

Revised Question Bank 2019-2020
I PUC – Business Studies
Chapterwise Distribution of Questions and Marks

Sl No.	Chapter	No. of Hrs allotted	Marks Allotted	1 mark	2 marks	4 marks	8 marks	P O Q 5 marks	Total No. of Questions
1	Business, Trade and Commerce	10	07	1	1	1	-	1	3
2	Forms of Business Organizations	15	19	1	1	-	2		4
3	Public, Private and Global Enterprises	08	07	1	1	1	-		3
4	Business Services	14	15	1	1	1	1		4
5	Emerging Modes of Business	07	07	1	1	1	-	1	3
6	Social Responsibility of Business and Business Ethics	07	07	1	1	1	-		3
7	Formation of a Company	06	07	1	1	1	-		3
8	Sources of Business Finance	16	19	1	1	2	1		5
9	Small Business and Entrepreneurship	10	07	1	1	1	-	1	3
10	Internal Trade	12	15	1	1	1	1		4
11	International Business	15	14	2	2	-	1		5
	Total	120	124	12	12	10	06	-	40
	Practical Oriented Questions * (Any three as mentioned in the guidelines)	20	+15					03	03
	Total	140	139						43

* For practical oriented questions, questions are to be selected from each of the 3 groups (Group 1: First 4 chapters, Group 2: Next four chapters and Group 3: Last three chapters. Please follow the chapters list given in this table)
Note: While selecting the Practical Oriented questions in Part E, care should be taken to avoid duplication of questions in Section A, B, C and D).

**Total number of questions asked is 43 for 139 marks.
Students have to answer 33 for 100 marks.**

Sectionwise Distribution of Marks

Section	To be asked			To be answered		
	Questions	Marks	Total	Questions	Marks	Total
A	12	1	12	10	1	10
B	12	2	24	10	2	20
C	10	4	40	7	4	28
D	6	8	48	4	8	32
E	3	5	15	2	5	10
Total	43	-	139	33	-	100

Practical Oriented Questions and answers

- 1. As the owner of a business unit, what risks are faced by you in running it?**

Answer: Natural calamities, strikes, riots, management inefficiency, power failure, competition, change of technology, rise in interest rates, political disturbances, mechanical failure, etc.-any five

- 2. You are planning to start a new business. Make a list of any five factors you consider while selecting a suitable form of business organization.**

Answer: Cost and ease in setting up of organization, liability, continuity, management ability, capital considerations, degree of control, nature of business - any five

- 3. Assuming that you are a businessman, what benefits do you enjoy by entering into Joint Venture?**

Answer: Increased resources and capacity, access to new markets and distribution networks, access to technology, innovation, low cost of production, benefit of established brand name - any five

- 4. As a customer of a Bank, list out any five e-banking Services enjoyed by you.**

Answer: EFT, ATM, PoS, EDI–Electronic Data Interchange, Debit Card and Credit Card, Digital Cash, RTGS, etc.

- 5. As an online buyer, mention any five information-intensive products that can be delivered electronically into your computer on Internet.**

Answer: Software, Movies, music, e-books, e-journals, e-newspapers, games, study materials, tutorials.

6. As a businessman having concern for environment protection, suggest any five measures to control environment pollution.

- (1) Top Management Commitment to create, maintain and develop work culture for environment protection
- (2) Employee commitment and participation in pollution control
- (3) Developing clear cut policies and programmes for purchasing good quality raw materials, using superior technology and scientific disposal of waste
- (4) Complying with the laws and regulations enacted by the govt. for the prevention of pollution
- (5) Joining hands with the government environment programmes like Swachh Bharath
- (6) Reduction in use of plastic,
- (7) Recycling of plastic, used papers, used water, etc.
- (8) Afforestation
- (9) Conducting environment awareness programmes,
- (10) Using public transport, use of bicycles, etc. (Any five)

7. As a promoter, state five important documents to be prepared for the Incorporation of a joint stock company

Answer: Memorandum of Association, Articles of Association, Consent of Proposed Directors, Agreements, Statutory Declaration

8. Suggest any five important sources of finance available for a business organization.

Answer: Shares, Debentures, Retained earnings, Trade Credit, Commercial Banks, Commercial Papers, Financial institutions, Lease Financing, Factoring, International financing, etc.– any five

9. Give a list of any five Institutions which support small business in India.

Answer:

- (a) NABARD-National Bank for Agriculture and Rural Development
- (b) RSBDC-Rural Small Business Development Centre
- (c) NSIC-National Small Industries Corporation
- (d) RWED-Rural and Women Entrepreneurship Development
- (e) SFURTI-Scheme of Fund for Regeneration of Traditional Industries
- (f) DICS- District Industries Centres.

(Any five)

10. Being a consumer, name the types of large fixed retail shops.

Answer: (a) Departmental Stores (b) Multiple/chain Stores (c) Super Markets (d) Consumer Co-operative stores (e) Mail Order Business Houses

11. **As an aspirant of doing international business what different modes of entry into International Business do you find?**

Answer: (a) Exporting and Importing (b) Contract Manufacturing (c) Licensing and Franchising (d) Joint Ventures (e) Wholly Owned Subsidiaries.

Chapter 1 Business, Trade and Commerce

One mark questions

1. What is Economic activity?
2. Mention any one type of economic activity.
3. What is Hundi?
4. What is Maritime trade?
5. State any one characteristic of Business.
6. Name the economic activity in which people are rewarded with salary or wage for their work.
7. What type of economic activity is the work of a chartered accountant?
8. Give an example for Extractive industry.
9. Give an example for Genetic industry.
10. Give an example for Manufacturing industry.
11. What is Analytical industry?
12. What is Synthetical industry?
13. Give an example for processing industry.
14. What is Assembling industry?
15. What is Construction industry?
16. Name the industry which provides support services to other industries.
17. State a branch of Commerce.
18. What is Trade?
19. State any one auxiliary to trade.
20. Name the auxiliary to trade which provides protection against business risk.
21. State an objective of Business.
22. State any one characteristic of Business risk.
23. State any one cause of Business risk.

Multiple choices One Mark Questions:

1. Which of the following does not characterize business activity?
 - (a) Productions of goods and services
 - (b) Presence of risk
 - (c) Sale or exchange of goods and services
 - (d) Salary or wages
2. Which of the broad categories of industries covers oil refinery and sugar mills?
 - (a) Primary
 - (b) Secondary
 - (c) Tertiary
 - (d) None of the above
3. Which of the following cannot be classified as an auxiliary to trade?
 - (a) Mining
 - (b) Insurance
 - (c) Warehousing

- (d) Transport
4. The occupation in which people work for others and get remunerated in return is known as
 - (a) Business
 - (b) Employment
 - (c) Profession
 - (d) None of the above
 5. The industry which provide support services to other industries are known as
 - (a) Primary industries
 - (b) Secondary industries
 - (c) Commercial industries
 - (d) Tertiary industries
 6. Which of the following cannot be classified as an objective of business?
 - (a) Investment
 - (b) Productivity
 - (c) Innovation
 - (d) Profit earning
 7. Business risk is not likely to arise due to
 - (a) Changes in Government Policy
 - (b) Good Management
 - (c) Employee dishonesty
 - (d) Power failure

Two marks questions

1. List any two major exports in ancient India.
2. List any two major imports in ancient India
3. What is Business?
4. State any two types of Economic activities.
5. State any two characteristics of Business.
6. How is business different from profession?
7. What is Employment?
8. What is Industry?
9. What is Extractive industry?
10. Give the meaning of Genetic industry.
11. What is manufacturing industry?
12. What is commerce?
13. State the two types of activities of commerce.
14. What are Auxiliaries to trade?
15. State any two auxiliaries to trade.
16. State any two objectives of Business.
17. What is Business risk?
18. Mention any two characteristics of Business risks.
19. Mention any two causes of Business risks.
20. State any two factors to be considered while starting a business.

