

Std. 11

22-11-2016

Third Unit Test in **BUSINESS STUDIES**

Time : 1 hr.  
M. Marks: 20

1. What is meant by "ploughing back of profits"? 1
2. What do you understand by "Incorporation of a Company"? 1
3. Why is Equity shares called as Risk Capital? 1
4. What Preferential rights are enjoyed by preference share holders? Explain in brief. 3
5. State three merits of Public deposits as a method of Business finance. 3
6.
  - a) Is it necessary for all companies to get its share listed in the stock exchange?
  - b) What is the document issued by the public company to raise funds from public?
  - c) Explain the term Minimum Subscription. 3
7. What feasibility studies does the Promoter conducts at the time of formation of a company?4
8. State with reasons which source of finance you would prefer for the following financial needs:
  - a) An immediate need of cash
  - b) Raise of finance from owner's funds for a period of ten years
  - c) To raise funds to buy back a sick unit in Singapore.
  - d) Building stock of inventories to gain from bulk buying. 4

-X-X-X-X-X-