

General instructions:

- i) This question paper contains 34 questions.
- ii) Marks are indicated against each question.
- iii) Answers should be brief and to the point.
- iv) Answers to the questions carrying 3 marks may be from 50 to 75 words.
- v) Answers to the questions carrying 4 marks may be about 150 words.
- vi) Answers to the questions carrying 6 marks may be about 200 words.
- vii) Attempt all parts of the questions together.

PART – I (Objective type Questions) (20 x 1 = 20 marks)

1. It refers to the obligation of business firms to contribute resources for solving social problems and work in a socially desirable manner. Identify the concept.

| | |
|--------------------------|--------------------|
| a) Productivity | b) Innovation |
| c) Social Responsibility | d) Market standing |
2. ABC Ltd. is charging very low price which is just covering their cost so that it can remain in competitive market. ABC Ltd. is achieving which organisational objective?

| | |
|-------------|--------------|
| a) Survival | b) Profit |
| c) Growth | d) Expansion |
3. "Every partner is both an agent and a principal." Identify the feature of partnership being referred here.

| | |
|-----------------|--------------------------|
| a) Risk bearing | b) Mutual agency |
| c) Continuity | d) Doing lawful business |
4. Which of the following Enterprise is formed as a part of government and does not have separate legal entity?

| | |
|-----------------------------|------------------------|
| a) Public Corporation | b) Government Company |
| c) Departmental Undertaking | d) Public Ltd. Company |
5. Partnership between Private Sector firm and a Public Sector is called

| | |
|-----------------|------------------------|
| a) Join Venture | b) PPP |
| c) Partnership | d) Public Corporation. |
6. Which of the following is not applicable in life insurance contract?

| | |
|-------------------------|-----------------------------|
| a) Conditional contract | b) Unilateral contract |
| c) Indemnity contract | d) Loss Mitigation contract |
7. Minimum amount for RTGS is:

| | |
|---------------|---------------|
| a) ₹ 2,50,000 | b) ₹ 5,00,000 |
| c) ₹ 2,00,000 | d) ₹ 1,00,000 |
8. The Online payment of telephone bills comes under the _____ model of e-Commerce.

| | | | |
|--------|------------|--------|--------|
| a) B2B | b) Intra B | c) B2C | d) C2C |
|--------|------------|--------|--------|
9. When business firms use eco-friendly methods of production, they are performing social responsibilities towards which group?

| | |
|--------------|------------------|
| a) Customers | b) Employees |
| c) Community | d) Shareholders. |
10. OLX is an example of which of the following category of e-Business.

| | | | |
|--------|--------|--------|------------|
| a) B2B | b) B2C | c) C2C | d) Intra B |
|--------|--------|--------|------------|
11. Which financial instrument saves tax?

| | |
|----------------------|-----------------------|
| a) Equity shares | b) Debentures |
| c) Retained earnings | d) Preference shares. |
12. Which of the following, statements pertain to public deposits?
 - a) It is easy for the new companies to raise funds through public deposits.
 - b) Public deposits create a charge on the assets of the company.
 - c) The depositors have voting rights.
 - d) None of the above.

PART - III (Four marks questions)

25. Ajay runs a successful Coach business in Bengaluru. Private commuters, tourists and business clients are among his customers. Ajay has also operated a daily bus service between Bengaluru and Mysore for some years, which has proved to be the most popular service provided by his business to commuters. He is currently operating as sole proprietor. However, he is considering the option of entering into a partnership with his friend Sumesh, who is physically challenged. Sumesh is very good in managing company's accounts but is unable to find a job. On the basis of the given information, answer the following questions:

- State two limitations of form of business organisation which Ajay is currently undertaking.
- State any two merits of the form of business in which Ajay is planning to enter with his friend, Sumesh.

(OR)

Sushmita Oberoi is a Jewellery designer. She started her career from the scratch and took advanced designing course at Jewellery Product Development Centre. On the completion of the course, she got a job at Gitanjali Gems. Being an experienced jewellery designer, Sushmita Oberoi 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 Sushmita Oberoi, answer the following questions:

- Identify the type of economic activity that Sushmita Oberoi is engaged in.
- State and explain any three features of the type of economic activity as identified in part (a).