Four marks questions

1. List any four major commercial cities of ancient India.
2. Explain briefly any four characteristics of Business.
3. Explain briefly the different types of Manufacturing industries.

4. Explain briefly any four auxiliaries to trade.
5. Explain briefly any four objectives of business.
6. Explain briefly the nature/characteristics of business risk.
7. Explain briefly the causes of business risks.
8. Explain briefly any four factors to be considered while starting a business.

Eight marks questions

1. What is Business? Explain the characteristics of Business.
2. Compare business with profession and employment.
3. Explain the various types of Industries with examples.
4. Describe the activities relating to commerce.
5. Why does a business need multiple objectives? Explain the objectives of business.
6. Explain the nature and causes of business risks.
7. Explain the factors to be considered while starting a business.

Chapter 2 Forms of Business Organization

One Mark Questions

1. Name any one form of Business Organization.
2. Give the meaning of Sole Proprietorship.
3. Give an example for Sole Proprietorship.
4. State the nature of liability of a Sole Proprietor.
5. Name the form of business organization which is found only in India?
6. In which country only do you find Hindu Undivided Family Business?
7. Which Law governs Hindu Undivided Family in India?
8. Give the meaning of Hindu Undivided Family.
9. Who is the head of Hindu Undivided Family Business?
10. Who is Karta?
11. Who are co-parceners?
12. State the nature of liability of Karta.
13. State the nature of liability of co-parceners.
14. State the minimum number of persons required to set up a partnership.
15. What is the maximum number of partners in a partnership firm carrying on banking business?
16. Which Act governs partnership business in India?
17. Who is a Minor Partner?
18. State any one consequence of Non-Registration of Partnership firm.
19. State any one type of Partnership.
20. Which Act governs Co-operative Societies in India?
21. State the minimum number of persons required to form a co-operative society.
22. State the nature of liability of the members of co-operative societies.
23. State the main objective of co-operative societies.
24. State the voting principle in co-operative societies.
25. Mention any one type of co-operative societies.
26. Which Act governs the Joint Stock Companies in India?
27. State any one type of Joint Stock Companies.
28. Mention the minimum number of members in a private company.
29. Mention the maximum number of members in a private company.
30. Mention the minimum number of members in a public company.

31. Mention the maximum number of members in a public company.
32. Name the type of company in which its shares are freely transferable.
33. Which type of company restricts the free transferability of its shares?
34. State any one feature of public company.
35. State any one feature of private company.
36. State the minimum amount of capital required to form a public company.
37. State the minimum amount of capital required to form a private company.

Multiple choices One Mark Questions

1. Profits do not have to be shared. This statement refers to
 - (a) Partnership
 - (b) Joint Hindu family business
 - (c) Sole Proprietorship
 - (d) Company
2. The Head of the Joint Hindu family business is called
 - (a) Proprietor
 - (b) Director
 - (c) Karta
 - (d) Manager
3. Karta in a Joint Hindu family business has
 - (a) Limited liability
 - (b) Unlimited liability
 - (c) No liability for debts
 - (d) Joint liability
4. The maximum number of partners allowed in the banking business is
 - (a) Twenty
 - (b) Ten
 - (c) No limit
 - (d) Two
5. A Partner whose association with the firm is unknown to the general public is called
 - (a) Active partner
 - (b) Sleeping partner
 - (c) Nominal partner
 - (d) Secret partner
6. In a cooperative society the principle followed is
 - (a) One share one vote
 - (b) One man one vote
 - (c) No vote
 - (d) Multiple votes
7. Provision of residential accommodation to the members at reasonable rates is the objective of
 - (a) Producers' cooperative
 - (b) Consumers' cooperative
 - (c) Housing cooperative
 - (d) Credit cooperative
8. The structure in which there is separation of ownership and management is called
 - (a) Sole proprietorship
 - (b) Partnership
 - (c) Company
 - (d) All the above business organizations
9. The capital of a company is divided into a number of parts each one of which is called
 - (a) Dividend
 - (b) Profit
 - (c) Interest

- (d) Share
- 10. Minimum numbers of members to form a private company is
 - (a) Two
 - (b) Three
 - (c) Five
 - (d) Seven
- 11. Minimum number of members to form a public company is
 - (a) Five
 - (b) Seven
 - (c) Twelve
 - (d) Twenty one
- 12. Board of Directors in joint stock company is selected by
 - a) General Public
 - b) Government agencies
 - c) Shareholders
 - d) Employees

Two Marks Questions

1. State any two merits of Sole Proprietary Organization.
2. Specify any two demerits of Sole Proprietary Organization.
3. Give the meaning of Hindu Undivided Family business
4. State any two features of Hindu Undivided Family business.
5. Define Partnership.
6. State the minimum and maximum number of partners in a partnership firm.
7. Who is an Active Partner?
8. Who is a Sleeping Partner?
9. Who is a Nominal Partner?
10. Who is a Partner by Estoppel?
11. Compare active partner with partner by estoppel by taking capital contribution and sharing of profits and losses as bases.
12. Give the meaning of Partnership Deed.
13. State any two contents of Partnership Deed.
14. What is Particular Partnership?
15. What is Partnership at Will?
16. What is General Partnership?
17. Give the meaning of unlimited liability.
18. State any two consequences of Non-Registration of partnership firm.
19. Give the meaning of Co-operative Societies.
20. State the minimum and maximum number of members in Co-operatives.
21. State any two types of Co-operative Societies.
22. Give the meaning of Consumers' Co-operative Societies.
23. Give the meaning of Producers' Co-operative Societies.
24. Give the meaning of Housing Co-operative Societies.
25. Give the meaning of Marketing Co-operative Societies.
26. Give the meaning of Farmers' Co-operative Societies.
27. Give the meaning of Credit Co-operative Societies.
28. State any two advantages of Co-operative Societies.
29. State any two limitations of Co-operative Societies.
30. Give the meaning of a Joint Stock Company.
31. Define Joint Stock Company.
32. State any two features of Joint Stock Company.
33. State any two features of a private company.
34. State any two features of a public company.
35. State the minimum and maximum number of members in a public company.

36. State the minimum and maximum number of members in a private company
37. State any two differences between public and private companies.
38. State any two merits of Joint Stock Company.
39. State any two limitations of Joint Stock Company.

