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COUNCIL OF CBSE AFFILIATED SCHOOLS IN THE GULF

GULF SAHODAYA EXAMINATION – MARCH 2011

CLASS XI – BUSINESS STUDIES

Date : 15 MAR 2011

Max. Marks : 90

Code : 110305

Duration : 3 Hours

**General Instructions**

1. Answers to questions carrying 1 mark may be from one word to one sentence.
2. Answers to questions carrying 3 marks may be from 50 to 75 words.
3. Answers to questions carrying 4-5 marks may be about 150 words.
4. Answers to questions carrying 6 marks may be about 200 words.
5. Attempt all parts of a question together.
6. 10 marks are allotted for Project Work.

1. What are 'Speculative Risks'? Give an Example. 1
2. Who is a 'partner by estoppel'? 1
3. Write the full form of 'MOFA'. *branches of MNC's* 1
4. What are VSAT services? *Majority owned foreign affiliate* 1
5. What is meant by 'B2B' Commerce? 1
6. What is the difference between social responsibility and legal responsibility? 1
7. What are 'Pre-Incorporation' Contracts? 1
8. How does Market information provided by the wholesalers benefit the manufacturers? 1
9. Enumerate one limitation of contract manufacturing. 1
10. Give one example each of visible export and invisible import of India. 1

11. Is furniture making extractive, manufacturing or construction industry? 3  
Give reasons in support of your answer.
12. 'A type of organisation wholly owned by the state with the financial 3  
responsibility vested in the government' - Identify the organisation and  
enumerate its merits and limitations.
13. Explain 'value added services' and 'price stabilisation' as functions of 3  
warehousing.
14. State the features of cottage industries. 3
15. 'Vending machines are the newest revolution in marketing methods.' In 3  
the light of this statement enumerate the advantages and disadvantages of  
vending machines.
16. What steps does the WASME take for the sustained growth of rural 4  
enterprises?
17. Can business enterprises survive with a single objective or do they require 4  
multiple objectives to strike a balance between needs and goals? Give four  
reasons to justify your answer.
18. Y the owner of a ship carrying sugar insured his vessel against the risk of 4  
sea water but not against any other damage. The sugar was destroyed by  
sea water which entered into the ship because of holes made at the bottom *Indemnity*  
of the ship by rats. It was assessed that the loss due to damage by rats was  
Rs.80,000 and that due to the subsequent entering of sea water was  
Rs.20,000. In the above situation, identify and explain the underlying  
principle of insurance. Also state how much the ship owner can claim  
from the insurer.
19. Explain trade credit as a source of short-term finance for business 4  
enterprises.
20. The business assets of an organisation amount to Rs.80,000 but the debts 5  
that remain unpaid are Rs.1,50,000. What course of action can the  
creditors take if :  
a) The organisation is a sole proprietorship firm.  
b) The organisation is a partnership firm with A and B as partners.

Which of the two partners can the creditors approach for repayment of debt? Explain giving reasons.

21. Evaluate the need for outsourcing and discuss its limitations. 5
22. What steps can an enterprise take to protect the environment from the dangers of pollution? 5
23. Why are Consumer Cooperative Stores considered to be less expensive? What are its relative advantages over other large scale retailers? 5
24. Your firm is planning to import textile machinery from Australia. Briefly outline the procedure involved in importing. 5
25. Why is it important to choose an appropriate form of organisation? Discuss the factors that determine the choice of form of organisation. 6

**OR**

Despite limitations of size and resources, many people continue to prefer sole proprietorship over other forms of organisations. Why?

26. Describe the steps involved in the formation of a private company. 6

**OR**

What are Articles of Association? State its purpose and contents.

27. Explain in detail the changing role of Public Enterprise. 6

**OR**

State any two ways in which a joint venture company can be formed. What are the benefits of entering into Joint ventures?

28. A source of finance retained profit is better than other sources. Do you agree with this view? Give reasons for your answer. Can a company grow indefinitely by reinvesting surplus profits? 6

**OR**

Discuss the financial instruments used in international financing.

