


# FIRST YEAR BUSINESS STUDIES IMPROVEMENT EXAM JULY 2019

## ANSWER KEY

Qn. No.	Answers	Total Score
	 <b>HSSLiVE.IN</b>	
1	Fixed Capital	1
2	Mates Receipt	1
3	Wages and Salaries to investors	1
4	Cheap Jacks	1
5	Ethical responsibility	1
6	Joint Hindu Family Business	1
7	Equity Share	1
8	Micro enterprise	1
9	Share holders/members	1
<b>Any six Questions from Question Number 10 to 16 ,Each carries 2 Scores</b>		
10	Violation of Profit maximization objective, Burden on consumers, lack of social skills, lack of broad public support (Any two points with brief explanation)	2
11	Difference between Licensing and Franchising(Any two points -1 score each)	2
12	1.Tata Sky, 2. Dish TV.3. Airtel Digital TV (ADTV) , 4.Videocon D2H. 5.Independent TV ,6.Sun Direct., 7.DD Free Dish (Any two names -1 score each)	2
13.	Benefits of retained earnings 1.permanent source, 2.Doesn't involve explicit cost 3.greater degree of operational freedom4.enhances the capacity to absorb unexpected losses 5.lead to increase in market price of equity shares(any two points with similar meaning)	2
14.	1.Focusing attention 2.Quest for excellence 3.Cost reduction 4.Growth through alliance 5.Fillip to economic development (Any two points with brief explanation)	2
15.	Infosys,Reliance, ICICI WIPRO Limited.,Vedanta Limited.,WNS Holdings Limited.,HDFC Bank Limited. MakeMyTrip Limited. SIFYTechnologies Limited.Dr. Reddy's Laboratories Limited. Rediff.com <b>India</b> Limited. Total 68 companies (1 score each)	2
16.	Limitations of mail order business 1.Lack of personal contact 2. High promotion cost 3.No after sale service 4.No credit facilities 5.Delayed delivery 6.Possibility of abuse 7.High dependence on postal services (Any Two points with brief explanation)	2
<b>Any 4 FOUR Questions from Question Number 17 to 21</b>		
17.	Allied services of commercial banks 1.buying and selling securities 2.bill payments 3.locker facilities 4.underwriting services 5 payment of insurance premium 6.opening Demat account etc (Any three points)	3
18.	a) Employment b)Any two feature of employment	3
19.	1.trade enquiry,2.Procurement of import Licence 3.Obtaining foreign exchange 4.Placing order 5)Obtaining letter of credit t 6.Arranging for finance 7)Receipt of shipment advice 8)Retirement of import documents9.Arrival of goods 10)customs clearance and release of goods (Any six points/ three points with brief explanation - 3 scores)	3
20	1.Foreign collaboration,2.Product innovation 3.Marketing strategies 4.Expansion of market territory 5.Centralised control(any three points other than given in question)	3
21	A firm enters into contract with one or a few local manufacturers in foreign countries to get certain components or goods produced as per its specifications. 3 forms -1)Production of certain components 2.)Assembly of components 3) complete manufacturing Advantages-1)get goods produced without investment 2)Less risk as investment in foreign countries are relatively less 3)Getting products manufactures at lower cost	3
22.	1.Cash on Delivery 2.Cheque 3. Net Banking transfer 4.Digital cash 5.PayPal. 6.Paytm.7 MovoCash.	4

	8.Paymentwall.9.Google Wallet.10.Mobile Money Wallets.11. Braintree. (Any four payment mechanism other than debit and credit cards with brief explanation 1 Score each)		
23.	1.Finance 2.Raw materials 3.Managerial skills 4.Labour 5.Marketing 6.Quality 7.Capacity utilization 8.Technology 9.Sickness 10.Global competition((Any four payment mechanism with brief explanation 1 Score each)		<b>4</b>
24.	Any four contents of partnership deed with brief explanation or 8 points		<b>4</b>
25.	Prospectus -- Invitation to Public Public Company -- Transferability of shares Articles of Association --- internal document Memorandum of Association --- Primary document		<b>4</b>
26.	1.Cost 2.Financial strength 3.Form of organization 4.Purpose and time period 5.Risk profile 6.Control 7.Effect on credit worthiness 8.flexibility and ease 9.Tax benefits (Any four points with brief explanation or 8 points give full score)		<b>4</b>
27	a) Statutory corporation b)1.Set under Act of Parliament 2. Wholly owned by the state hence ultimate financial responsibility 3.Body corporate 4.Independently financed 5. Accounting and audit procedures similar to departmental undertaking 6.Employees are not civil servants (Any four points with brief explanation – give full score)		<b>5</b>
28	1.Name clause 2.Registered office clause 3.Objects clause 4.Liability clause 5.Capital clause 6.Association clause(any five points with brief explanation give full score)		<b>5</b>
29	1.Top management commitment 2.Publication of a code 3.Establishment of compliance mechanisms 4.Involving employees at all levels 5.Measuring results		<b>5</b>
30	1.Selection of line of business 2.Size of the firm 3.choice of form of ownership 4.location 5.Financing 6.Physical facilities 7.Plant layout 8.Competent workforce 9.Tax planning 10.Launching the enterprise(Any 5 points with brief explanation)		<b>5</b>
<b>Any TWO Questions from Question Number from 31 to 33 each carries 8 score</b>			
31	a) Co-operative Society b) Features 1. Voluntary membership 2.Legal status 3.Limited liability 4.Control 5.Service motive ( Any three features with brief explanation give 3 score) C) Merits 1.Equality in voting status 2.Limited liability 3.Stable existence 4.Economy in operations 5.Support from government 6.Ease of formation (Any four points with brief explanation give four score)		<b>8</b>
32	a) Warehousing b) Types 1.Private warehouses 2. Public warehouses 3.Bonded warehouses 4.Government warehouses 5.Cooperative warehouses (Any three points with brief explanation give 3 score) c)Functions 1.Consolidation 2.Break the bulk 3.Stock piling 4.Value added services 5.Price stabilization 6.Financing(Any four points with brief explanation give four score)		<b>8</b>
33	Differentiate between departmental store and multiple shops 1.Location 2. Range of products 3.Services offered,4.Pricing, 5.Class of customers,6.credit facilities , 7Flexibility(Any six points with brief explanation –give full score)		<b>8</b>

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