

Question Bank (2026-27)

SUB- BUSINESS STUDIES(054) CLASS- XI

CHAPTER NO-1 NATURE & PURPOSE OF BUSINESS

SR NO	STATEMENT	M
1	<p>Assertion (A) Profit earning is essential for the survival, growth and expansion of any business.</p> <p>Reason (R) It is the sole objective of all business firms.</p> <p>Codes</p> <p>(A) Both A and R are true. R is the correct explanation of A (B) Both A and R are true, but R is not the correct explanation of A (C) A is correct, but R is incorrect (D) A is incorrect, but R is correct</p>	1
2	<p>An Indian company deals in a type of trade in which it purchases (imports) Rubber from Thailand and sells the same to another company of Japan. Company is earning good volume of profit from its trade.</p> <p>Identify the type of trade followed by the company as discussed in the above case.</p> <p>(A) Wholesale Trade (B) Retail Trade (C) International Trade (D) Entrepot Trade</p>	1
3	<p>Sunita bought a readymade dress for Rs.5,000. Her friend liked the design of the dress very much, so Sunita sold the same dress to her friend without charging anything. After completing her studies, Sunita opened a shop selling readymade dresses for girls.</p> <p>a) Can a transaction between Sunita and her friend be termed as Business? Give reason in support of your answer.</p>	1
4	<p>Assertion (A): Profit maximization is the sole objective of business.</p> <p>Reason (R): Business has to fulfill social responsibilities apart from earning profit.</p> <p>Options:</p> <p>a) Both A and R are true, and R is the correct explanation of A. b) Both A and R are true, but R is not the correct explanation of A. c) A is true, but R is false. d) A is false, but R is true</p>	1
5	<p>Aman and Sandeep completed their studies and planned to start their own business instead of looking for job. Aman's father is working in Portland cement manufacturing company as supervisor. He told them that common materials used to manufacture cement include limestone, shells, and chalk or marl combined with shale, clay, slate, blast furnace slag, silica sand, and iron ore. He also told them that limestone is most often mined from a quarry which is done by Adarsh Ltd. He told them that his company is facing a problem of storing the limestone because of shortage of space. This gave them an idea to start a ware housing business. On the basis of the given information, answer the following questions:</p> <p>a) Identify the different types of industries being discussed in above case. b) Specify the category of type of industries to which the industries identified in part(a)</p>	3
6	<p>Ratan after doing his B.Pharma degree from a reputed government college started two chemist shops in two different localities of his home town. Encouraged with the success of these shops, he started six more shops in different cities of the state. His strategy was to cut price, focus on lower and middle class patients and open shops near hospitals. He earned</p>	3

	<p>good profit margins. But the staff of the shops did not give much attention to the customers. Because of this mis-management he started incurring huge losses and his business failed. On the basis of the given information about Ratan, answer the following questions:</p> <p>a) Identify and explain the main cause behind the business failure of Ratan.</p> <p>b) Explain any two other causes of risk associated with Ratan's business.</p>	
7	<p>Rohit and Gurvinder are partners selling electronic products across India. They import the components from their friend Atul who does his business in China and assemble them in their factory established in a rural area Jharkhand most of the workers in the factory are children and women. They are paid very less salaries thus owner save 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. On the basis of the given information about Rohit and Gurvinder, answer the following questions:</p> <p>a) Specify the type of business activity performed by Rohit and Gurvinder.</p> <p>b) Specify the type of business activity performed by Atul.</p> <p>c) Specify the auxiliary to trade used by Rohit and Gurvinder.</p> <p>d) Identify any value which has been violated by Rohit and Gurvinder</p>	4
8	<p>Meenu after completing her MBA decided to set up a garment manufacturing business. She received order for 400 suites in the beginning. Meenu started purchasing raw materials from local suppliers and completed her first order of suites on time. As she completed the order on time the other purchasers also started giving orders to Meenu on regular basis. Her hard work and sincerity resulted in huge profits and led to the growth of her garment business. After four years there was lockdown due to pandemic situation in her city due to which her profits were adversely affected and availability of labour also became tough and Meenu suffered loss. After analyzing the situation she decided to shut down the business.</p> <p>By quoting the lines, Identify the four features of business discussed in the above case.</p>	4
9	<p>Ajit was running a trading business in India now he extended its operations to Dubai and USA by establishing places of business in these countries. In order to increase sales in Dubai the company adopted selling strategies like sales promotion and advertising. As the company had an excellent credibility in the capital market, it was able to meet all its financial requirements by borrowing from Citi Bank. On the basis of the given information about Ajit, answer the following questions</p> <p>a) Identify and explain the auxiliaries to trade used by Ajit for running his business. Also quote lines.</p> <p>b) Identify the type of trade carried on by Ajit earlier and now.</p>	6
10	<p>Monica Rawat is a jewellery designer. She started her career from scratch and took advanced designing course at Jewellery Product Development Center. In the completion of the course she got the job at Gitanjali Gems. Being an experienced jewellery designer, Monica Rawat focuses on maintaining the originality and creativity of the ornaments that are custom designed and developed by her. On the basis of the given information about Monica Rawat, answer the following questions:</p> <p>a) Identify the type of economic activity that Monica Rawat is engaged in.</p> <p>b) State and explain any three features of the type of economic activity is identified in part (a).</p>	6

