

1 Score – any 8

1. b) Auxiliaries to Trade
2. c) Nominal
3. c) Indian Railway (others are public corporations)
4. a) Bonded Warehouses
5. d) Air
6. Memorandum of Association, Articles of Association, Prospectus (any 2)
7. d) Commercial Paper
8. National Bank for Agriculture and Rural Development
9. Super Market / Super Bazar
10. Bill of lading

2 Score – any 4

11. **Multiple Objectives of Business:** Market Standing, Innovations (Novelty), Productivity, Physical and financial resources, Earning profits, Manager performance and development, Worker performance and attitude, Social responsibility (any 4 points only)

12. **Joint Venture:** When two business organizations join hands for mutual benefit by pooling their resources and expertise, it is a joint venture.

13. **Features of Business Services:** Intangibility, Inconsistency, Inseparability, Inventory (No inventory), Involvement (any 4 points only)

14. **Payment Mechanisms in Online Shopping:** Cash on Delivery(CoD), cheque, net banking, credit/debit card, digital cash such as Paytm, Jio money, e-wallets etc. (any 4 points only)

15. Functions of Promoters:

1. **Identification of business opportunity** – Here the promoters have to discover a business idea. It may be about a new line of business or the expansion of an existing business.
2. **Feasibility studies** – It involves the evaluation and analysis of the potential of the proposed project.

Other functions of promoters: Name approval, Fixing up of signatories to the Memorandum of Association, Appointment of professionals, Preparing necessary documents (any 2 with explanation).

16. **Trade Credit** – It is the credit extended by one trader to another for the purchase of goods and services. When creditors grant such a facility, they are in fact financing purchases for a short period.

17. **Itinerant Retailers:** Hawkers and Peddlers, Market Traders, Street Traders, Cheap Jacks.

3 Score – any 4

18. **Government Company** - Public enterprises organized under the Companies Act are Government companies. It is defined as a company in which at least 51% of share capital is held by the Government.

Limitations: Autonomy is just for name sake, No accountability, Main purpose is not served. (any 2)

19. **Social Responsibility of Business towards:**

- a) **Consumers:** Regular supply of commodities, Better quality, Reasonable Price
- b) **Employees:** Fair wages, Job security, Promotion opportunities etc.
- c) **Shareholders:** Safety of investment, Adequate return on investment, Accurate financial information etc,

20. **Limitations of Lease Financing:**

- 1. Restrictions on the use of asset.
- 2. Normal business operations may be affected on non-renewal of agreement.
- 3. If the lease agreement is terminated before maturity, it results in heavy loss.
- 4. Lessee may not take much care on the asset as he never becomes the owner. (any 3)

21. **Multiple Shops or Chain Stores** - It is a system of branch shops operated under a centralized management and dealing in similar line of goods. Branches of the shop are located throughout the nation under the same name and management and they specialize in one or two lines of goods.

22. **Foreign Trade Promotion Measures and Schemes:** Duty Drawback, Export manufacturing under bond scheme, Exemption from payment of GST, Advance license scheme, Export Promotion Capital Goods Scheme (EPCG) (any 3 with explanation)

23. **Advantages of Departmental Stores:** Central location, Shopping convenience, Consumer services, Economies of large scale operation, Automatic mutual advertisement (any 3)

4 Score – any 4

24. **Nature of Business Risks:**

- 1. It arises due to **uncertainties**.
- 2. It is an essential part of every business (**Unavoidable**).
- 3. **Degree of risk** depends on the nature and size of business.
- 4. Profit is the **reward** for bearing risk.

25. **Merits of Sole Proprietorship:**

- a. Quick decision making – No need to consult with others.
- b. Confidentiality of information – Secrecy can be maintained.
- c. Direct incentive - All the profit goes to the proprietor.
- d. Sense of accomplishment – Personal satisfaction by working for himself.
- e. Ease of formation and closure – Only minimum legal formalities (any 4)

26. **Types of Banks**

a) **Commercial Banks** – These are the institutions dealing in money and credit.

b) **Cooperative Banks** – Banks organized based on cooperative principles.

c) **Specialized Banks** – Organized to render specific services to the public.

d) **Central bank** – This is also known as bankers' bank, which controls and regulates the operations of all commercial banks in the country. The Reserve Bank of India is the central bank of our country.

