

**St. Mary's School, Dwarka**  
**Holiday Homework**  
**Class XI**  
**Subject: Business Studies**

- Q.1 Debentures are considered as ..... 1
- a) Fixed capital of the company                      b) Permanent capital of the company
- c) Fluctuating capital of the company              d) Loan capital of the company
- Q.2 What is the maturity period of a commercial paper? 1
- a) 20-40 days    b) 60-90 days
- c) 120-365 days    d) 90-364 days
- Q.3 Which of the following is NOT true in respect to preference shares? 1
- a) Fixed return, Irredeemable, Borrowed source of funds, no voting rights
- b) Fixed return, Redeemable, Owned source funds, no voting rights
- c) Fixed return, Irredeemable, Borrowed source of funds, no voting rights
- d) Fixed return, Irredeemable, Borrowed source of funds, no voting rights
- Q.4 Which of the followings comes under the modern small industries? 1
- a) power looms    b) handicrafts
- c) coir    d) khadi
- Q.5 Which of the following vendors are found at street crossing where flow of traffic is heavy? 1
- a) Market traders    b) Street stall holders
- c) General Stores    d) Speciality shops
- Q.6 An Indian company Saraswati Prakashan Limited in order to cater to its financial needs want to issue such an 'International Financial Instrument' that can be issued only to the American Residents. Identify and explain it. 3
- Q.7 A large sized company manufacturing shoes for Indian market has to determine whether it should use wholesale set up or its own chain stores for distributing its products. What alternatives would you suggest? Give reasons. 3
- Q.8 A small entrepreneur has started a cottage industrial unit in a rural area by availing government loans at concessional rates. He has engaged ten workers from the nearby locality and giving priority to local suppliers for getting inputs for his units. He also sells the finished goods at concessional rates in the neighbourhood area.
- a) What role the entrepreneur is playing for rural development? 3
- Q.9 A wholesaler of essential consumer goods is planning to construct a warehouse in a rural area to store his merchandise to ensure supply of goods to consumers throughout the year and to check price rise due to shortage of goods in the market. He has also drawn plans to execute big orders from the warehouse by arranging necessary logistics.

- a) What are the motives of the wholesalers?
- b) What values are being promoted by the wholesaler? 3
- Q.10 How do small-scale industries prove to be a boon for an over-populated country like India? 4
- Q.11 Your uncle wants to start a retail business of watches without opening any shop. Suggest him the suitable type of business explaining him the trade procedures in the same. 4
- Q.12 As a source of finance, retained profit is better than other sources. Do you agree with this view? Give reasons for your answer. Can a company grow indefinitely by reinvesting surplus profits? 5
- Q.13 Surbhi does the wholesale trade of pulses. As we know, a wholesale trader buys goods in a large quantity from the producer and sell to the retailers in small quantities. Thus a wholesale trader Bridges the gap between the producer and retailers. But it has been observed that Producers and retailers both remain unhappy with Surbhi. Do you agree with the attitude of producers and retailers? Explain with reasons. 5
- Q.14 Balaji Traders Limited is a company that deals in the wholesale business of rice. Its Financial Manager, Mr. Ghanshyam Das Chatterji arrange unsecured short-term finance for the company through a commission agent. The rate of interest to be paid on this finance is more than the bank's rate of interest. One of the great advantage of this finance was that its source was far away from Bureaucratic and legal Hassles. Identify this source of finance and write about any five of its characteristics. 6
- Q.15 On a holiday, Dr. Ramdhari Arya accompanied his wife and two children to market for shopping. For shopping, they reached such a place where there were several small shops located in a big building. All of them, very delightfully and easily, were moving from one shop to another. At these shops, the children like several things. Dr. Arya bought all the things which were liked by the children. Here, along with goods, there was a full arrangement for entertainment and food. The special characteristics of this shopping complex was that it was located at such a place of the city where all the people could come easily. After roaming about here some time, the children insisted on having cold drink when the children looked around, they found a machine setup in a corner. On the machine it was written 'Fresh Cold Drink, Only For You'! In accordance with the instruction written on the machine, soon after inserting a coin, into it, a glass of cold drink was filled. The children satisfied their thirst and moved ahead.
- (a) Identify the type of retail business as described in the above paragraph and list it two merits.
- (b) Quoting the relevant lines write down three characteristics of the type of retail business identified in (a). 6