CHAPTER NO-2 FORM OF BUSINESS ORGANISATION

SR NO	STATEMENT	M
1	<p>Ramesh lost his job during the Covid-19 pandemic now he wants to start a business of his own in his hometown, Ramesh had limited finance available with him and he does not want many legal formalities to start a business, suggest Ramesh which forms of business organisation he should go for:-</p> <p>(a) Partnership (b) Sole proprietorship (c) Joint hindu family business (d) Cooperative society</p>	1
2	<p>A company was formed under the Companies Act. It can sue and be sued in its own name. It has a distinct legal identity. Identify the form and mention two benefits of this feature.</p>	1
3	<p>Partner who does not contribute to the capital neither takes part in the management of the firm but still he/she is liable to pay the firm's debt because they are considered to be a partner of the firm in the eyes of a third party:</p> <p>(a) Dormant (b) Nominal (c) Partner by Holding out (d) Partner by estoppel</p>	1
4	<p>Stages in the formation of a public company are in the following order</p> <p>(a) Capital Subscription, Promotion, Incorporation, (b) Incorporation, Capital Subscription, Promotion, (c) Promotion, Incorporation, Capital Subscriptions (d) Promotion, Incorporation, Capital Subscription,</p>	1
5	<p>Rashmi and her friends want to join their father's business. She and her friends live in a remote village, their fathers are running milk dairies, to improve the business opportunities in dairy farming, and she starts reading about different types of business organisation and their benefits. She discussed with her friends about advantages and limitations of each types of business organisation. She came to know about the benefits of one of the forms of business organisation, in which middleman who enjoys major chunk of profits of the business can be eliminated. By eliminating middleman they will be able to promote direct selling of the product in the market and making product available to consumers at reasonable price.</p> <p>Identify the form of business organisation, she wants to choose.</p>	1
6	<p>Identify the correct statements regarding Private Companies:</p> <ol style="list-style-type: none">1. It can issue shares to the public.2. It must have at least two and at most 200 members.3. It has the restriction of share transfer.4. It is managed directly by the government. <p>Choose the correct option:</p> <p>a) 1 and 2 b) 2 and 3 c) 1 and 4 d) 3 and 4</p>	1
7	<p>Assertion (A): Certificate of Incorporation is the birth certificate of a company. Reason (R): After incorporation, the company becomes a separate legal entity.</p> <p>Options:</p> <ol style="list-style-type: none">a) Both A and R are true, and R is the correct explanation of A.b) Both A and R are true, but R is not the correct explanation of A.c) A is true, but R is false.d) A is false, but R is true.	1
8	<p>This form of business is particularly common in areas of personalised services such as beauty parlours, hair salons and small- scale activities like running a stationery shop in a locality. Identify the form of business organisation. Explain its three advantages.</p>	3

9	<p>Jai and Viru belonged to a small town in Jharkhand and aspired to be famous movie star. As the luck shined on Jai, he became a superstar in Jolly wood cinemas. Whereas, after working in a few films as a supporting actor, Viru decided to start an advertising agency in Ranchi. In order to give a boost to his business right from its inception he asked his friend Jai to become a partner in his business. Jai agreed to do so and allowed the use of his name by the firm. But he refused to participate in the management of the business.</p> <p>(a) Identify the type of partners being mention in the given paragraph.</p> <p>(b) Also comment upon liability, capital contribution and shares in profit and loss with regard to the types of partners as identified in part(a) of the question.</p>	3
10	<p>What do you mean by 'Partnership Deed'? State its three main contents.</p>	3
11	<p>A group of seven friends decided to jointly set up a public company in a rural area where the people were facing a serious unemployment problem. All of them jointly selected a place where the companys registered office would be situated. Along with it, with the advice of business specialists, it was also decided what procedure would be followed for the issue and allotment of shares. All the friends wanted their company to have a singular recognition, and people should get immediate attraction towards its products. It was felt that the very name of the company could become a reason for its recognition. After a detailed discussion, the company's name was decided as Trimurti Ltd. Then, they jointly completed all the formalities of the formation of the company.</p> <p>Identify and explain the two important documents used in the formation of the company quoting the lines from the above para which helped you identify these documents.</p>	4
12	<p>Unlike a partnership or a proprietorship firm, this form of Business Organisation is separate its owners. It is a separate legal entity and no single member is liable for such a organisation's activities. Such a firm will not depend on any owner or shareholder to decide its future course of action. Members come and go, shares are bought and sold, dividends are earned and distributed, and such a form of business organization goes on. It is managed democratically, by the representatives chosen from the shareholder, which form the board of directors.</p> <p>a) Identify the form of business organization mentioned in the above para.</p> <p>b) Differentiate it from partnership firm.</p>	4
13	<p>Partnership firm's registration is optional, but still why do partnership firms willingly go through this legal formality and get themselves registered? Explain.</p>	4
14	<p>Distinguish between Memorandum of Association and Article of Association.</p> <p style="text-align: center;">OR</p> <p>What do you mean by Joint Hindu Family Business? Explain the features of Joint Hindu Family Business.</p>	6
15	<p>Ravi wants to open a new business. His CA suggests a One Person Company (OPC). His friend Neha runs a Public Company and encourages him to consider that instead. Ravi is confused about which structure to choose.</p> <p>Answer the following:</p> <p>a) What is the minimum number of members required to start:</p> <p style="padding-left: 20px;">i) an OPC</p> <p style="padding-left: 20px;">ii) a Public Company? (1)</p> <p>b) Explain two features of an OPC. (2)</p> <p>c) Explain two limitations of a Public Company that Ravi should consider. (2)</p> <p>d) In your opinion, which form should Ravi choose if he wants control and limited liability with fewer compliance requirements? (1)</p>	6