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26. Sagar and Lakshay are friends. Sagar is a businessman who deals in buying and selling computer parts whereas Lakshay is working as a manager in ICICI Bank. Sagar deals with a lot of customers daily and receives money from them as his transactions are mostly on cash basis. He also deals with different suppliers and has to make frequent payments to them. As it becomes difficult for him to manage cash daily, his friend Lakshay advised him to open a bank account in ICICI Bank.

- Name and explain the type of bank accounts which will be opened by Sagar in ICICI Bank.
- Which three other types of accounts can be opened in banks? Briefly explain.

(OR)

Chennai Pharmaceuticals Co. Ltd., registered under the Companies Act, 2013, was started with a paid-up capital of ₹ 50,00,000, 40% of this paid-up capital is in the hands of private individuals and the balance is held by the Government of Chennai.

- Chennai Pharmaceuticals Ltd., belongs to which form of Public Sector Enterprise?
- Explain its any three features.

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27. Rozer.com Ltd. is the largest online automotive, motorcycle and marine classifieds business in Australia. Attracting more Australians interested in buying or selling cars, motorcycles, trucks, caravans and boats than any other classified group of websites. Together with its subsidiaries employing over 600 people in Australia, Rozer.com develops world leading technology and advertising solutions that drive its business around the world. Rozer.com Ltd. has operations across the Asia Pacific region and has interests in leading online automotive classified businesses in Brazil, South Korea, Malayasia, Indonesia, Thailand and Mexico provide a smooth car buying and selling journey for all Australians. Company is involved in variety of services like, product development, marketing and communications which aims to empower their customers and give them greater confidence when it comes to trading cars regardless of how much they know about cars or how engaged they might be in the process.

On the basis of the given information about Rozer.com, answer the following questions:

- Name the types of E-business transaction performing by Rozer.com.
- Explain the benefits of e-Business transaction to Rozer.com Ltd.

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28. 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 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 Shersha, who is a portfolio manager and Shersha, convinced him to invest the money in Magic Estate due to 'Preferential Rights' of preference shareholders over equity shareholders.
- State the two Preferential Rights stated by Shersha, which convinced Kunal to invest in Magic Estate.
 - State any two differences between equity shares and preference shares other than two mentioned in para (a).
29. State and explain any four services rendered by the retailers to the manufacturers and wholesalers.
30. Arihant is a small trader who sells plastic items of daily use in weekly market. Arihant has fixed different days for different places, like on Monday, he sets up his shop with temporary structure in 'Som Bazaar'. On Tuesday, he sets up his shop in Mangal Bazaar and so on.
- Arihant will be classified as which type of retailer and why?
 - Identify the category of the type of retail trade as identified in part (a) of the question under which Arihant should be placed.
 - Explain two features of the type of retailers as identified in part(b) of the question.

PART – III (Six marks questions)

31. Briefly discuss the important documents used in the various stages in the formation of a company.
(OR)
Differentiate between a private company and a public company.
32. After deliberations with his friend and son, Mr. Ramesh feels convinced that this is the right time for him to step into international market. This will enable him not only to tide over the problems of demand saturation for his Automotive parts in the domestic market, but would also help in reap various benefits that accrue to international firms. Since, he has limited capital available with him right now and does not have any past experience of overseas operations; he has decided to choose for exporting as the mode of entry into international markets. But the problem with him is that he does not know as to how to get into the export business. Explain to him briefly, the last six steps involved in the export procedure.
(OR)
Explain in detail any six major documents used in international trade.
33. Venus Electricals Ltd., has been successfully manufacturing electrical accessories for the past ten years. As the profit margin is good, the company has been managing all the financial requirements of the business through the profits reinvested in the business. Identify and explain the source of finance being mentioned in the given case and explain its five merits.
34. Discuss the various principles of contract of insurance.