

BHARATIYA VIDYA BHAVAN'S V.M.PUBLIC SCHOOL, VADODARA  
SESSION 2017-18  
First Periodic Test

Class : XI Commerce  
Subject : Business Studies

Max Marks:50  
Time Allotted: 2 hrs

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**Instructions:**

The question paper has 15 questions in all.  
Marks are indicated against each question.  
Questions from serial number 1 to 4 are 1 mark questions.  
Questions from serial number 5 to 8 are 3 mark questions  
Questions from serial number 9 to 11 are 4 mark questions.  
Questions from serial number 12 to 13 are 5 mark questions.  
Questions from serial number 14 to 15 are 6 mark questions.

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1. After being promoted to the higher class, Pawan sells his old books to a second hand bookshop. Is it a business activity? Why? [1]
  2. The business of a sole proprietor is expanding. Should he appoint a manager or a partner into the business? Give at least two reasons for your answer. [1]
  3. How does government maintain regional balance in the economy? [1]
  4. What document is to be issued by a public company for raising capital? [1]
  5. 'Profit maximization can't be the sole objective of a business.' Comment [3]
  6. Name the following: [3]
    - a. A person who represents to the outside world by words spoken or written or by his conduct or lending his name to the partnership firm.
    - b. A person not a partner in the firm but knowingly allows himself to represents as a partner in the firm
    - c. This enterprise is most suitable when national security is concerned.
    - d. This stage begins when someone identifies an idea regarding some business which can be profitable undertaken by a company.
    - e. Form of organization best suited for self-employment.
    - f. Name the share that the directors of the public company must take.
  7. 'Multinational corporations are a mixed blessing to the developing countries.' Comment on this statement. [3]
  8. "Cooperative society offers various advantages as compared to other forms of business organisations." Comment [3]
  9. "Statutory Corporation has been the most common form of organisation for public enterprises in recent times." Explain two characteristics and two merits of a public corporation. [4]
  10. Explain any four clauses which are included in the 'charter of the company'. [4]
  11. A partnership with five partners is operating a shoe factory and retail outlet in five big cities. The demand of the firm's products has increased considerably, but it does not have the capacity to produce demanded quantity. For expanding its operations, the firm needs more capital, manpower and machinery. For this the firm can admit new partners or convert partnership into a public limited company.  
Question:  
Which alternative will you suggest and why? [4]
  12. Explain any five activities that can remove various hindrances that often arise during the processes of production and distribution of goods and services. [5]
  13. Describe the industrial policy 1991, towards public sector. [5]
  14. Describe the steps involved in the floatation of the company [6]
  15. Nitin wants to establish unit for manufacturing hosiery goods. Discuss the basic considerations that he will keep in mind while choosing an appropriate form of organization. [6]
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