Four Marks Questions

1. Explain briefly any four features of Sole Proprietorship form of business organisation.
2. Explain briefly any four merits of Sole Proprietorship form of business organisation.
3. Explain briefly the limitations sole proprietorship form of business organisation.
4. Explain briefly any four features of Hindu Undivided Family business.
5. Explain briefly the merits of Hindu Undivided Family business.
6. Explain briefly the limitations of Hindu Undivided Family business.
7. Explain briefly any four features of Partnership.
8. Explain briefly any four merits of Partnership.
9. Explain briefly the limitations of Partnership.
10. Explain briefly the types of Partnership.
11. Explain briefly any four types of partners.
12. Explain briefly the procedure for the registration of Partnership firm.
13. State any eight contents of Partnership Deed.
14. Explain briefly any four features of Co-operative societies.
15. Explain briefly any four merits of Co-operative societies.
16. Explain briefly any four limitations of Co-operative societies.
17. Explain briefly any two types of Co-operative societies.
18. Explain in brief any four features of Joint Stock Companies.
19. Explain in brief any four merits of Joint stock Companies.
20. Explain in brief any four limitations of Joint stock Companies.
21. State any four privileges of a private company as against a public company.
22. State any four differences between public and private companies.

Eight Marks Questions

1. Explain the merits and demerits of Sole Proprietorship form of business organization.
2. Explain any four merits and four limitations of Partnership form of business.
3. Explain the types of co-operative societies.
4. Explain any four merits and four limitations of Co-operative societies.
5. Explain the features of Joint Stock Company.
6. Explain any four merits and four limitations of Joint Stock Company.

Chapter 3 Private, Public and Global Enterprises

One Mark Questions

1. What is Private Sector?
2. What is Public Sector?
3. Mention any one form of organizing Public Sector Enterprises.
4. State any one feature of Departmental Undertakings.
5. Give an example for Departmental Undertakings.
6. State any one feature of Statutory Corporations.
7. Give an example for Statutory Corporations.
8. State any one feature of Government Company.
9. Give an example for Government Company.
10. State the Minimum amount of Capital held by the Govt. in Government Companies.
11. Mention any one feature of Global Enterprises.
12. Give an example for Global Enterprises.
13. State any one benefit of Joint Venture.

14. Give an example for Joint Venture.
15. Expand MOU.
16. Expand MNC.
17. Expand BIFR.

Multiple Choices One Mark Questions

1. A government company is any company in which the paid up capital held by the government is not less than
 - (a) 49 percent
 - (b) 51 percent
 - (c) 50 percent
 - (d) 25 percent
2. Centralized control in MNCs implies control exercised by
 - (a) Branches
 - (b) Subsidiaries
 - (c) Headquarters
 - (d) Parliament
3. PSEs are organizations owned by
 - (a) Joint Hindu Family
 - (b) Government
 - (c) Foreign Companies
 - (d) Private entrepreneurs
4. Reconstruction of sick public sector units is taken up by
 - (a) MOFA
 - (b) MoU
 - (c) BIFR
 - (d) None of the above
5. Disinvestments of PSEs implies
 - (a) Sale of equity shares to private sector/public
 - (b) Closing down operations
 - (c) Investing in new areas
 - (d) None of the above

Two marks Questions

1. What are Departmental Undertakings?
2. State any two merits of Departmental Undertakings.
3. State any two limitations of Departmental Undertakings.
4. Give the meaning of Statutory Corporations.
5. Mention any two merits of Statutory Corporations.
6. Mention any two limitations of Statutory Corporations.
7. Give the meaning of Government Companies.
8. State any two merits of Government Companies.
- 10 State any two limitations of Government Companies.
- 11 What is Disinvestment in relation to PSEs?
- 12 What do you mean by Global Enterprises?
13. Give the meaning of Joint Ventures.
14. Write any two benefits of Joint Ventures.

Four Marks Questions

1. Briefly explain any four features of Departmental Undertakings.
2. Briefly explain the merits of Departmental Undertakings.
3. Briefly explain any four limitations of Departmental Undertakings.
4. Briefly explain any two merits and two limitations of Departmental Undertakings.
5. Briefly explain any four features of Statutory Corporations.

IFSC	MIS	MICR
ATM	SCSS	IMO
EPS	EMO	KVP
DTH		

(For each abbreviation, separate question is to be framed)

Multiple choices one mark questions

- DTH services are provided by
 - Transport companies
 - Banks
 - Cellular companies
 - None of the above
- The contract of life insurance is
 - A contract of utmost good faith with insurable interest
 - An indemnity contract
 - One way contract
 - None of the above
- Which one of these is not the function of warehousing?
 - Break the bulk
 - Consolidation
 - Price stabilization
 - Advertising
- Which of the following is not a type of banks?
 - Commercial bank
 - Co operative bank
 - Central bank
 - Savings bank

Two Marks Questions

- State any two differences between Goods & Services.
- Give the meaning of Business Services.
- Give the meaning of Banking.
- Mention any two types of Banks.
- What are Commercial Banks?
- What are Co-operative Banks?
- State any two examples for Specialized Banks.
- State any two functions of Commercial Banks.
- What is e-banking?
- State two benefits of e-banking to customers.
- State any two benefits of e-banking to banks.
- Define Insurance.
- State the Principles of Insurance applicable to Life Insurance.
- State any two functions of Insurance.
- What do you mean by principle of 'Utmost good faith'?
- What is meant by 'principle of Indemnity'?
- What do you mean by principle of 'Insurable Interest'?
- What do you mean by 'Proximate Cause'?
- What is principle of 'Subrogation'?
- What is meant by principle 'Mitigation'?
- Give the meaning of Principle of 'Contribution'.
- Give the meaning of Life Insurance?
- Name any two types of Life Insurance Policies.
- Give the meaning of 'Whole Life Policy'?

25. Give the meaning of 'Endowment Life Insurance Policy'?
26. State the meaning of 'Joint Life Policy'?
27. What do you mean by 'Annuity Policy'?
28. What is 'Fire Insurance'?
29. What is 'Marine Insurance'?
30. State the importance of communication services to business.
31. Name the two facilities available under Postal Services.
32. State any two financial Facilities Provided by Postal Services?
33. What do you mean by Telecom Services?
34. Mention any two types of Telecom Services.
35. What are Transport Services?
36. Define Warehousing.
37. State different types of Warehouses.
38. What are Private Warehouses?
39. What are Public Warehouses?
40. What are Bonded Warehouses?
41. What are Government Warehouses?
42. State any two functions of Warehousing.
43. What do you mean by Consolidation function in warehousing?

Four Marks Questions

1. Briefly explain any four features of Services.
2. Briefly explain any four differences between Goods & Services.
3. Give the meaning of Services and briefly explain the broad categories of services.
4. Briefly explain the different types of Banks.
5. Explain briefly the functions of Commercial Banks.
6. What is e-banking? What are its benefits to banks?
7. What are the benefits of e-banking to customers?
8. Briefly explain the fundamental principles of insurance applicable to Life Insurance.
9. Briefly explain the main elements of a life insurance contract.
10. Briefly explain (a) Fire Insurance (b) Marine Insurance.
11. Briefly explain any four types of Life Insurance Policies.
12. What is Marine Insurance? Briefly explain the three subject matters of Marine Insurance.
13. Explain briefly different Postal Services.
14. Explain briefly any four Telecom Services.
15. Write a brief note on transportation services.
16. Briefly explain any four types of Warehouses.
17. Briefly explain any four functions of Warehousing.

