

**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. If Mr. Raghav sells his domestic radio set at a profit, he will not be considered a businessman. But if he sells radio sets regularly either through a shop or from his residence, he will be regarded as a businessman. Identify the characteristics of business discussed above:
  - a) An economic activity
  - b) Sale or exchange of goods and services
  - c) Dealings in goods and services on a regular basis
  - d) Profit earning
2. Which among the following is not a feature of business?
  - a) Production or Procurement of goods and services
  - b) Dealing in goods and services on regular basis
  - c) Certainty of return
  - d) Profit earning
3. Samir is a friend of Rohan. Samir is a partner in a software firm -Simplified Solutions. On Rohan's request, Samir accompanies him to a business meeting with Dinesh softwares and Rohan actively participates in the negotiation process for the business deal and gives the impression that he is also a partner in Simplified Solutions. Which type of partner is Rohan?
  - a) Nominal partner
  - b) Partner by estoppel
  - c) Sleeping partner
  - d) Partner by holding out
4. Rudra Ltd., is a well-known company in the industry to which it belongs. It purchased land and building costing ₹ 1 crore for its business expansion. Identify the feature of a company being highlighted in this transaction?
  - a) Separate Entity
  - b) Perpetual Succession
  - c) Voluntary Association
  - d) Created by law
5. "Every partner is both an agent and a principal." Identify the feature of partnership being referred here.
  - a) Risk bearing
  - b) Separate entity
  - c) Mutual agency
  - d) Unlimited liability
6. Look at the below images and identify the type of enterprise:



- a) Statutory Corporations
  - b) Government Company
  - c) Joint Ventures
  - d) Public Private Partnership
7. A highway near Delhi is constructed by the Kundli Manesar Palwal Expressway Ltd. In this 135 Km expressway, land has been provided by the government and surface has been laid out by the company. Identify the category of business organisation to which this project is related.
  - a) Joint Ventures
  - b) Public Private Partnership
  - c) General Partnership
  - d) Limited Partnership

8. 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 |
9. Which one of the following is a statutory corporation?
- |                                  |                             |
|----------------------------------|-----------------------------|
| a) Food Corporation of India     | b) Hindustan Machine Tools  |
| c) Chittaranjan Locomotive Works | d) Steel Authority of India |
10. **ASSERTION (A):** Ramesh is doing a charity in Delhi. He supplies medicine and food to poor people during Covid-19.  
**REASON (R):** Economic activities are those activities which are done to earn a living.  
 Read the above statements -Assertion (A) and Reason (R). Choose one of the correct alternatives given below:
- |   |
|---|
| 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.  |
11. In this form of joint venture, a new jointly owned entity is not created but there is only an agreement to work together
- |                              |                                  |
|------------------------------|----------------------------------|
| a) Contractual joint venture | b) Equity on joint venture       |
| c) Limited joint venture     | d) Above the line joint venture. |
12. If a person takes fire insurance policy from 3 insurers. In case, when loss occurs due to fire, he will get.
- |   |
|---|
| a) Amount of loss compensated by all three separately     |
| b) Amount of loss, which will be contributed by all three |
| c) Policy amount from all insurers separately             |
| d) Policy amount from all insurers collectively           |
13. **STATEMENT 1:** An unregistered firm cannot sue and cannot be sued.  
**STATEMENT 2:** Non-registration of a partnership firm does not affect the right of third parties to file a suit against the firm for their claims.  
 Choose the correct option from the following:
- |  |  |
|--|--|
| a) Statement I is true and II is false | b) Statement II is true and I is false |
| c) Both the statements are true        | d) Both the statements are false       |
14. After even taking insurance, the insured must take care of insured good as he/she was taking care before the insurance policy. This is related to:
- |                              |                                     |
|------------------------------|-------------------------------------|
| a) Principle of good faith   | b) Principle of causa proxima       |
| c) Principle of contribution | d) Principle of mitigation of loss. |
15. The written document of a company that defines 'principles of conduct' is known as \_\_\_\_.
- |                           |                    |
|---------------------------|--------------------|
| a) Code of responsibility | b) Code of Ethics  |
| c) Code of behaviour      | d) Code of conduct |
16. **STATEMENT 1:** A departmentally run enterprise enjoys corporate status.  
**STATEMENT 2:** Public Sector Enterprises are run to promote public welfare by providing public utility services like water supply, electricity, transportation.  
 Choose the correct option from the following:
- |  |  |
|--|--|
| a) Statement I is true and II is false | b) Statement II is true and I is false |
| c) Both the statements are true        | d) Both the statements are false       |
17. The business firm which fulfils all its social obligations get benefited in the long run, this is related to which feature of case for Social Responsibility
- |                            |   |
|----------------------------|---|
| a) Long-term self-interest | b) Moral justification                  |
| c) Social power            | d) Avoidance of government interference |



