

SAMPLE QUESTION PAPER 2024 - 25

CLASS XI

BUSINESS STUDIES – 054

SET - I

MM – 80

TIME: 3 HOURS

General Instructions:

- (i) *This question paper contains two parts:*
- (ii) *Marks for questions are indicated against each question.*
- (iii) *Question No. 1-10 and Question No. 18 – 27 (including two Case Based Questions) are 1-mark questions and are to be answered in one word/sentence.*
- (iv) *Case Based Questions (CBQ's) are Question No. 7-10 and Question No. 25-27.*
- (v) *Question No. 11-12 and Question No. 28 – 29 are 3 marks questions and are to be answered in 60 - 80 words each.*
- (vi) *Question No. 13-15 and Question No. 30 – 32 are 4 marks questions and are to be answered in 80-100 words each.*
- (vii) *Question No. 16-17 and Question No. 33 – 34 are 6 marks questions and are to be answered in 100-150 words each.*
- (viii) *Answers should be brief and to the point and the above word limit be adhered to as far as possible.*

Q.No		M
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|-----------|---|----------|
| 1. | Match the various types of manufacturing industry given in column I with their respective example given in column II. | 1 |
|-----------|---|----------|

	Column I		Column II
A.	Analytical Industry	(i)	Manufacturing cement by mixing limestone, gypsum and coal.
B.	Synthetic Industry	(ii)	Manufacturing sugar from sugarcane.
C.	Processing Industry	(iii)	Producing petrol and diesel out of crude oil.

	A	B	C
(a)	(i)	(ii)	(iii)
(b)	(iii)	(ii)	(i)
(c)	(iii)	(i)	(ii)
(d)	(ii)	(i)	(iii)

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|-----------|--|----------|
| 2. | Suppose Amit is a shareholder in a company holding 500 shares of ₹10 each on which he has already paid ₹ 8 per share. His liability in the event of losses or company's failure to pay debts can be only up to | 1 |
|-----------|--|----------|

- | | |
|-----------|-----------|
| (a) ₹4000 | (b) ₹5000 |
| (c) ₹1000 | (d) ₹2000 |

- | | | |
|-----------|---|----------|
| 3. | Which government enterprise is registered under Indian Companies Act, 2013? | 1 |
|-----------|---|----------|

- | | |
|------------------------------|---------------------------|
| (a) Departmental undertaking | (b) Public corporation |
| (c) Government company | (d) Partnership companies |

- | | | |
|----------|--|----------|
| 4 | Steel Authority of India Limited (SAIL) is one of the largest steel-making companies in India and one of the Maharatnas of the country's Central Public Sector Enterprises. Vision of SAIL is to be a respected world class corporation and the leader in Indian steel business in quality, productivity, profitability and customer satisfaction. SAIL was incorporated on 24th January, 1973 with an authorised capital of ₹ 2,000 crore and was made responsible for managing five integrated steel plants at Bhilai, Bokaro, Durgapur, Rourkela and Bumpur, the Alloy Steel Plant and the Salem Steel Plant. As government is the majority shareholder (with 75% stake), it exercises control over affairs of the company. Which type of public sector enterprise is highlighted here? | 1 |
|----------|--|----------|

- (a) Departmental undertaking (b) Statutory corporation
(c) Government company (d) None of the above

5. Abhinav took a fire insurance policy for his property worth ₹ 5,00,000 with two insurers: ICICI Lombard General Insurance Co. Ltd. for ₹4,00,000 and Bajaj Allianz General Insurance Co. Ltd. for ₹20,000. 1

An electric short circuit in his property caused fire and it resulted in a loss of ₹1,50,000.

He filed a claim for ₹100,000 against each of the two insurance companies. Which principle of insurance has been highlighted in given case?