CHAPTER NO-3 PRIVATE, PUBLIC & GLOBAL ENTERPRISES

SR NO	STATEMENT	M
1	<p>Assertion(A) These enterprises operate in several areas producing multiple products with their business strategy.</p> <p>Reason(R) They do not aim at maximising profits from one or two products but instead spread their branches all over.</p> <p>a) Both assertion (A) & reason (R) are correct & reason is the correct explanation of assertion.</p> <p>b) Both assertion (A) & reason (R) are correct but reason is not the correct explanation of assertion.</p> <p>c) Assertion (A) is correct but reason (R) is incorrect.</p> <p>d) Assertion (A) is incorrect but reason (R) is correct</p>	1
2	<p>Identify the departmental undertaking from the following:</p> <p>(a) Shipping Corporation of India (b) Reserve Bank of India</p> <p>(c) Indian Railways (d) Life Insurance Corporation</p>	1
3	<p>Which of the following businesses has annual appropriations from the government budget, receives funds directly from the government treasury, and also pays its revenue into the treasury?</p> <p>(a) Departmental undertaking</p> <p>(b) Statutory corporation</p> <p>(c) Government company</p> <p>(d) Cooperatives</p>	1
4	<p>Statement (I) An association may also be the result of an agreement between two businesses in different countries.</p> <p>Statement (II) It Shared responsibilities regarding capital investment and other financing arrangements.</p> <p>(a) Statement I is true and II is false</p> <p>(b) Statement II is true and I is false</p> <p>(c) Both the statements are true</p> <p>(d) Both the statements are false</p>	1
5	<p>Assertion (A): When a national security is concerned, departmental undertakings form of public sector enterprises is most suitable.</p> <p>Reason (R): Departmental undertaking is under the direct control and supervision of the concerned ministry.</p> <p>a) Both assertion (A) & reason (R) are correct & reason is the correct explanation of assertion.</p> <p>b) Both assertion (A) & reason (R) are correct but reason is not the correct explanation of assertion.</p> <p>c) Assertion (A) is correct but reason (R) is incorrect.</p> <p>d) Assertion (A) is incorrect but reason (R) is correct</p>	1
6	<p>It is an organization which is a public enterprise. It is a corporate body created by the legislature with defined powers and functions and is financially independent. It has a clear</p>	3

	<p>control over a particular type of commercial activity or a specified area. It has a separate legal entity, i.e. in the eyes of law, it is a different person.</p> <p>(a) By Quoting lines Identify the form of organization being referred to in above lines.</p> <p>(b) Explain any two merits of this form of organization.</p>	
7	Describe the three features of PPP.	3
8	<p>The Tata Group, founded by Jamshedji N. Tata in 1868, as a private trading firm. Presently doing business in different segments like steel, automobiles, energy, home care products, etc. The group is managed by professional managers appointed by the Board of Directors. The business group enjoy global leadership and its main motive is to earn profit and generate wealth. The group is not accountable to the public.</p> <p>a) The given case is referring to the working of a private sector enterprise. Name the other sector which is also working in our mixed economy.</p> <p>b) In the instant case, the group is not accountable to the public. State to whom the group is accountable?</p> <p>c) In whose hand the management of public enterprises are entrusted?</p> <p>d) Are public enterprises accountable to the public?</p>	4
9	Briefly explain four advantages of Global Enterprises.	4
10	<p>Parking in central Lucknow, the heart of this mega city, has always been a hassle. This is the case with most of the inner-city areas. In an attempt to address the situation, the Lucknow Municipal Corporation (LMC) decided to utilise the rights to underground space and undertake the parking project with private parties-LMC and Simplex Ltd. The purpose of the project was to develop an underground parking system.</p> <p>(a) Name and state the type of enterprise referred to in the above para.</p> <p>(b) State its three features.</p>	4
11	<p>Shree Ltd is a renowned marketing company of Pempa soft drinks. Its 52% of total paid up capital is held by Group of peoples and 11% is by Haryana Government.</p> <p>(a) Identify the type of enterprises in the above statement.</p> <p>(b) Give any two features of such an enterprise. Identified above.</p> <p>(c) Explain its two merits and two demerits of identified enterprise.</p>	6
12	<p>Once upon a time a round of Election to the five Legislative Assemblies of the country was in progress. The different political parties were putting in the best of their efforts to entice the people through their respective promises to them. The political parties contesting elections in these states were mainly three in number. Though all the parties made several promises in their respective manifestos, yet each of the three parties made one such promise as compelled the people to give a thought to it. One of the political parties made a promise that if they came to power, they would set up such Government Enterprises in the states as will have the partnership of both the people and Government. However in these Enterprises, the ownership of the Government shall not be less than 51%. The setting up of the Government Enterprises was per the provision of the Indian Company Act, 2013. The financing of these Enterprises would be done jointly by both, the people and the Government. The second political party promised that if they came to power, they would set up such Government Enterprises as would be completely under the ownership of government. The burden of financing them would not be put under the shoulder of the people, but they would be managed with the general budget. The third political party which was contesting the election for the first time, promised that on coming into power they would set up such Government Enterprises as will be fully financed by the government.</p>	6