Life is full of uncertainties and to stress upon the importance of insurance, Bajaj Allianz Life Insurance has carried out an insurance awareness roadshow called 'Jan Jagariti' across different rural locations of Maharashtra, Goa and Gujarat. Subrat Mohanty, head of marketing, Bajaj Allianz Life Insurance, said this was a campaign wherein a vehicle equipped with service support materials and representatives goes out to places and a group of artists perform a street play in the local language.

The local people were made aware that on payment of a small periodic payment (premium), a large possible risk can be covered. Insurance cannot stop the happening of a risk or event but can compensate for losses arising out of it. Also, the loss is shared by all persons exposed to it.

- a) The above para highlights certain functions of insurance. Identify any two and quote the lines from the above para that denote these functions.
- b) Also name & explain any other function of insurance which is not highlighted in the above para.

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### PART - III (Four marks questions)

25. Anand and Krishana are partners selling electronic products across India. They import the components from their friend Subhash who does his business in Japan and assemble them in their factory established in a rural area in Bihar. Most of the workers in the factory are children and women. They are paid very less salaries thus owner saves on labour cost. They store their stocks in a warehouse but do not take proper safety measures against fire, burglary etc. There was a short circuit in the factory and as a result, most of the stock was damaged.

Based on the given information about Anand and Krishana, answer the following questions:

- a) Specify the type of industry in which Anand and Krishana are engaged.
- b) Specify the type of business activity performed by Subhash.
- c) Specify the auxiliary to trade used by Anand and Krishana.
- d) Identify any business objective which has been violated by Anand and Krishana.

(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:

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

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26. Mr. Manoj Sharma and his brothers inherited some ancestral property. They had a joint family. They decided to start a business in which, only the family members will be participating. They took a loan of ₹ 40,00,000 from Yes Bank, but they were unable to repay the loan. And they also invested their ancestral property into business. Mr. Manoj being eldest, is entered with the job of taking decisions for the business.

- a) What is the form of business Sharma family has started?
- b) By what name is the senior most member of the family known as?
- c) What is the nature of liability of the senior most member and other members?
- d) By what name the other members are known in this form of business?
- e) After the death of senior member, will the business come to an end?

(OR)

Despite limitations of size and resources, many people continue to prefer Sole Proprietorship over other forms of organisation. Why?

4

27. The oldest and most traditional form of organising Public Sector Enterprises are established as departments of the ministry and are considered part or an extension of the ministry itself. Identify the form of Public Sector Enterprise and discuss its two merits and two limitations.

4

28. India is becoming an important global source and extremely competitive in many products due to low cost of raw materials and labour; technically qualified workforce; management professionals; and excellent manpower in different cadres, like lawyers, chartered accountants, engineers, and scientists. The international partner, thus, gets the products of requirements, engineers, and scientists at a much lower cost than what is prevailing in the home country.
- Which form of business enterprise has been discussed in the above para?
  - State and explain the classification of the said enterprises.
  - Identify and explain one merit of the said business enterprise discussed above. 4
29. World class telecommunications infrastructure is the key to rapid economic and social development of the country. It is in fact the backbone of every business activity. In today's world the dream of doing business across continents will remain a dream in the absence of telecom infrastructure. Within this context elaborate the utility of different telecom services. 4
30. a) Bharat is running a business of manufacturing invertors in Delhi. He has received an order for supply of 20 invertors from Setter Electronics in Jaipur. As the amount of payment is more than 2 lakhs, Better Electronics decided to transfer the funds electronically from their bank account.
- Which service of bank has been referred to in the above para? Name and explain it.
- b) He has a saving bank account with the State Bank of India but he has not opted for e-banking. His family members are residing in Punjab. Shenoy's father asked him to send ₹ 45,000 at the earliest. His father has a saving bank account with Punjab National Bank.
- Name and explain the method Bharat will adopt to send money to his father. 4