Eight Marks Questions

1. Give the meaning of Services and explain the nature of services.
2. What are Commercial Banks? Explain their different functions.
3. Explain the principles of Insurance.
4. Describe various types of Insurance and explain the nature of risks protected by each type of Insurance.
5. Write a detailed note on Communication Services.
6. Explain the role played by various types of telecom services in the social and economic development of the country.
7. What is warehousing? Explain the functions of warehousing.
8. Give the meaning of warehousing and explain the different types of warehouses.

One Mark Questions:

1. State any one strongest trend shaping the present business.
2. What is Digitization?
3. Name the Network that is most familiar to students or consumers.
4. What is 'e-Commerce'?
5. What is B2B?
6. What is B2C?
7. What is Intra-B?
8. What is C2C?
9. What is B2E?
10. Expand ATM.
11. Expand BPO.
12. Give an example of a business firm for C2C.
13. Give an example for B2C.
14. State any one benefit of e-Business.
15. State any one limitation of e-Business.
16. State any one risk of e-Business.
17. State any one way of payment in Online Transactions.
18. What is Plastic Money?
19. State any one resource required for the successful implementation of e-Business.
20. State any one feature of Outsourcing.
21. State any one threat to Outsourcing.
22. Give an example for captive BPO Unit working in India for its parent company and subsidiaries.
23. Expand SSL.
24. Expand VIRUS.
25. State any one application of e-business.

Multiple Choices One Mark Questions

1. e-Commerce does not include
 - (e) A business's interactions with its suppliers
 - (f) A business's interactions with its customers
 - (g) Interactions among the various departments within the business
 - (h) Interactions among the geographically dispersed units of the business.
2. A Call Centre handles
 - (a) Only in-bound voice based business
 - (b) Only out-bound voice based business
 - (c) Both voice based and non-voice based business
 - (d) Both customer facing and back-end business
3. The payment mechanism most typical to e-business is
 - (a) Cash on Delivery
 - (b) Cheques
 - (c) Credit and Debit Cards
 - (d) e-Cash

Two Marks Questions:

1. Mention any two strongest trends shaping the present business.
2. State any two directions in which firms' electronic transactions are extended?
3. Distinguish between e-Business and e-Commerce.
4. What is Intra-B Commerce?
5. State any two differences between Traditional Business and e-Business.
6. State any two applications of e-Business.

7. State any two benefits of e-Business.
8. State any two demerits of e-Business.
9. Name any two information-intensive products that can be delivered electronically into your Computer.
10. State any two risks of e-Business.
11. What is Cryptography?
12. Give the meaning of Cookies.
13. State any two ways of payment in Online Transactions.
14. What is PayPal?
15. State any two resources required for the successful implementation of e-Business.
16. Give the meaning of Outsourcing.
17. What services are provided by Call Centers?
18. State any two features of Outsourcing.
19. State any two needs of Outsourcing.
20. State any two threats to Outsourcing.
21. Give the meaning Verticals in Outsourcing Terminology.
22. Give the meaning Horizontals in Outsourcing Terminology.

Four Marks Questions

1. Bring out any four distinctions between Traditional Business and e-Business.
2. Explain briefly the steps involved in Online Transactions.
3. Explain briefly the scope of e-Business.
4. Explain any four benefits of e-Business.
5. Explain any four limitations of e-Business.
6. Explain briefly the ways of payment in Online Transactions.
7. Explain briefly the risks involved in e-Business Transactions.
8. What is Outsourcing? Briefly explain its salient features.
9. Explain briefly any four reasons to justify the need for Outsourcing.
10. Explain briefly the concerns over Outsourcing.

Chapter 6

Social Responsibilities of Business and Business Ethics

One mark Questions

1. Mention one socially desirable practice of business.
2. State any one argument for social responsibility.
3. State any one argument against social responsibility.
4. Mention any one kind of social responsibility.
5. Mention any one area of social responsibility.
6. Mention the major source of pollution.
7. Mention any one type of pollution.
8. How is land pollution caused?
9. State one need for pollution control.
10. State any one step to be taken up by business enterprises for environmental protection.
11. Give an example for business ethics.
12. Mention any one element of business ethics.
13. Whose involvement is a must in ethics programmes of business?
14. Expand CSR.

Multiple Choices Questions

1. Social Responsibility is
 - (a) Same as legal responsibility
 - (b) Broader than legal responsibility

- (c) Narrower than legal responsibility
 - (d) None of them
2. If business is to operate in a society which is full of diverse and complicated problems, it may have
 - (a) Little chance of success
 - (b) Great chance of success
 - (c) Little chance of failure
 - (d) No relation with success or failure
 3. 'An enterprise must behave as a good citizen' is an example of its responsibility towards
 - (a) Owners
 - (b) Workers
 - (c) Consumers
 - (d) Community
 4. Environmental protection can best be done by the efforts of
 - (a) Business people
 - (b) Government
 - (c) Scientists
 - (d) All the people
 5. Carbon Monoxide emitted by automobiles directly contributes to
 - (a) Water pollution
 - (b) Noise pollution
 - (c) Land pollution
 - (d) Air Pollution
 6. Which of the following can explain the need for pollution control?
 - (a) Cost Savings
 - (b) Reduced risk of liability
 - (c) Reduction of health hazards
 - (d) All of them
 7. Which of the following is capable of doing maximum good to society?
 - (a) Business success
 - (b) Laws and regulations
 - (c) Ethics
 - (d) Professional Management

Two Marks Questions

1. What is social responsibility of business?
2. How does social responsibility differ from legal responsibility?
3. State any two arguments for social responsibility.
4. State any two arguments against social responsibility.
5. Mention any two responsibilities of business towards the workers.
6. In what ways, a business can assume responsibility towards the government?
7. Give the meaning of environment.
8. Mention any two causes of environment pollution.
9. State any two reasons which make case for pollution control.
10. State any two effects of pollution.
11. What is business ethics?
12. State any two elements of business ethics.

Four marks questions

1. Explain briefly any four arguments for social responsibility.
2. Explain briefly the arguments against social responsibility.
3. Explain briefly any four reasons responsible for increasing concern of business enterprises towards social responsibility.

4. Explain briefly the various areas of social responsibility of business.
5. Explain the social responsibility of business towards:
 - (a) Shareholders
 - (b) Consumers.
6. Explain briefly the causes of pollution.
7. Explain briefly different types of pollution.
8. Explain briefly any four reasons which justify the need for pollution control.
9. Explain briefly any four steps that should be taken up by business enterprises for environment protection.
10. Explain briefly any four elements of business ethics.

Chapter 7 Formation of a Company

One Mark Questions

1. Who are promoters?
2. State any type of feasibility studies conducted by promoters in the promotion of a company.
3. Which type of company issues prospectus?
4. Which is the main document for a Joint Stock Company?
5. How many members have to sign Memorandum of Association in case of a public company?
6. How many members have to sign Memorandum of Association in case of a private company?
7. Directors of which type of company have to subscribe for qualification shares?
8. Expand SEBI.
9. At what stage a private company can commence its business?