	<p>However there would be no bar to get loan from the people to set them up. They would be set up as per the special Act passed by the Parliament or the State Legislative Assembly.</p> <p>a) On the basis of the above paragraph explain what type of Govt. Enterprises to be set up are being promised by three parties.</p> <p>b) Briefly explain three points of features of any of above mentioned Govt. Enterprises.</p>	
13	<p>Gas authority of India Ltd. (GAIL) is carrying on various projects of energy and power. Majority of its shares are held by the government of India. It was registered under the previous Companies Act. It enjoys all the characteristics of a company. The board of directors are appointed by the government. The Board and shareholders are responsible for the efficient working of the company. The company prepares its annual report and submit to the appropriate authorities.</p> <p>(a) Name the type of public sector enterprise referred to in the above para.</p> <p>(b) In whose name does the government buy shares?</p> <p>(c) State any three features of the type of public sector enterprise identified in part (a) other than those discussed in the above para.</p> <p style="text-align: center;">OR</p> <p>With Enactment of LIC Act, 1956, an autonomous body, Life Insurance Corporation of India was formed. The act defines its powers, duties and functions. It has a separate legal entity. It is fully owned by government. It has independent financial policy and can raise funds by borrowing from public and government. However it is not subject to any budgetary accounting or audit control like Railways. Its annual report is presented in parliament every year.</p> <p>(a) Name the type of public sector enterprise referred in above case.</p> <p>(b) Name the act under which it is formed.</p> <p>(c) Name any other statutory corporation.</p> <p>(d) State three features of statutory corporation mentioned above.</p>	6

CHAPTER NO-4 BUSINESS SERVICES

SR NO	STATEMENT	M
1	<p>Which of the following is a contract of Indemnity?</p> <p>(a) Marine Insurance (b) Fire Insurance (c) Life Insurance (d) All of the above</p>	1
2	<p>Assertion (A): According to principle of subrogation the insured should not be allowed to make any profit by selling damaged property or in the case of lost property being recovered. Reason(R): The principle of subrogation is implication of the Principle of Indemnity and the damaged goods will belong to the insurance company, once the compensation is paid. It also states that insurance is not a contract of making a profit.</p> <p>a. Both Assertion and Reason are correct and the Reason is a correct explanation of the Assertion.</p> <p>b. Both Assertion and Reason are correct but Reason is not a correct explanation of the Assertion.</p> <p>c. The Assertion is correct but Reason is incorrect.</p> <p>d. Both the Assertion and Reason are incorrect.</p>	1