### PART - III (Six marks questions)

31. Parul visited her native village during her vacations and found that the money lender in the village was exploiting the farmers. He was charging a very high rate of interest on the money he had lend to the farmers. Parul decided to help farmers. She met all the farmers along with her grandfather and told them about the various options for raising funds instead of going to money lender. She was able to convince farmers to pool their own resources and form an organisation, so that the members can take loan from this organisation at reasonable interest, as and when funds are required. The purpose of opening such organisation was not to make profits but to provide help to members.
- Name the form of organisation opened by farmers on the plea of Parul.
  - Who can become the members of the above identified organisation?
  - What is the motive of this kind of organisations?
  - What is the minimum number of persons required to form such organisation?
  - Under which Act, these organisations are governed?
  - Is registration compulsory for the above-mentioned organisation?
- (OR)
- It is a Public Enterprise established under the Indian Companies Act and conducts business in competition with companies in Private Sector.
- Identify the type of Public Enterprise highlighted above.
  - What is the minimum investment governments have to make in such companies.
  - In whose name shares of this type of company are purchased?
  - State any two merits and any one limitation of such type of company. 6
32. Post and Telegraph Department is part of a Government Ministry. It is fully managed, controlled and financed by the concerned ministry. The annual budget of the ministry makes provision for the funds needed by the department. The ministry is answerable to the Parliament for its functioning.
- Name the sector under which The Post and Telegraph Department' comes.
  - Name the kind of organization it is and also the concerned ministry.
  - How is this kind of organization being different from other organizations in the same sector? Give any four differences between all the organizations in the sector.
- (OR)

Orbit Electric Ltd., operates with a philosophy to carve out a niche in the global fan industry and evolve into a premier lifestyle home solutions provider. Orbit Electric Ltd., has earned the trust of millions of customers by providing cutting-edge lifestyle electrical products. Orbit electric Ltd., has different departments like. Production, Marketing, Accounts, Human Resource, and R&D etc. Earlier all the work was done physically but nowadays all the departments are sharing the information through the local area network, which saves time, increases the speed of exchanging information and documents, and provides the proof of every transaction.

Based on the given information about Orbit Electric Ltd., answer the following questions:

- a) Identify the modes of business adopted by Orbit Electric Ltd., earlier and now.
- b) Difference between the modes of business adopted by Orbit Electric Ltd.

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33. North-Ex Bank' is a popular private sector bank offering varied services to its customers. It offers many types of bank accounts options to its customers. Saiyam being a businessman has chosen the type of account in which deposits are the most liquid and there are no limits to the number of transactions or the number of transactions in day. On the other hand, his mother has opened a type of account where she can conveniently deposit the money she saves. These accounts provide cheque facility and offer lot of flexibility for deposits and withdrawal of funds from the account. Saiyam's younger brother Samik has opened a special kind of account wherein he will deposit ₹ 1,000 every month for the next two years.

In context of the above case:-

- a) By quoting lines from the paragraph identify and explain the various types of bank accounts being used by Saiyam and his family members.
- b) Describe briefly any two other types of accounts that are also offered by a bank but have not been mentioned in the above paragraph.

6

34. Wells Info System Ltd., is a c company engaged in IT enabled services. The company's profits are enough for the growth. The management of the company believes that a satisfied employee creates a satisfied survival and customer, who in turn creates profits that lead to satisfied shareholders. So, it pays competitive salaries and perks to all its employees. All the employees are happy working in the organisation because of personal growth and development. The company had a strong sense of social responsibility. It has set up an Engineering College in which one-third of the students are girls to whom the company grants annual scholarships.

Based on the given information about Wells Info System Ltd., answer the following questions:

- a) Mention the objectives of the management discussed above.
- b) Also explain the role of profit in business.

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-X-X-X-X-X-X-X-