Multiple choices One Mark Questions

1. Application for the approval of name of a company is to be made to
 - (a) SEBI
 - (b) Registrar of companies
 - (c) Govt. of India
 - (d) Govt. of the state in which the company is to be registered
2. A proposed name of the company is considered undesirable if
 - (a) It is identical with the name of an existing company
 - (b) It resembles closely with the name of an existing company
 - (c) It is an emblem of Government of India, United Nations, etc.
 - (d) In case of any of the above
3. A prospectus is issued by
 - (a) A private company
 - (b) A public company seeking investment from public
 - (c) A public enterprise
 - (d) A public company

Two Marks Questions

1. State any two important documents for the incorporation of a company.
2. State any two functions of promoters.
3. Name any two stages in the formation of a Company.
4. What is Memorandum of Association?
5. Name any two clauses of Memorandum of Association.
6. Give the meaning of Liability clause of Memorandum of Association.
7. Give the meaning of Qualification shares.
8. What is Articles of Association?

9. What is 'Prospectus'?
10. Give the meaning of Minimum Subscription.

Four Marks Questions

1. State the functions of promoters.
2. Explain briefly the feasibility studies conducted by the promoters in the promotion stage of Company.
3. Explain briefly any four clauses of Memorandum of Association.
4. State any four differences between Memorandum of Association and Articles of Association.
5. Write a note on Articles of Association.
6. Write a note on Prospectus.
7. Explain briefly the promotion stage in the formation of a Company.
8. Explain briefly Incorporation Stage in the formation of a company.
9. What is Capital Subscription? State the steps involved in it.

Eight Marks Questions

1. Explain the functions of promoters in the promotion stage of a company
2. Explain the following stages in the formation of a company:
a) Promotion Stage b) Incorporation Stage
3. What is capital subscription in the formation of a company? Explain the steps involved in it.

Chapter 8

Sources of Business Finance

One Mark Questions

1. What is business finance?
2. For which purpose fixed capital is needed?
3. For which purpose working capital is needed?
4. Name a source of funds classified under long term.
5. Name a source of funds classified under short term.
6. Name any one source of funds classified under medium term.
7. State any one type of funds classified on the basis of ownership.
8. Name any one source of funds classified under owner's funds.
9. Name any one source of funds classified under borrowed funds.
10. Give an example for internal sources of business finance.
11. Give an example for external sources of business finance.
12. Which source of finance is more economical, internal source or external source?
13. Write any one merit of retained earnings as a source of business finance.
14. Write any one limitation of retained earnings as a source of business finance.
15. Write any one merit of trade credit as a source of business finance.
16. Write any one limitation of trade credit as a source of business finance.
17. Write any one merit of factoring as a source of business finance.
18. Write any one imitation of factoring as a source of business finance.
19. Name any one method of factoring.
20. State one financial service rendered by a factor.
21. Write one merit of debentures as a source of business finance.

22. Write one limitation of debentures as a source of business finance.
23. Write one merit of commercial banks as a source of business finance.
24. Write one limitation of commercial banks as a source of business finance.
25. What is a lease?
26. Name one party in a lease contract.
27. Who is a lessor?
28. Who is a lessee?
29. For which type of asset lease financing is more prevalent?
30. Write any one merit of lease financing as a source of business finance.
31. Write one limitation of lease financing as a source of business finance.
32. Write one merit of Public deposits as a source of business finance.
33. Write one limitation of Public deposits as a source of business finance.
34. What is the tenure (period) of commercial papers?
35. Write one merit of commercial papers as a source of business finance.
36. Write one limitation of commercial papers as a source of business finance.
37. Name one type of shares issued by the companies.
38. State any one type of Preference shares.
39. State any one type of Debentures.
40. What type of shareholders enjoys voting right in a company?
41. Write one merit of equity shares as a source of business finance.
42. Write one limitation of equity shares as a source of business finance.
43. Write one preferential right enjoyed by preference shareholders?
44. Write one merit of preference shares as a source of business finance.
45. Write one limitation of preference shares as a source of business finance.
46. Write one merit of financial institutions as a source of business finance.
47. Write one limitation of financial institutions as a source of business.
48. Name any one international source of finance where from Indian companies can generate funds.
49. Name any one financial instrument used to generate funds from international capital market.
50. Expand: IFCI SFC ICICI IDBI SIDC UTI LIC (Frame separate questions for each abbreviation)
51. Expand GDRs.
52. Expand ADRs.
53. Expand FCCBs.
54. Name any one factor that affects the choice of source of finance.

Multiple Choice Questions

1. Equity shareholders are called
 - (a) Owners of the company
 - (b) Partners of the company
 - (c) Executives of the company
 - (d) Guardians of the company
2. The term 'redeemable' is used for
 - (a) Preference shares
 - (b) Commercial paper
 - (c) Equity shares
 - (d) Public deposits
3. Funds required for purchasing current assets is an example for
 - (a) Fixed capital requirement
 - (b) Ploughing back of profits
 - (c) Working capital requirements
 - (d) Lease financing
4. ADRs are issued in

- (a) Canada
 - (b) China
 - (c) India
 - (d) USA
5. Public deposits are the deposits that are raised directly from
 - (a) The public
 - (b) The directors
 - (c) The auditors
 - (d) The owners
 6. Debentures represent
 - (a) Additional capital of the company
 - (b) Permanent capital of the company
 - (c) Fluctuating capital of the company
 - (d) Loan capital of the company
 7. Under the factoring arrangement, the factor
 - (a) Produces and distributes the goods and services
 - (b) Makes the payment on behalf of the client
 - (c) Collects the client's debt or account receivables
 - (d) Transfer the goods from one place to another
 8. The maturity period of a commercial paper usually ranges from
 - (a) 20 days to 40 days
 - (b) 60 days to 90 days
 - (c) 120 days to 365 days
 - (d) 90 days to 364 days
 9. Internal sources of capital are those that are
 - (a) Generated through outsiders such as suppliers
 - (b) Generated through loans from commercial banks
 - (c) Generated through issue of shares
 - (d) Generated within the business

Two Marks Questions

- 1) What is business finance?
- 2) What do you mean by fixed capital requirement of business?
- 3) What do you mean by working capital requirement of business?
- 4) Name any two sources of funds classified under long term.
- 5) Name any two sources of funds classified under short term.
- 6) Name any two sources of funds classified under short term.
- 7) What are the two types of funds classified on the basis of ownership?
- 8) Name any two owner's funds.
- 9) Name any two borrowed funds.
- 10) Name any two internal sources of business finance.
- 11) Name any two external sources of business finance.
- 12) Which source of finance is more economical, internal source or external source? And why?
- 13) Write the meaning of retained earnings.
- 14) Write any two merits of retained earnings as a source of business finance.
- 15) Write any two limitations of retained earnings as a source of business finance.
- 16) What is trade credit?
- 17) Write any two merits of trade credit as a source of business finance.
- 18) Write any two limitations of trade credit as a source of business finance.
- 19) What is factoring as a source of business finance?
- 20) Write any two merits of factoring as a source of business finance.
- 21) Write any two limitations of factoring as a source of business finance.
- 22) State the financial services rendered by a factor.

