



INDIAN SCHOOL DARSAIT

DEPARTMENT OF COMMERCE



Subject : Business Studies Topic : Forms of Business Date of Worksheet : 1/02/2018
Organisations

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Date of submission: 4/02/2018

Name of the Student : _____ Class & Division : XI _____ Roll Number : _____

Q. No.	Question	Mark
1.	How does a cooperative society show democracy and secularism? Explain.	4
2.	What is meant by 'partner by estoppel'?	3
3.	Differentiate between a Joint family business and partnership.	4
4.	Mohan runs a garment shop in a mall. Two years back he had taken a loan of ₹ 10 lakh from HSBC bank for the renovation of his shop. However due to his poor health for the past one year his earnings have declined considerably as he is not able to devote sufficient time to the business. He now plans to sell off his shop. In the context of the above case: (a) Identify the limitation of the business organization being discussed above. (b) Discuss briefly any other three limitations of sole proprietorship business.	4
5.	The outside liabilities of 'Flavours' , a fast food restaurant are ₹ 15,00,000 at the time of dissolution, but its assets are worth ₹ 12,00,000 only. How will the debts be repaid if it is a sole proprietorship organization?	3
6.	Sumit is running an auto repair garage. He now wants to expand his business. After investing all his savings, he is still short of ₹ 2 lakhs. Banks and other lending institutions are hesitant to give him loan due to instability associated with this form of business organization. In the context of the above case: (a) Identify the related demerits of sole proprietorship form of business. (b) How can converting the form of business to partnership help him in solving the financial problem?	4
7.	Parul is doing export business. Every time she would procure an order, she felt stressed about completing it on time. Few years ago Esha joined her business as a partner. As a result, Parul realized that her stress related to business had reduced. However she noticed that they differ in their choice and a lot of time is wasted in reaching a mutual consent. In the context of the above case: (a) Identify and explain the related merits of a partnership being highlighted in the paragraph. (b) Also state the related demerits of a partnership being highlighted in the paragraph.	3
8.	Praveen and Khan are well known builders in Noida. They enter into a partnership to build an NRI residential complex in Greater Noida. In the context of the above case: (a) Identify and explain the type of partnership being discussed in the paragraph.	2



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9	<p>Niranjan and Nikhil decided to start a partnership firm together. They also decided to have a written agreement for the partnership.</p> <p>In the context of the above case:</p> <p>(a) Identify and explain the document being discussed in the paragraph.</p> <p>(b) What are the contents of the above document?</p>	4
10	<p>Lakshit owns an ancestral house in Shimla. He converts it into a lodge. After his death the lodge is inherited by his three sons in the order of their age, namely, lakshay, Luv and Lok who carry on with the business under the form of Joint Hindu Family business.</p> <p>In the context of the above case:</p> <p>(a) Name the law under which governs the Joint Hindu Family business.</p> <p>(b) Who among the three brothers has the right to exercise control over the family business?</p> <p>(c) Comment upon the liability of the three brothers.</p>	4
11	<p>Amul is an Indian dairy cooperative based at Anand in Gujarat. It is managed by the Gujarat Cooperative Milk Marketing Federation. Amul made the country the world's largest producer of milk products. It has become the largest food producer in India and has entered to overseas market.</p> <p>In the context of the above case:</p> <p>(a) What is a cooperative society?</p> <p>(b) Why do you think Amul was promoted in the form of a cooperative society? Explain by giving the merits of a cooperative society.</p>	4
12	<p>Sparkles Ltd. was promoted in 2010 by a group of four friends. As the business of the company has grown, they are planning to convert it into a public company.</p> <p>In the context of the above case</p> <p>(a) State any four privileges that the company will have to sacrifice after converting it into a public company.</p> <p>(b) State any four benefits that the company will enjoy after converting it into a public company.</p>	4
13	<p>Dharvi started an export business in the form of a private company along with her friends Dhanush and Manish. Later she came to know that Manish had forged the signature of Dhanush on the Memorandum of Association. Now she is fearing that the incorporation of the company will be considered invalid.</p> <p>In the context of the above case</p> <p>(a) Will the incorporation of the company be invalid?</p> <p>(b) What are the various sources of finance available for a private company?</p>	4
14	<p>Smart Ltd. invited public to subscribe for its public issue of ₹ 10 lakhs through initial Public offer (IPO). It received applications for shares of ₹ 8 lakhs .</p> <p>In the context of the above case</p> <p>(a) Can the company proceed with allotment of shares? Why ? Why not ? Give reasons for your answer.</p> <p>(b) Who are underwriters? What are their functions ?</p>	3