

CBSE
Class XI Business Studies
Sample Paper – 2

Time: 3 hrs

Max. Marks: 90

General Instructions:

- i. All questions are compulsory.
 - ii. Marks for questions are indicated against each question.
 - iii. Question Nos. **1–8** are very short answer questions carrying **1** mark each. They are required to be answered in one sentence each.
 - iv. Question Nos. **9–14** are short answer questions carrying **3** marks each. Answers to them should normally not exceed **50–75** words each.
 - v. Question Nos. **15–18** are also short answer questions carrying **4** marks each. Answers to them should normally not exceed **150** words each.
 - vi. Question Nos. **19–23** are long answer questions carrying **5** marks each. Answers to them should normally not exceed **150** words each.
 - vii. Question Nos. **24–27** are long answer questions carrying **6** marks each. Answers to them should normally not exceed **200** words each.
 - viii. Answers should be brief and to the point, and the above word limits should be adhered to as far as possible.
-

1. Employment refers to an occupation wherein people_____. [1]
 - a. regularly engage in activities related to sale of goods or services
 - b. work for others and get remunerated in return
 - c. perform economic activities which require application of special knowledge and skills
 - d. All of the above

2. Which of the following is the feature of a company which is operating in more than one country? [1]
 - a. Oligopolistic polices
 - b. Miniature size
 - c. Separate control
 - d. All of the above

3. State a single application of e-business. [1]

4. When is the approval of the Registrar of Companies required during the stages in the formation of a company? [1]

5. What is the full form of ADRs? [1]
 - a. African Depository Records
 - b. Aruba Debentures Records
 - c. Australian Debentures Receipts
 - d. American Depository Receipts [1]
6. Internal sources of capital are generated_____. [1]
 - a. from commercial papers
 - b. within the business
 - c. through equity shares
 - d. All of the above
7. List any one source of short-term finance. [1]
8. Name the mode that brings the firm closer to the international market. Give reason. [1]
9. State three points of difference between business, profession and employment. [3]
10. A recently opened company allotted 2,00,000 shares of Rs 20 each to the public. It then received an application for 1,40,000 shares. Is the company capable of allotting these shares? [3]
11. Ms Shashi has decided to start a company. She conveys her decision to her boss and he tries to test her by asking her some questions regarding its formation.
 - a. Which document contains the bye-laws of the company? [1]
 - b. What is the difference between Memorandum of Association and Articles of Association? [2]
12. Kumar's grandfather asked Kumar to visit the bank with him to open a fixed deposit in the bank. Kumar said that visiting the bank is not required to open a fixed deposit. Grandfather was confused as to how it is possible. Explain the concept which Kumar is talking about. Also state its advantages. [3]
13. A person takes a loan from his friend as security towards his factory. Is the friend allowed to apply for insurance of the factory? [3]
14. State the process wherein non-core activities are given to agencies experienced enough to handle them. Also mention its ethical concerns. [3]
15. Stores such as *Spencer* and *Big Bazaar* fall under a certain category of fixed shops.
 - a. Identify the category. [1]
 - b. Mention the features of the identified category. [3]

16. What are your thoughts on social responsibility? Mention your arguments for it. [4]
17. A debate takes place between you and your friend regarding the importance of outsourcing. Put your points as to why there is a need for outsourcing. [4]
18. Mr Jack is an owner of a large-sized company selling garments. He is determined to bring his products to the Indian market. However, he is confused whether to distribute goods through wholesalers or set up his own multiple shops. Give a suggestion to him with reasons. [4]
19. What do you understand by the term economic activities? State its types. [4]
20. Mr Vinay is interested in opening an establishment. He is wondering about the type of organisation which would be fruitful in the long run. He wants the organisation to be superior to other business organisations.
- Which type of organisation can be chosen by Mr Vinay? [1]
 - Why is the chosen organisation considered superior to other business organisations? [4]
21. The government is continuously making efforts to promote exports of the country. In this regard, explain five incentives and schemes announced by the government. [5]
22. A large industrial enterprise wants to expand its business and bring about financing modernisation. What are the various sources through which they can gain capital to fulfil their ideology? [5]
23. Small-scale industries play a significant role in our country. Also, various areas of the country are perfect places to start a small-scale industry. With respect to these, answer the following questions:
- What is the definition of a small-scale industry according to the government?[1]
 - State its role in rural India. [4]
24. How is a Joint Hindu Family different from a partnership? [6]
25. Pari is excited about Diwali. She has informed her mother about decorating the house. However, her mother has instructed her to clean the house. Pari is confused as to how she can clean the house all by herself. Her mom tells her that she would not have to do it all by herself as someone else would be doing so. Pari asked why someone else would do the work for them. Mom replied that the work or services would be done for a fee. On that note, answer the following questions:
- What are services? [1]
 - Explain their characteristics. [5]
26. Anand Pvt. Ltd. manufactures shoes. It has its presence all over the country. Now, after having made a mark in its own country, it wants to expand its business in other

nations. However, being new to this process, the owner Mr Anand is not aware of the course of action he should take to expand the business. With respect to expansion, answer the below questions:

- a. Mention the process to obtain the Import Export Code. [2]
 - b. Articulate the problems faced by the firm while conducting business internationally. [2]
 - c. State the benefits to the country due to this expansion. [2]
- 27.** Name the following long and medium term sources of finance. Also, state their merits and demerits.
- a. They are raised from the public by organisations to finance both medium and short-term financial requirements. [3]
 - b. For the future expansion of the company, part of the profits is retained in the organisation instead of distributing profits completely in the form of dividends among shareholders. [3]