- 23) State the methods of factoring.
- 24) What are debentures?
- 25) State any two types of debentures.
- 26) Write any two merits of debentures as a source of business finance.
- 27) Write any two limitations of debentures as a source of business finance.
- 28) Write any two merits of commercial banks as a source of business finance.
- 29) Write any two limitations of commercial banks as a source of business finance.
- 30) Mention any two ways of extending loans by the commercial banks.
- 31) Why financial institutions are called Development Banks?
- 32) What is lease financing?
- 33) Who are the parties in a lease contract?
- 34) Write any two merits of lease financing as a source of business finance.
- 35) Write any two limitations of lease financing as a source of business finance.
- 36) Give the meaning of public deposits.
- 37) Public deposits are beneficial to both depositors as well as to the organizations. How?
- 38) Write any two merits of Public deposits as a source of business finance.
- 39) Write any two limitations of Public deposits as a source of business finance.
- 40) What are commercial papers?
- 41) Write any two merits of commercial papers as a source of business finance.
- 42) Write any two limitations of commercial papers as a source of business finance.
- 43) Give the meaning of shares.
- 44) Name the types of shares generally issued by companies.
- 45) What are equity shares?
- 46) Write any two merits of equity shares as a source of business finance.
- 47) Write any two limitations of equity shares as a source of business finance.
- 48) What are preference shares?
- 49) State any two types of preference shares.
- 50) Write any two merits of preference shares as a source of business finance.
- 51) Write any two limitations of preference shares as a source of business finance.
- 52) Mention two preferential rights enjoyed by preference shareholders over equity shareholders.
- 53) Write two merits of financial institutions as a source of business finance.
- 54) Write two limitations of financial institutions as a source of business.
- 55) Name two international sources of finance from where Indian companies can generate funds.
- 56) Name any two prominent financial instruments used to generate funds from international capital market?
- 57) What are Global Depository Receipts?
- 58) What are American Depository Receipts?
- 59) What are Foreign Currency Convertible Bonds?
- 60) Name any two factors that affect the choice of source of finance.

Four Marks Questions

1. Explain briefly the financial needs of a business.
2. List out the sources of raising medium term and short term finance.
3. List out the sources of raising finance on the basis of ownership.
4. Write short notes on a) owner's funds b) borrowed funds
5. Write short notes on a) retained earnings b) trade credit
6. Write short notes on a) public deposits b) commercial papers
7. Explain briefly the merits of retained earnings as a source of business finance.
8. Explain briefly the merits of trade credit as a source of business finance.
9. Explain briefly the limitations of trade credit as a source of business finance.
10. Explain briefly the merits of factoring as a source of business finance.
11. What is Factoring? Explain briefly its demerits.

12. Explain briefly the merits of lease financing as a source of business finance.
13. Explain briefly the limitations of lease financing as a source of business finance.
14. Explain briefly the merits of public deposits as a source of business finance.
15. Explain briefly the limitations of public deposits as a source of business finance.
16. Explain briefly the merits of commercial papers as a source of business finance.
17. Explain briefly the limitations of commercial papers as a source of business finance.
18. Write short notes on a) equity shares b) preference shares
19. Explain briefly the merits of equity shares as a source of business finance.
20. Explain briefly the limitations of equity shares as a source of business finance.
21. Explain briefly the merits of preference shares as a source of business finance.
22. Explain briefly the limitations of preference shares as a source of business finance.
23. Distinguish between equity shares and preference shares by taking any four points of distinction.
24. Explain briefly the merits of debentures as a source of business finance.
25. What are debentures? Briefly explain the important limitations of debentures as a source of business finance.
26. Explain briefly the merits of raising funds from a commercial bank.
27. Explain briefly any four merits of raising funds through financial institutions.
28. Write short notes on ADRs and GDRs.
29. Describe different avenues for organizations to raise funds internationally.

Eight Marks Questions

1. What are retained earnings? Explain its merits and limitations.
2. What is trade credit? Explain its merits and limitations as a source of business finance.
3. Describe the merits and limitations of factoring.
4. What is lease financing? Explain its merits and limitations.
5. What are public deposits? Explain the merits and limitations of public deposits.
6. What are commercial papers? Explain the merits and limitations of commercial papers.
7. Explain the merits and limitations of equity shares as a source of finance.
8. Explain the merits and limitations of preference shares as a source of finance.
9. Explain the merits and limitations of debentures as a source of finance.
10. Explain the merits and limitations of commercial banks as a source of finance.
11. Discuss any eight sources from which a company can meet its financial requirements.
12. Discuss the factors that affect while making the decision for the choice of an appropriate source of funds by a business organization.

Chapter 9

Small Business and Entrepreneurship

One Mark Questions

1. Expand MSMED Act.
2. In which year, the MSMED Act was enacted?
3. Give the meaning of Micro Enterprises related to manufacturing.
4. Give the meaning of Micro Enterprise related to services.
5. State any one features of cottage industries.
6. Expand NSIC.
7. Expand NABARD.
8. Expand RSBDC.
9. Expand RWED.
10. Expand SFURTI.
11. Expand DICs.
12. Name any one institution established by governor for the promotion of small and rural industries.

13. What is Tax holiday?
14. When was National Small Industries Corporation established?
15. Who is an Entrepreneur?
16. What is Entrepreneurship?
17. In which year Startup India Scheme was implemented?
18. Expand IPR.
19. State any one IPR.

Multiple choices One Mark Questions

Two marks questions

1. State any two parameters used to measure size of the business.
2. What is small enterprise related to manufacturing.
3. Give the meaning of medium enterprise related to manufacturing.
4. Give the meaning of village industries.
5. State any two features of cottage industries.
6. State any two institutions set up by the government for the promotion of small and rural industries.
7. Name any two characteristics of Entrepreneurship.
8. What is Startup India Scheme?
9. State any two ways for funding Startups.
10. Name any two IPRs.

Four Marks Questions

1. Briefly explain the categories of enterprises as classified by MSMED Act 2006.
2. Briefly explain any four features of cottage industries.
3. Explain briefly any four points which highlight the role of small business in India.
4. Explain briefly any four problems faced by small business.
5. Briefly explain the support to the small and rural industries given by any four Institutions.
6. Explain any four characteristic features of Entrepreneurship.
7. Explain any four ways to fund Startups.
8. Explain the following: a) Copyright b) Patent

Chapter 10

Internal Trade

One Mark Questions

1. What is internal trade?
2. State the two types of internal trade.
3. What is wholesale trade?
4. What is retail trade?
5. Which type of trader acts as a link between wholesalers and consumers?
6. Which type of trader acts as a link between manufacturers and retailers?
7. State any one difference between wholesaler and a retailer.
8. State any one type of itinerant retailers commonly seen in India.
9. State any one feature of itinerant retailers.
10. Name the type of retailers who open their shops at different places on fixed days or dates.
11. Where do you commonly find street traders in a town?
12. What type of services is given by Cheap Jacks?
13. State any one feature of fixed shops retailers.