27. Match the following:

a) Memorandum of Association	of	Define the objectives of a company
b) Articles of Association		Rules regarding internal management
c) Prospectus		Invitation to public by a company to subscribe its shares or debentures
d) Certificate of incorporation		Birth Certificate

28. Merits and Demerits of Debentures:

Merits: Fixed income at lesser risk, No participation in profit, No dilution in control, Suitable during stable earnings, Less costly. (any 2)

Demerits: Permanent burden, Repayment difficulty, Reduces borrowing capacity (any 2)

29. Differences between Domestic Business and International Business

Basis	Domestic Business	International Business
1. Nationality	Buyer and seller belong to one nation	They are from different countries
2. Other Stakeholders	Suppliers, employees, middlemen, shareholders etc. are the citizens of same nation	Various stakeholders from different countries
3. Customer heterogeneity	Customers are more homogeneous in nature	More heterogeneous in the matter of language, preferences, customs etc.
4. Business system and practices	Relatively same system	Different systems and practices are followed

(any other 4 differences may be considered)

5 Score – any 4

30. **Types of Cooperative Societies:** Consumers' Co-operative Societies, Producers Co-operative Societies, Marketing Co-operative Societies, Farmer's Cooperative Societies, Credit Co-operative Societies, Co-operative Housing Societies (Any 5 with explanation)

31. **Features of Global Enterprises:** Huge capital, Foreign collaboration, Advanced technology, Marketing strategies, Expansion of market territory, Product innovation, Centralized control (any 5 with explanation)

32. Differences between Traditional and e-Business:

Basis	Traditional Business	e-Business
1. Ease of Formation	Difficult	Simple
2. Physical presence	Required	Not required
3. Location requirement	Important	Not important
4. Cost of setting up	High	Low
5. Operating cost	High	Low

(any other 5 differences may be considered)

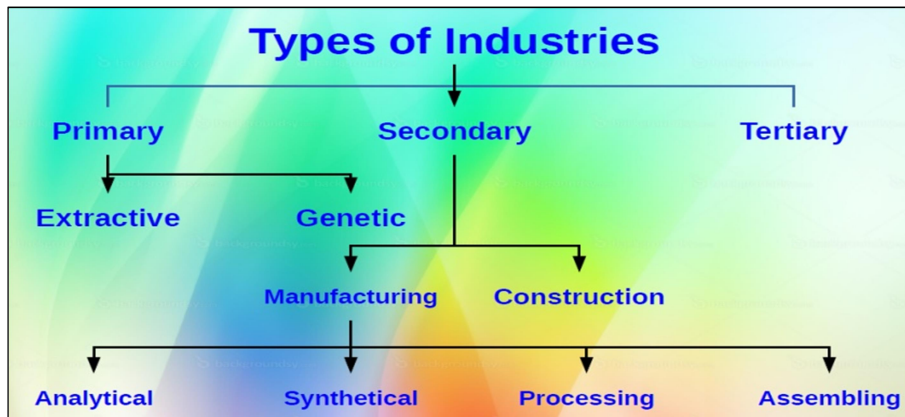
33. **Elements of business ethics:** Top management commitment, Publication of a "Code", Establishment of compliance mechanism, Involving employees at all levels, Measuring results (Brief explanation)

34. **Contents of Memorandum (Clauses of MoA):** Name Clause, Registered Office Clause, Objects Clause, Liability Clause, Capital Clause (Explanation required)

35. **Problems of Small Business:** Finance, Raw materials, Managerial skills, Labour, Marketing, Quality, Capacity utilization, Technology, Sickness, Global competitions (any 5 with explanation)

8 Score – any 2

36. **Types of Industries:**



(Brief explanation of any 8 types of industries along with this chart)

37. **Features of a Joint Stock Company:** Artificial Person, Separate Legal Entity, Formation is time consuming and expensive, Perpetual Succession, Control in the hands of board of directors, Liability is limited, Common Seal as its official signature, Risk bearing by all the members.

(Explanation of each point required)

38. **Principles of Insurance:** Utmost Good Faith, Insurable Interest, Indemnity, Causa Proxima (Proximate Cause), Subrogation, Contribution, Mitigation of Loss

(any 4 with explanation and suitable examples)

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