Paris will have a trillion possibilities and number of permutations. The success of the business will depend upon its ability to churn out plans based on logic and according to preference within seconds. With the help of a business planner Shearer has determined that the capital investment can be arranged within the available means. Moreover, he has analysed that the level of competition in this segment is low.</p> <p style="text-align: center;">In the context of the above case:</p> <p>a) Identify the various kinds of feasibility studies that Sridhar has undertaken as a promoter by quoting lines from the paragraph.</p> <p>b) What are the various formalities that Sridhar will have to fulfil for the name approval of the company?</p> <p>c) Under what conditions is the proposed name of the company likely to be rejected? Mention any two.</p>	3 + 2 + 1
32	<p>India enjoys a unique global position in terms of production of all commercially useful varieties of silk. India, the second largest producer of silk. With sericulture activities spread across 52,360 villages, in India, silk industry is one of the largest generators of employment and foreign exchange for the country. The industry provides employment to over 8.25 million people in the country. The silk products exported include natural silk raw fabrics, made-ups, readymade garments, silk carpets and silk waste. The top ten importers of Indian silk and silk products are the US, UK, China, UAE, Germany, Italy, Canada, France, Singapore and Hong Kong. On the basis of the aforesaid information about silk products, answer the following questions</p> <p>Enumerate three benefits available to the Indian business firms who are engaged in silk export. How do the different nations engaged in trade of silk stand to gain? Explain any three such gains.</p>	6
33	<p>a) What do you mean by itinerant retailers. Elaborate the meaning along with its features.</p> <p>b) How can you classify this type of retailer?</p>	2 + 4
34	<p>XYZ Ltd., is a well diversified company engaged in development of real estate, tourism and textiles. The Company plans to raise a sum of 120 crore in order to finance its expansion plans. Presently, there is a conflict among its financial managers as to whether the company should float an issue of equity shares or debentures to raise the required amount of funds.</p> <p>a) Which of the two sources of funds will you suggest considering the fact that the company has not raised much debt capital so far and why?</p> <p>b) Also alert the company about the two demerits of the fund suggested.</p>	6



**O.S.D.A.V.Public School, Kaithal**  
**Second Terminal Examination**  
**December ( 2024-25)**  
**Subject - Business Studies(Marking scheme set-B)**  
**CLASS-XI**  
**Mm-80. Time-3hrs**

1	A	1
2	Statutory corporation	1
3	RTGS	1
4	Employees and workers	1
5	Trade credit	1
6	ICD	1
7	ALL of the above	1
8	A	1
9	B	1
10	Patent act1970,20 years	1
11	Copyright	1
12	D	1
13	C	1
14	D	1
15	A	1
16	B	1
17	B	1
18	B	1
19	D	1
20	A	1
21	A) Manufacturing and secondary	3

	B) Trade,export C) Warehousing	
22	A) Top management commitment with explanation B) Society	3
23	1. Reduces regional imbalance 2. Preventing migration from rural to urban 3. Development of latent skills 4. Reduces disguise unemployment 5. Any three point with explanation	1+1+1
24	A) Global reach and convenience with relevant lines B) Low personal touch	2+1
25	A) There must be complete disclosure of facts from both the side, insurer and insured. No relevant information should be hide from each other. B) It is a type of account where fixed amount is deposited at a fixed interval for fixed period of time on regular basis. C) It's poster service in which document or articles are send to be delivered with in a stipulated time. It is a costly poster service because it provide benefit of speed to the customer. Post office provide a pick up service from the door for the regular customers. D) It is a service provided by the bank to the current account holder in which they can overdraw the money then the amount lying in their current account.	1++1+1 +1
26	A) Dividend paid on equity shares and preference shares do not give tax benefit to the company because the dividend paid is considered as the appropriation of income not expenses for the company. B) Debentures and Public deposit C) Debenture creates a charge on the assets so it affects the credits of the company. Company have to pay interest ,doesn't matter company is earning profit or suffering with losses.	1+1+2
27	A) Utmost good Faith with explanation B) Proximate cause with explanation	2+2
28	A) Private sector B) Little political interference Profit motive Personal management	1+1+1+ 1
29	A) General partnership and Limited partnership B) all the partners have equal right to participate in management and day to day affair of the fun in general partnership but SRS limited partnership is concern only the partner with unlimited liability can take the decisions and participate in today management of the firm. ii) in general partnership liability of all the members is unlimited whereas unlimited partnership at least one partner must have unlimited liability rest of	2+2

	the partners may enjoy limited liability.	
30	<ol style="list-style-type: none"> <li>1. The main objective of WTO was to reduce the trident tariff barriers and introducing a unified tax system.</li> <li>2. Enhance the standard of living and generating more and more in climate opportunities</li> <li>3. To introduce a durable and viable trading system</li> <li>4. To frame such policies so that world resources may be used judicially and sustainably.</li> </ol>	1+3
31	<ol style="list-style-type: none"> <li>1. Technical feasibility</li> <li>2. Economic feasibility</li> <li>3. Financial feasibility</li> </ol> <p>b) Application must be given to registrar of companies with four names of choice in order of preferences. One must pay the required amount of fees to registrar of company.</p> <p>c) 1. if the name resembles with the name of some existing business. 2. If it is misleading.</p>	3+2+1
32	<p>A) Benefit to firms</p> <ol style="list-style-type: none"> <li>1. Way out to intense domestic competition</li> <li>2. Sharp business vision</li> <li>3. Better capacity utilisation</li> </ol> <p>B). Benefit to nation</p> <ol style="list-style-type: none"> <li>1. Earning of foreign exchange</li> <li>2. Employment generation</li> <li>3. Better standard of living</li> </ol> <p>all points with explanation</p>	1 mark for each correct point
33	<p>A) Itinerant retailers are those retailers who do not have any fix shop and they wonder to sell their product.</p> <p>B) Features:</p> <ol style="list-style-type: none"> <li>1. They do not have a fixed shop and large warehouses</li> <li>2. Usually they deal in daily needs goods</li> </ol> <p>C) Types of itinerant retailers</p> <ol style="list-style-type: none"> <li>1. Hackers and paddlers</li> <li>2. Street traders</li> <li>3. Market traders</li> <li>4. Cheap Jacks</li> </ol>	2+4
34	<p>A) Debentures</p> <p>Reasons:</p> <ul style="list-style-type: none"> <li>• Interest paid on debenture is tax deductible that makes it the cheapest source of finance</li> <li>• Only fix rate of interest have to be paid so they do not participate in the growth of the company</li> <li>• They do not get any voting right so the right to participating management is not diluted</li> <li>• It's not a permanent capital company can we meet in case it</li> </ul>	4+2

	<p>has access capital.</p> <p>B) Demerits of Debentures</p> <ul style="list-style-type: none"> <li>• Since issue of debenture create a charge on the assets so it affects the fund raising capacity of the company</li> <li>• Company have to pay the interest on debentures even in case of losses and insufficient profits.</li> </ul>	
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