- (a) Mitigation (b) Proximate cause
(c) Contribution (d) Indemnity

Assertion–Reasoning MCQs Direction (Q. Nos. 6 to 9)

There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below:

- (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, but 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

6. **Assertion (A):** e-business is one of the most speedy modes of doing business. 1

Reason (R): e-business offers the convenience of doing business 24 hours × 7 days a week.

7. **Assertion (A):** e-business is relatively less suitable mode of business in respect of certain products such as clothes, food items, toiletries etc. 1

Reason (R): It lacks in warmth of inter-personal interactions.

8. **Assertion (A):** B2C transactions have business firms at one end and their customers on the other end. 1

Reason (R): Selling used books is the example of B2C transaction.

9. **Assertion (A):** B2B transactions are the transactions in which a firm interacts with other business. 1

Reason (R): Creation of utilities or delivering value requires a business to interact with a number of other business firms.

10. Apoorvi, from a young age had a deep connection with traditional Indian textiles and craftsmanship. She fulfilled her lifelong dream of making a career in fashion by leaving her professional life behind and pursued a design programme at the Los Angeles School of Design and Merchandising. Thus, Apoorvi got real world fashion exposure. With her love for Indian fabrics and her arsenal of fashion knowledge, she now intends to glorify these national treasures with her readymade store ‘Armaniya’. ‘Armaniya’ is an initiative to incorporate a perfect mix of latest trends, luxury fabrics, Indian traditional weaves and culture, all under one roof. She manages the business along with two employees i.e., salesman and a cashier. She usually takes advice from her father in case of any managerial issue. Now-a-days, Apoorvi is facing a lot of problem as trends in the field are continuously changing, this ever-changing market along with strong competition has added to the trouble of declining sales. 1

Furthermore, One day Apoorvi found her cashier doing some embezzlement of funds. Which type of risk is she facing in the above said case?

- (a) Pure risk (b) Speculative risk (c) Partial risk (d) None of these

11. Abhishek and Nidhi want to start a shop to sell Rajasthani sweets. They did not know how to develop the agreement for this purpose. So, they approached a chartered accountant who advised them to prepare a document which may stipulate the terms and conditions of the agreement. On the basis of given information, name the document about which the chartered accountant advised Abhishek and Nidhi. 1

- (a) MoA (b) AoA (c) Partnership deed (d) Prospectus
12. Navratan Ltd. is a company engaged in the production and distribution of heavy electrical goods. **1**
 Pattern of shareholding in the company is as follows:
- (i) Government of India 15%
 - (ii) Government of Bihar 26%
 - (iii) Government of Assam 10%
 - (iv) General Public 49%
- Navratan Ltd. can be classified as which of the following?

Options:

- (a) Small company
 - (b) Government company
 - (c) Private company
 - (d) None of the above
13. Match the following. **1**

	Column I		Column II
A.	Insurable interest	(i)	Insurer is liable for the loss only when such loss is caused by the perils, which are stated in the policy
B.	Proximate cause	(ii)	A contract found on utmost good faith
C.	Utmost good faith	(iii)	Insured must have economic interest at the time of entering into an insurance contract

	A	B	C
(a)	(i)	(ii)	(iii)
(b)	(i)	(iii)	(ii)
(c)	(iii)	(i)	(ii)
(d)	(ii)	(i)	(iii)