14. Specify any one characteristic feature of fixed shop retailers.
15. State the biggest advantage of general stores?
16. What type of goods is dealt in specialty shops?
17. Which type of small fixed shop retailer deals with used goods, books, antique items, etc?
18. Carry 'needle to an aeroplane' –this statement applies to which type of fixed shop large retailers?
19. Give an example for Departmental Stores.
20. Give an example for multiple shops.
21. State any one type of goods suitable for Mail Order Houses.
22. State any one advantage of consumer co-operative stores?
23. Expand AVM.
24. Which is the commonly seen Vending Machine in banking service?
25. State any two products suitable for selling through AVMs.
26. Expand ASSOCHAM.

Multiple Choices One Mark Questions

1. Which of the following do not come under the types of itinerant retailers?
 - (a) Peddlers and Hawkers
 - (b) Market Traders
 - (c) Cheap Jacks
 - (d) Street Stall holders
2. Which of the following is not a fixed shop large retailer?
 - (a) General Stores
 - (b) Chain stores
 - (c) Mail Order Houses
 - (d) Super markets
3. The goods not suitable for Mail Order Houses are
 - (a) Those which can be graded and standardized
 - (b) Those which can be transported at low cost
 - (c) Those which have ready demand in the market
 - (d) Those which are perishable and bulky
4. Which of the following statement does not apply to a wholesaler
 - (a) He buys in bulk from manufacturers and sells in relatively small lots
 - (b) He undertakes buying and selling in their own name
 - (c) He bears variety of risks
 - (d) He acts as a link between manufactures and consumers

Two Marks Questions

1. State any two features of wholesalers.
2. State any two features of Retailers.
3. How do wholesalers help in facilitating large scale production?
4. How do retailers help in collecting market information for manufactures and wholesalers?
5. State any two services of retailers to consumers.
6. State any two types of itinerant retailers commonly seen in India.
7. State any two features of itinerant retailers
8. State any two types of fixed shop small retailers.
9. State any two types of fixed shop large retailers.
10. Give the meaning of specialty stores.
11. Give the meaning of Second hand goods shop.
12. What do you understand by departmental stores?
13. State any two advantages of departmental stores.

14. State any two limitations of departmental stores.
15. Give the meaning of chain stores or multiple shops.
16. State any two advantages of chain stores.
17. State any two limitations of chain stores.
18. Distinguish between departmental stores and chain stores by taking any two bases.
19. How do mail order houses do retailing business?
20. State any two alternatives available for customers to make payments in mail order business?
21. State any two types of goods suitable for mail order business.
22. State any two advantages of mail order business.
23. State any two limitations of mail order business.
24. Give the meaning of consumer co-operative stores.
25. How consumer co-operative stores can be started?
26. State any two advantages of consumer co-operative stores.
27. State any two limitations of consumer co-operative stores.
28. Give the meaning of super markets?
29. Give the meaning of Vending Machines.
30. State any two types of products suitable for selling through vending machines.
31. State any two areas of interventions by the chambers of commerce in promoting internal trade in the country.

Four Marks Questions

1. Explain briefly any four services of wholesalers to manufacturers.
2. Explain briefly any four services of wholesalers to retailers.
3. Explain briefly any four services of retailers to manufacturers and wholesalers.
4. Explain briefly any four services of retailers to consumers.
5. Explain briefly the features of itinerant retailers.
6. Explain briefly the different types of itinerant retailers.
7. Explain briefly different types of fixed shop small retailers.
8. Explain briefly any four features of departmental stores.
9. Explain briefly four merits of departmental stores.
10. Explain briefly the limitations of departmental stores.
11. Explain briefly any four features of multiple shops.
12. State any four differences between departmental stores and multiple shops.
13. Explain briefly any four merits of multiple shops.
14. Explain briefly the limitations of multiple shops.
15. Mail Order Houses are not suitable for all types of products. State the types of products suitable for the Mail Order Houses.
16. Explain any four advantages of mail order business.
17. Explain any four limitations of mail order business.
18. Explain any four advantages of consumers' co-operative stores.
19. Explain the limitations of consumers' co-operative stores.
20. Explain the features of super markets.
21. Explain the merits of super markets.
22. Explain briefly the limitations of super markets.
23. Write a short note on Vending machines.
24. Explain briefly any four areas of intervention by Commerce and Industry Associations in the promotion of internal trade.

Eight Marks Questions

1. Who is a wholesaler? Explain the services of wholesalers to manufacturers.
2. What is retail trade? Explain the services of a retailer to consumers.
3. Explain the features and common types of itinerant retailers operating in India.
4. Explain the different types of fixed shop small retailers.
5. Explain merits and limitations of Departmental stores.
6. What is meant by chain stores? Explain its features.
7. Explain the merits and limitations of chain stores.
8. Explain the merits and limitations of Mail Order Houses.
9. What are Super Markets? Explain their characteristic features.
10. Explain the merits and limitations of Super markets.
11. Explain the role of Chambers of Commerce in the promotion of internal trade.

Chapter 11

International Business

One Mark Questions

1. Give an example for international Trade in Services.
2. Name any one mode of entering into international business.
3. What is export trade?
4. What is import trade?
5. State any one major form of business operations that constitute international business.
1. Give an example for service exports and imports.
2. Give an example of a business organization that has entered into international business through licensing system.
3. Give an example of a business has entered into international business through franchising system.
4. What is Contract Manufacturing known as?
5. Mention any one type of foreign investment.
6. Name the parties in licensing system.
7. Name the parties in franchising system.
8. State any one way by which wholly owned subsidiaries enter into international business.
9. Which is the easiest mode of gaining entry into international markets?
10. EXPAND - DGFT, IEC, FTZ, EPZ, SEZ, EOUS, IMF, WTO.
(for each of the abbreviation separate question is to be framed)
11. Name any one document of export business.
12. Name any one document of import business.
13. How many commodity boards are working at present in India?
14. Name any one commodity board working in India.
15. At present, how many export promotion councils are working in India?
16. Name any one Export Processing Zone (EPZ).
17. Name any one institution set up by the Indian government to promote export trade.
18. State any one scheme undertaken by the government to promote foreign trade.
19. Name the authority to issue bill of lading.
20. Name the authority to issue airway bill.
21. Name any one International Trade Institution.