3	<p>A person gets his stock with Rs.25,000 insured for Rs.35,000. A fire occurs and the whole stock gets damaged. The insurance company will pay him only Rs.25,000, the actual value of his stock and not Rs.35,000. Which principle of insurance is applied in this case?</p> <p>(a) Principle of Indemnity (b) Principle of Subrogation (c) Principle of Contribution (d) Principle of Insurable Interest</p>	1
4	<p>Read the following statements carefully and choose the correct alternative: Statement I: The use of mobile wallets eliminated the need to use credit/debit cards or remember the CVV or 4-digit pin. Statement II: With digitization the scope of PoS is expanding and this service is also available on mobile platforms and through internet browsers.</p> <p>(a) Both the statements are true. (b) Statement I is true, Statement II is false. (c) Both the statements are false. (d) Statement II is true, Statement I is false.</p>	1
5	<p>Which service provides the most secure electronic transfer of funds between banks?</p> <p>a) Electronic Clearing Service (ECS) b) Immediate Payment Service (IMPS) c) National Electronic Funds Transfer (NEFT) d) Real Time Gross Settlement (RTGS)</p>	1
6	<p>Mr Aaman Gupta has recently shifted to Delhi with his family. He and his family is planning to open bank accounts in HDFC Bank, which offers many types of bank accounts. Aaman, who is a businessman, wants to open an account in which amount can be deposited and withdrawn at any time without giving any notice, so that business transaction can be conducted smoothly. *Supriya (Aaman's wife) wants to open an account in which she can keep her surplus money safe and withdrawal from the account can be made through cheque facility. *Shivam (Aaman's son) wants to open an account in which he will deposit Rs.5000 every month for the next three years and the total amount is repaid to him with interest at the end of three years.</p> <p>In the given case, identify the various types of bank accounts, which Aaman and his family members want to open in HDFC Bank., who is a businessman, wants to open an account in which amount can be deposited and withdrawn at any time without giving any notice, so that business transaction can be conducted smoothly.</p>	3
7	<p>Identify the Telecom services highlighted in the following cases:</p> <p>(i)It enables a broadcasting company to directly beam the signal to the TV set through a receiver that is installed in the house. There is no need for a separate cable connection. (ii)these are a type of mobile telecom services including voice and non voice messages. Data services and PCD services utilizing any type of network equipment within their service area. (iii)It is a two-way satellite based communication service, which is commonly used to transmit narrowband data or broadband data.</p>	3
8	<p>Amit, a 40-year-old working professional, has taken a life insurance policy for ₹50 lakhs to secure his family's future. The policy guarantees a payout to his nominee in case of his death during the policy term. He pays an annual premium of ₹20,000 for 20 years. The policy provides only death benefits and not maturity benefits.</p> <p>1. What type of life insurance policy has Amit taken? 2. Who will receive the insurance amount in case of Amit's death? 3. What is the role of a premium in a life insurance policy? 4. Mention any one objective of life insurance.</p>	4
9	<p>Explain the following Principles of Insurance with suitable examples(Any two):</p> <p>(a) Principle of Contribution (b) Subrogation</p>	4

	(c) Insurable Interest OR Briefly explain concept of Marine Insurance and its type.	
10	What is e-banking? Explain any three merits which e-banking offers to customers. OR Explain the following services of banking writing short notes: a. NEFT (National Electronic Fund Transfer) b. Multiple Option Deposit Scheme	4
11	Briefly explain various functions performed by banks.	6

CHAPTER NO-5 EMERGING MODES OF BUSINESS

SR NO	STATEMENT	M										
1	B2B commerce helps in all these except: (a) Customised production (b) Improved distribution system (c) Reduce dependence on single supplier (d) Online customer surveys	1										
2	Assertion (A): Under E-Business communication can flow in any direction. Reason (R): There is high transaction risk in e-business due to lack of personal contact between the parties. Options: A) Both A and R are true, and R is the correct explanation of A. B) Both A and R are true, but R is not the correct explanation of A. C) A is true, but R is false. D) A is false, but R is true.	1										
3	Students Friend is an online bookstore that sells physical and digital books. It allows customers to browse books by genre, read reviews, and receive book recommendations based on their previous purchases. Students Friend delivered (ships) books worldwide, offers downloadable eBooks, and provides a subscription-based service for regular book deliveries. They also use social media to engage with customers and promote new releases. Which of the following is an example of the scope of e-business for Students Friend? A) B2B B) B2C C) C2C. D) Intra- B commerce	1										
4	Match the columns and choose the correct alternatives: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: center;">Column I</th> <th style="width: 50%; text-align: center;">Column II</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">A. B2B Commerce</td> <td style="text-align: center;">i. A firm's internal processes.</td> </tr> <tr> <td style="text-align: center;">B. B2C Commerce</td> <td style="text-align: center;">ii. A part of channel through which a firm distributes its products to its customers</td> </tr> <tr> <td style="text-align: center;">C. Intra-B Commerce</td> <td style="text-align: center;">iii. The business originates from the consumer and ultimate destination is also consumer.</td> </tr> <tr> <td style="text-align: center;">D. C2C Commerce</td> <td style="text-align: center;">iv. Entails a wide gamut of marketing activities that are carried out online.</td> </tr> </tbody> </table> a. A – iv, B – ii, C – i, D – iii b. A – iii, B – ii, C – i, D – iv c. A – ii, B – i, C – iii, D – iv d. A – i, B – ii, C – iii, D – iv	Column I	Column II	A. B2B Commerce	i. A firm's internal processes.	B. B2C Commerce	ii. A part of channel through which a firm distributes its products to its customers	C. Intra-B Commerce	iii. The business originates from the consumer and ultimate destination is also consumer.	D. C2C Commerce	iv. Entails a wide gamut of marketing activities that are carried out online.	1
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A. B2B Commerce	i. A firm's internal processes.											
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C. Intra-B Commerce	iii. The business originates from the consumer and ultimate destination is also consumer.											
D. C2C Commerce	iv. Entails a wide gamut of marketing activities that are carried out online.											
5	Riya owns a small handmade jewelry business. Initially, she sold her products only through local exhibitions and word-of-mouth. Later, she created a website and listed her products on social media and e-commerce platforms. Now, customers from different states and even	3										