14. The scope of e-business is than that of e-commerce. **1**
 (a) narrow (b) wider (c) Both (a) and (b) (d) None of these
15. Nitesh insured his factory for ₹5,00,000 against fire. Due to fire in his factory, he suffered a loss of stock worth ₹3,00,000. He is of the opinion that he can recover the entire policy amount of ₹5,00,000 from the insurance company. Identify the relevant insurance principle in this regard. **1**
 (a) Subrogation (b) Mitigation (c) Indemnity (d) None of these
16. The minimum period of deposit in case of recurring deposit account is and maximum is **1**
 (a) 12 months, 2 years
 (b) 6 months, 10 years
 (c) 4 months, 1 year
 (d) 8 months, 3 years
17. The telecom services have been recognised in the world-over as an important tool for socio-economic development for a nation and hence telecom infrastructure is treated as a crucial factor to realise the socio-economic objectives in India. Accordingly, the Department of Telecom has been formulating developmental policies for the accelerated growth of the telecommunication services. The department comes under the Ministry of Communications and is headed by a cabinet-level minister. It is financed by the government through allocation of funds in the Annual General Budget of Parliament. Which type of public sector enterprise highlighted here? **1**
 (a) Departmental undertaking
 (b) Statutory corporation
 (c) Government company
 (d) None of the above
18. After doing her M.Com. from 'Himachal Pradesh University of Shimla', Aparna went back to **1**

her village in Kinnaur district of Himachal Pradesh. She wanted to contribute for the development of women of her village, so she formed an organisation, the membership of which was open for all the women villagers on a voluntary basis by paying ` 500 only which will be treated as their capital. Aparna knew that the land of her village was suitable for the farming of medicinal plants. So she motivated the members of her organisation for growing medicinal plants in their fields under the guidance and help of the local agricultural department. It was also decided that the organisation will purchase the produce of each member and sell the same to drug manufacturing companies at a very good price which was not possible for the members individually. The main objective of the organisation is to render services to its members rather than to earn profit. A computer training center for young boys and girls of the village was started under the guidance of Aparna from the surplus of the profits. On the basis of the given information, identify the kind of organisation that was formed by her.

- (a) Cooperative society
- (b) Company
- (c) HUF
- (d) Partnership

19. Match the following forms of business organisation with the minimum number of members required. 1

	Column I		Column II
A.	Public company	(i)	2
B.	Sole proprietorship	(ii)	10
C.	Cooperative society	(iii)	7
D.	Partnership	(iv)	1

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

20. It has also worked upon managing public opinion by developing relations with the masses through sponsoring cultural and sporting events, maintenance of public parks, etc. Identify the objective fulfilled by the company by doing so. 1

- (a) Economic
- (b) Social
- (c) Ethical
- (d) Legal

21. Profit play an important role in business. Give four reasons to justify the statement. 3

22. Distinguish between a private company and public company 3

23. Write the differences between Statutory Corporation and Government Company. 3

OR

Distinguish between goods and services.

24. Briefly explain the "Need for Outsourcing". 3

OR

Briefly explain the "Concerns of Outsourcing".

25. Explain PPP – Model under following heads: 4

- (i) Feature
- (ii) Application
- (iii) Strengths
- (iv) Weaknesses
- (v) Example

26. With numerical example explain the 'Risk Pooling and Law of Large Number' in insurance. 4

27. Though, many a times, the terms e-business and e-commerce are used interchangeably, yet more precise definitions would distinguish between the two. How can you distinguish between them. 4

OR

- Discuss the salient aspects of B2C commerce.
28. Explain any two business activities which are auxiliaries to trade. 4

OR

What is business risk? What is its nature?

29. **Read the following case and identify and explain which one of the principles of insurance is operating in it?** 4

- Ram has insured his house, worth Rs. 10 lakhs, for the full amount. He suffers losses on account of fire estimated at Rs. 70000. The insurance company would pay him an amount of Rs. 70000. The insured can claim no further amount.
- Consider a situation now where the property has not been insured for its full value. One would then be entitled to indemnity for loss only in the same proportion as one's insurance.
- Suppose the house, worth Rs. 10 lakhs has only been insured for a sum of Rs. 5 lakhs. If the loss on account of fire is Rs. 60000, one cannot claim this entire amount. It is deemed that the house owner has insured only to the tune of half its value and he is thus entitled to claim just 50% [Rs. 30000] of the amount of loss. This is also known as underinsurance.