Multiple Choices One Mark Questions

1. In which of the following modes of entry, does the domestic manufacturer give the right to use intellectual property such as patent and trademark to a manufacturer in a foreign country for a fee
(a) Licensing

- (b) Contract Manufacturing
 - (c) Joint Venture
 - (d) None of these
2. Outsourcing a part or entire production and concentrating on marketing operations in international business is known as
- (a) Licensing
 - (b) Franchising
 - (c) Contract Manufacturing
 - (d) Joint Venture
3. When two or more firms come together to create a new business entity that is legally separate and distinct from its parents, it is known as
- (a) Contract manufacturing
 - (b) Franchising
 - (c) Joint ventures
 - (d) Licensing
4. Which of the following is not an advantage of exporting?
- (a) Easier way to enter into international market
 - (b) Comparatively lower risks
 - (c) Limited presence of markets in foreign markets
 - (d) Less investment requirements
5. Which one of the following modes of entry requires higher level of risks?
- (a) Licensing
 - (b) Franchising
 - (c) Contract manufacturing
 - (d) Joint venture
6. Which one of the following modes of entry permits greatest degree of control over overseas operations?
- (a) Licensing/Franchising
 - (b) Wholly owned subsidiaries
 - (c) Contract manufacturing
 - (d) Joint venture
7. Which one of the following modes of entry brings the firm closer to international markets?
- (a) Licensing
 - (b) Franchising
 - (c) Contract manufacturing
 - (d) Joint venture
8. A receipt issued by the commanding officer of the ship when the cargo is loaded on the ship is known as
- (a) Shipping receipt
 - (b) Mate's receipt
 - (c) Cargo receipt
 - (d) Charter receipt
9. The document containing a guarantee of a bank to honor drafts drawn on it by an exporter is
- (a) Letter of Hypothecation
 - (b) Letter of Credit
 - (c) Bill of Lading
 - (d) Bill of exchange
10. Which of the following documents is not required in export procedure?

- (a) Certificate of Origin
- (b) Certificate of Inspection
- (c) Mate's receipt
- (d) Bill of Entry

11. Which of the following documents is not required in import procedure?

- (a) Trade Enquiry
- (b) Bill of Entry
- (c) Import General manifesto
- (d) Certificate of Origin

Two Marks Questions

1. Define international business.
2. Give any two reasons for international business.
3. State any two modes of entry into international business
4. Write the meaning of licensing.
5. What is meant by foreign direct investment?
6. What is portfolio investment?
7. State any two benefits of international business to firms.
8. State any two benefits of international business to Nations.
9. Write the meaning of contract manufacturing?
10. Write the meaning of cross licensing?
11. State the two differences between the licensing and franchising
12. Write the meaning of joint venture.
13. Mention any two ways of forming joint venture.
14. Name any two countries with which India trades.
15. Define franchising.
16. What is meant by direct export/import?
17. Write the meaning of indirect export/import?
18. State the two ways by which wholly owned subsidiaries enter into international business.
19. Give the meaning of proforma invoice.
20. What is pre-shipment finance?
21. What is the need of pre-shipment inspection?
22. What is certificate of origin?
23. Why certificate of origin is necessary?
24. What is shipping order?
25. What is Mate's receipt?
26. Give the meaning of bill of lading.
27. What is airway bill?
28. Write the meaning of letter of credit.
29. Write the meaning of bill of entry.
30. What is import general manifest?
31. State any two measures & schemes introduced by the government to promote international business.
32. Name any two export processing zones.
33. Name any two institutions set up by the government to promote export trade.
34. Write the meaning of duty draw back scheme.
35. What is meant by export manufacturing under bond scheme?
36. Write the meaning of advance license scheme.
37. Name any two commodity boards.

38. State any two objectives of IMF.

Eight Marks Questions

1. How international business differs from domestic business?
2. Explain the scope of international business.
3. Explain the benefits of international business both to nations and firms.
4. What is exporting & importing? Explain its advantages and limitations.
5. What is contract manufacturing? Explain any three advantages and three limitations of contract manufacturing.
6. Write the meaning of licensing & franchising. Explain its advantages & limitations.
7. What is joint venture? Explain its advantages & limitations.
8. What do you understand by wholly owned subsidiaries? Explain its advantages & limitations
9. Explain the steps to be followed in export trade to obtain excise clearance.
10. Explain the steps to be followed in export trade after obtaining excise clearance?
11. Explain briefly the steps involved in the import procedure.
12. Explain any eight incentives & schemes that the Indian government has evolved for promoting the country's exports.

Model Question Paper

I PUC- Business Studies

Max Marks: 100

Time: 3 Hrs. & 15minutes

Instructions to candidates:

1. Write the serial number of questions properly as given in the question paper while answering.
2. Write the correct and complete answers.

Section - A

I. Answer any ten of following questions in a word or a sentence each. While answering Multiple Choice Questions, write the serial number/alphabet of the correct choice and write the answer corresponding to it. Each question carries

one mark:

10x1=10

1. Give an example for Genetic Industry.
2. The head of the Joint Hindu Family business is called
 - (a) Proprietor
 - (b) Director
 - (c) Karta
 - (d) Manager

3. Mention any one feature of Global Enterprise.
4. State any one type of warehouses.
5. Expand BPO.
6. 'A business enterprise must behave as a good citizen' - is an example of its responsibility towards
 - (a) Owners
 - (b) Workers
 - (c) Consumers
 - (d) Community
7. Directors of which type of company have to subscribe qualification shares?
8. State any one type of Debentures.
9. Who is an Entrepreneur?
10. The goods not suitable for Mail Order Business are
 - (a) Those which can be graded and standardized
 - (b) Those which can be transported at low cost
 - (c) Those which have ready demand in the market
 - (d) Those which are perishable and bulky
11. Give an example of a business organization that has entered into international business through franchising system.
12. Which of the following documents is not required in Import Procedure?
 - (a) Trade Enquiry
 - (b) Bill of Entry
 - (c) Import General Manifesto
 - (d) Certificate of Origin

Section- B

II. Answer any ten of the following questions in two or three sentences each.

Each question carries 2 marks:

10x2=20

13. State any two major trade cities in ancient India.
14. Compare active partner with Partner by Estoppel.
15. State any two merits of Departmental Undertakings.
16. Name any two types of Telecom Services.

17. Give the meaning of Cookies in online transactions.
18. State any two arguments for Social Responsibility of Business.
19. State any two important documents for the incorporation of a company.
20. Who are the parties to a Lease Contract?
21. What is the meaning of Cottage Industries?
22. State any two types of Itinerant Retailers commonly seen in our country.
23. State any two reasons for International Business.
24. Name any two Commodity Boards established by the Government of India.

Section – C

III. Answer any seven of the following questions in 10-12 sentences. Each question carries 4 marks: **7x4=28**

25. Explain briefly any four characteristics of Business.
26. State any two merits and two limitations of Statutory Corporations.
27. What is e-banking? State the benefits of e-banking to banks.
28. Explain the concept of Outsourcing.
29. Explain briefly any four elements of Business Ethics.
30. State any four privileges of a Private Company as against a Public Company.
31. Explain the financial needs of a business.
32. Write short notes on: (a) Equity Shares
(b) Preference Shares
33. Explain any four ways to fund Startups.
34. Explain briefly any four services of retailers to consumers.

Section – D

IV. Answer any four of the following questions in 20-25 sentences each. Each question carries 8 marks: **4x8=32**

35. Explain the merits and demerits of Sole Proprietorship form of business

organization.

36. Explain the types of Co-operative Societies.
37. Explain briefly the principles of Insurance.
38. What are Public Deposits? Explain the merits and limitations of Public Deposits.
39. Explain the role of Chambers of Commerce in promoting internal trade in the country.
40. Explain the steps to be followed in Export Procedure upto excise clearance.

Section - E (Practical Oriented Questions)

V. Answer any two of the following questions:

2x5=10

41. As the owner of a business unit, what risks you may face in running it?
42. As a businessman having concern for environment protection, suggest any five steps which can be taken by you for environment protection.
43. Give a list of any five institutions which support small business in India.