	<p>abroad can place orders online, make payments digitally, and get products delivered to their homes. Riya has seen a huge growth in her customer base and sales without setting up physical stores in other cities.</p> <p>Based on the case above, answer the following:</p> <p>a) What type of business model is Riya using now? b) Mention any two benefits that she is getting by using this business model.</p>	
6	<p>TechWorld is a startup that sells electronic gadgets. Instead of setting up multiple retail outlets, it launched an online store. Through this platform, customers can place orders anytime, access customer reviews, and choose from a wide range of products. TechWorld also uses digital ads to target specific customer groups. The company has significantly reduced operational costs and improved efficiency.</p> <p>Answer the following based on the case:</p> <p>a) Mention two benefits of e-business that TechWorld is enjoying. b) How is e-business more cost-effective compared to traditional business? c) Identify any one scope area of e-business shown in the case.</p>	3
7	<p>What are the limitations of e-business? (Any four)</p>	4
8	<p>Mr. Rajendra is a producer of readymade garments. He sells his products through various dealers across the country. However, his sales are decreasing over the years. Recently, his wife gifted him a jacket. Which she had ordered through Flipkart.com. This gave Mr. Rajendra an idea to start selling his products online.</p> <p>1. What type business was Mr. Rajendra doing earlier and which type of business he wants switch to? 2. What are the difference between both the business mention above.</p>	4
9	<p>Which type of e-business transaction is highlighted in the following cases?</p> <p>i)Complaint lodged by a customer at the company’s customer complaint cell. ii)Withdrawal of money from Automated Teller machine(ATM) iii)Employees send their daily report through e-mail to their Senior manager. iv)Sale of used books through www.olx.com v)Conducting survey to determine customer’s taste and preferences before launching the product. vi) Purchase of computer software by AB Ltd from Smart Solution Ltd.</p>	6
10	<p>Differentiate between Traditional form of business and E-business.</p>	6

CHAPTER NO-6 SOCIAL RESPONSIBILITY & BUSINESS ETHICS

SR NO	STATEMENT	M
1	<p>Statement I: Legal responsibilities of business are optional and based on the company’s will. Statement II: Ethical responsibilities are not enforced by law but are expected by society.</p> <p>Options:</p> <p>a) Both statements are true b) Both statements are false c) Statement I is false, Statement II is true d) Statement I is true, Statement II is false</p>	1
2	<p>Match the stakeholders with their responsibility</p> <p style="display: flex; justify-content: space-between;">Column A (Stakeholder)Column B (Responsibility)</p>	1

	<p>A. Customers B. Government C. Employees D. Society</p> <p>a. A - 3, B - 1, C - 4, D - 2 c. A - 1, B - 2, C - 3, D - 4</p>	<p>1. Timely payment of taxes 2. Fair wages and safe working conditions 3. Providing quality goods at fair prices 4. Avoiding pollution</p> <p>b. A - 1, B - 3, C - 2, D - 4 d. A - 3, B - 1, C - 2, D - 4</p>	
3	<p>Assertion (A): Ethical business practices are essential for long-term success. Reason (R): Businesses that prioritize ethics face fewer legal challenges and maintain a positive public image.</p> <p>a) Both A and R are true, and R is the correct explanation for A. b) Both A and R are true, but R is not the correct explanation for A. c) A is true, but R is false. d) A is false, but R is true.</p>		1
4	<p>Read the following statements: Assertion and Reason. Choose the correct alternatives given below: Assertion (A): Employees should be involved in developing ethical programmes. Reason (R): Ethical policies have to be implemented by the employees only. Alternatives: (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>		1
5	<p>ABC Textiles Ltd., a garment manufacturing company, was found discharging untreated chemical waste into a nearby river. After public protests and media coverage, the company installed an effluent treatment plant and launched an awareness campaign about water conservation in the area. Identify and explain any two arguments in favour of social responsibility that are evident in the above case.</p>		3
6	<p>Ms. Pooja is the owner of Durga Sweets. Kaju Katli from her place is very famous so many people used to take it from her shop, but after few months of good response, she slowly started adulterating it to earn more profit without thinking how many people will be harmed by this and how many people may fall sick. a) Identify the concept violated /discussed in the above para. b) Explain the concept identified in (a) above.</p>		3
7	<p>Name the concept which defines the right and wrong behaviour in the world of business. Also discuss its three various elements.</p>		4
8	<p>Intex Ltd. is a well-known company engaged in manufacturing of packed frozen ready-to-eat items. The company is committed to take proper precautions against malpractices like adulteration, poor quality and misleading advertising. The company not only follow the rules and regulations of the country, it also pays the due amount of taxes regularly. The company has created proper and safe working conditions. Intex Ltd. maintains proper financial records and aims to ensure efficient utilisation of funds. The company has taken all reasonable steps to protect the natural environment and avoid any type of pollution. By quoting lines from the given paragraph, identify the different interest groups towards which the company is fulfilling its social responsibilities.</p>		4
9	<p>Ravi Enterprises is a large textile manufacturing company based in Gujarat. Over the years, the company has achieved significant growth and profitability. Recently, it was found that the company's factory was discharging untreated chemical waste into a nearby river,</p>		6