30. **Read the following case answer the questions:** 4

According to the Hindu Succession (Amendment) Act, 2005, the daughter of a coparcener of a Joint Hindu Family shall, by birth, become a coparcener. At the time of partition of such a 'Joint Hindu Family' the coparcenary property shall be equally divided to all the coparceners irrespective of their gender (male or female). The eldest member (male or female) of 'Joint Hindu Family' shall become Karta. Married daughter has equal rights in property of a Joint Hindu Family.

- (i) How does the Hindu Succession (Amendment) Act of 2005 impact the gender dynamics within a Joint Hindu Family in terms of property rights and coparcenary?
- (ii) Could you explain the significance of the eldest member becoming the Karta in a Joint Hindu Family, considering that both males and females are eligible for this role according to the legal provisions?

31. Describe the Industrial Policy 1991, towards the public sector. 6

OR

Can the public sector companies compete with the private sector in terms of profits and efficiency? Give reasons for your answer.

32. Why are e-business and outsourcing referred to as the emerging modes of business? Discuss the factors responsible for the growing importance of these trends. 6

OR

Discuss the limitations of electronic mode of doing business. Are these limitations severe enough to restrict its scope? Give reasons for your answer.

33. **Case Study:** 6

"UrbanGlow Cosmetics" - Shaping Business Structure

"UrbanGlow Cosmetics" is a rapidly growing beauty and skincare company that was founded by Maya Kapoor. What began as a small home-based venture selling handcrafted organic skincare products has now expanded to a national scale. With a strong customer base and increasing demand, Maya is facing a pivotal decision about the future structure of UrbanGlow Cosmetics. She's considering three different forms of business organization: Sole Proprietorship, Private Limited Company, and Franchise.

Questions:

- (a) Discuss the advantages and disadvantages of a Sole Proprietorship for "UrbanGlow

Cosmetics." How might Maya's direct control and decision-making influence the growth trajectory of the business? What potential limitations could she face in terms of liability and resource mobilization?

- (b) Explain the concept of a Private Limited Company and its potential benefits for a business like "UrbanGlow Cosmetics." How might the transition to a Private Limited Company structure impact Maya's ownership, fundraising capabilities, and legal responsibilities?
- (c) Consider the option of franchising for "UrbanGlow Cosmetics." Describe the franchising model and analyze how it could enable the company's expansion while maintaining brand identity. Identify potential challenges Maya might encounter in terms of control, standardization, and relationship management with franchisees.

34.

Case Study:

6

"TechSupport Solutions" - Navigating the IT Service Industry

"TechSupport Solutions" is a startup that offers comprehensive IT support services to businesses of all sizes. Founded by Rohit and Priya, who are experienced IT professionals, the company aims to bridge the gap between technological challenges and effective solutions. They provide services such as troubleshooting, system maintenance, network setup, and cybersecurity consulting.

As "TechSupport Solutions" gains recognition for its expertise and timely solutions, the founders are facing a crucial decision regarding the scope of their services and the target market. They are considering three potential service strategies: Specialized Niche Services, Full-Service IT Support, and Managed Cybersecurity Solutions.

Questions:

- (a) Explain the concept of "Specialized Niche Services" in the context of "TechSupport Solutions." How might focusing on a specific area of IT services allow Rohit and Priya to differentiate their business and establish a competitive advantage? Identify potential challenges they might encounter in terms of market demand and diversification.
- (b) Describe the approach of offering "Full-Service IT Support" as a strategy for "TechSupport Solutions." How could providing a wide range of IT solutions benefit their clientele and contribute to customer retention? Discuss potential complexities Rohit and Priya might face in terms of resource allocation and maintaining expertise across diverse IT domains.
- (c) Discuss the concept of "Managed Cybersecurity Solutions" as a strategic direction for "TechSupport Solutions." Analyze how focusing on cybersecurity could tap into a growing market demand while addressing a critical business need. Identify potential hurdles Rohit and Priya might face in terms of staying up to date with evolving threats and the challenges of building trust in cybersecurity services.