4	<p>Read the following statements carefully and choose the correct alternative from the following:</p> <p>Statement I: Retained earnings is an economical method of financing.</p> <p>Statement II: Retained earnings have characteristics of both equity shares and debentures.</p> <p>(a) Both the statements are true.</p> <p>(b) Both the statements are false.</p> <p>(c) Statement I is true and Statement II is false.</p> <p>(d) Statement II is true and Statement I is false.</p>	1
5	<p>Read the following statements carefully-Assertion(A) and Reason (R) and choose the correct alternative:</p> <p>Assertion (A): The capital raised by the issue of shares is known as owner's funds.</p> <p>Reason (R): Equine shares represent the ownership of a company,</p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</p> <p>(b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)</p> <p>(c) Assertion (A) is true, but Reason (R) is false.</p> <p>(d) Assertion (A) is false, but Reason (R) is true,</p>	1
6	<p>"Sunrise Solar Ltd." has been a profitable manufacturer of solar panels for the past seven years. They have built a strong reputation for quality and reliability. Due to increasing demand for renewable energy, the company is now planning a significant expansion of its production capacity. This will require a substantial investment in new machinery and a larger factory space. The management is considering various options to raise the necessary ₹10 crore.</p> <p>Identify and explain two potential long-term sources of finance that Sunrise Solar Ltd. could consider for this expansion.</p>	3
7	<p>Classify sources of funds on the basis of duration.</p>	3
8	<p>Compare Equity shares and Preference shares on the following basis: Voting rights, risk in investments, control, return on capital</p> <p style="text-align: center;">OR</p> <p>Briefly explain of types of Debentures. (Any four)</p>	4
9	<p>"Solid Pipes Ltd. is a multi-location, multi-product company, manufacturing pipes in stainless steel/exotic material in wide size ranges, for wide spectrum of applications. It now wants to cater to the Asian market and decided to invest in new Hi-tech machines. Since, the investment is large, the finance manager wants to raise funds through cheapest long-term source of finance." On the basis of the given information about Solid Pipes Ltd., answer the following questions:</p> <p>a) Identify and explain the source of finance to be used by company to meet its funds requirement.</p> <p>b) State any three merits of the source of finance identified in part (a).</p>	4
10	<p>"Nature Cotton Textile Mills is one of the largest manufacturers of various types of textiles products from Ahmedabad, Gujarat. The company is equipped with state-of-the-art dyeing printing, and processing and garmenting facilities. Due to slackness in the market demand company is facing shortage of funds. The company needs funds for meeting its day to day expenses like daily wages and overhead etc. The finance manager of the company approach one of its suppliers to grant two months credit on purchase of raw cotton. This would enable the company to get cotton supplies without making immediate payment." On the basis of the given information about Nature Cotton and Textile Mills answer the following questions:</p> <p>a) Identify and explain the source of finance highlighted in the above case.</p>	4

	b) Explain any two merits of the source of finance identified in part (a)	
11	<p>Suhasini and some of her friends jointly set up 'Trimurti limited'. The business of their company was to manufacture blankets at a low rate. At the time of setting up the company, they issued 25000 shares of the face value of 100. In this way, they started their business with a capital of 25 lacs. Before collecting the money from the public, they decided that they would issue such security as should not let the company undergo any fixed financial burden. Also, they wished to have the capital from such a source as should enable the company to keep the capital for a long time. To collect the capital Suhasini and her friends issued a prospectus. Through it, they told the public that in the coming years, the company expected to earn a big profit and that the price of its shares would be very high. As a result, investors would be able to earn extra profit. In the prospectus, it was also said that the company would organize its meetings from time to time and that the investors would be invited to these meetings. They would have the right to cast their votes in these meetings. The company collected money from the public and the company's business started. The company started earning more profit than what had been promised to the investors.</p> <p>(a) Identify and explain the type of shares issued by 'Trimurti Limited'.</p> <p>(b) Quoting the relevant lines write about the two advantages each to the investors from the shares identified in (A).</p>	6

CHAPTER NO-8 SMALL BUSINESS & ENTREPRENEURSHIP DEVELOPMENT

SR NO	STATEMENT	M
1	<p>What is the primary purpose of Intellectual Property Rights (IPR) for entrepreneurs?</p> <p>a) To discourage innovation b) To increase government revenue c) To encourage creation and protect inventions d) To limit competition in the market</p>	1
2	<p>How does the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 define MSMEs?</p> <p>a) Based on the number of employees only b) Based on annual turnover only c) Based on investment in plant and machinery and turnover d) Based on the type of products manufactured</p>	1
3	<p>Assertion (A): Small business is defined on the basis of investment in plant and machinery or equipment in India. Reason (R): In India, there is scarcity of capital and abundance of labour.</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>	1
4	<p>Assertion (A): Small industries promote balanced regional development of the country. Reason (R): In case of organisation of small industries, quick and timely decisions can be taken due to the small size of the organization.</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</p>	1

	(d) Assertion (A) is False but Reason (R) is True.	
5	Ramesh started a small business of manufacturing and selling of paper bags. He invested Rs. 1, 50,000 in the business and employed 5 people. The business is doing well and Ramesh is planning to expand it. What is the main advantage of Ramesh's small business? (a) High profit margins (b) Employment generation (c) Easy to manage (d) All of these	1
6	Briefly explain Role of Entrepreneurship Development.	3
7	Seema and Tripti decided to set up a plant to manufacture silk sarees from silk obtained from the silkworms in their village. The project was focused to help the women in their villages those who were involved in breeding of silkworms and generate employment opportunities for unemployed youth. They estimated that they would require Rs. 8 crores for the whole project out of which Rs. 5 crores shall be used to buy plant and machinery Rs 2 crore for land and Rs. 1 crore to meet working capital requirements. a) Which Act has been formed by government to assist small industries? b) The above organisation comes under which category of the Act identified in part (a). c) State the investment limit in the above category.	3
8	After completing MBA from FMS, Delhi, Raveena decided to enter into a startup business. She wants to explore the diary product business after hearing news of adulteration being found in the milk all over Delhi. She does feasibility studies and finds there is a demand for healthy and quality products in the market. She is confused about the options available to her for her startup. Suggest any 6 ways through which she can finance it.	4
9	Sushant Singh done his B.Tech in electrical engineering. He has no business experience but wants to start a small-scale manufacturing unit. He has chosen to manufacture light engineering goods which will be marketed to manufacturers and in replacement markets. Which Govt. agency should he approach receiving suitable guidance for stating his unit? What type of facilities will he be able to get from concerned agency.	4
10	Describe briefly the problems face by the small-scale enterprises. OR Briefly explain functions performed by NSIC.	4
11	What is 'Start-up India Scheme'? What are the various ways of funding option available for Start-Up in India?	6

CHAPTER NO-9 INTERNAL TRADE

SR NO	STATEMENT	M
1	Amit's father, Mr. Kumar, is a wholesaler who buys goods in bulk from manufacturers and sells them to retailers. He has a large warehouse where he stores his inventory. Amit's father is considering expanding his business to other cities. What is the primary benefit of Mr. Kumar's role in the distribution channel? A) Reduced costs for manufacturers B) Increased prices for consumers C) Improved product quality D) Efficient distribution of goods	1

2	<p>A large retail chain, 'Best Buy', has multiple stores across the city, offering a wide range of products like electronics, home appliances, and furniture. What type of retail format is 'Best Buy' using?</p> <p>A) Single shop retailing B) Multiple shop retailing C) Mail order retailing D) E-commerce</p>	1
3	<p>ABC Retailers sources groceries from a wholesale market and sells to customers in their locality. They offer free home delivery and credit facilities. Which type of trader is ABC?</p>	1
4	<p>Statement-I. Buying and selling of goods and services within the boundaries of a nation are referred to as internal trade</p> <p>Statement-II. The products are purchased from a neighborhood shop in a locality or a central market or a departmental store or a mall or even from any door-to-door salesperson or from an exhibition.</p> <p>(a) Both statements are Correct. (b) Both statements are Wrong. (c) Statement (1) is correct but Statement (2) is Wrong. (d) Statement (1) is wrong but Statement (2) is correct.</p>	1
5	<p>They are small producers or petty traders who carry the products on a bicycle, a hand cart, a cycle-rickshaw or on their heads, and move from place to place to sell their merchandise at the doorstep of the customers. They generally deal in non-standardised and low-value products.</p> <p>The main advantage of form of retailing is the provision of convenient service to the consumers. However, one should be careful in dealing with them, as the products they deal in are not always reliable in terms of quality and price.</p> <p>(a) Peddlers and hawkers (b) Market traders (c) Street traders (d) Cheap jacks</p>	1
6	<p>Under this kind of retail trading, seller receives orders from the consumers by post and delivers the products by post. It is referred to as 'non-store impersonal retailing. So, it is a retail selling by post from the seller's end and a 'shopping through post' by a customer. This type of retail institution solicits patronage by means of catalogues sent through post and contain detailed descriptions of merchandise offered for sale.</p> <p>(a) Identify the type of retail outlet being highlighted in the given case. (b) State two advantages of the type of retail outlet as identified in part (a) of the question</p>	3
7	<p>Nikunj is a retailer, who runs a departmental store in Krishna Nagar, Delhi. He stocks an extensive variety of goods so as to provide a wider choice to the buyers. Nikunj has effectively displayed new products and provides information about features, price, etc. of such products to the customers. The departmental store is situated near to the residential areas and remains open for long hours. Nikunj also sells goods on credit to the reputed and known customers, Identify the Services of Retailers to Consumers being provided by Nikunj by quoting lines from the given case.</p>	3
8	<p>Write the meaning of 'Itinerant Retailers'. State any three types of Itinerant Retailers'.</p>	4
9	<p>Distinguish between Departmental Store and Chain store.</p>	4
10	<p>Mohit and Sumit are friends. They have to attend the birthday party of a common friend. Mohit goes to 'Poshak kids wear' exclusively for kids wear with his parents to get a new dress</p>	4

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