	BCM SCHOOL, BASANT AVENUE, DUGRI ROAD, LUDHIANA	
	ASSIGNMENT  BUSINESS STUDIES	
	BUSINESS STUDIES XI	
1	Equity capital serves as permanent capital as it is repaid only at the time of:	1
	a) Liquidation	
	b) Winding up	
	c) Both of these	
	d) None of the above	
2	Portion of net earnings retained in the business for future use:	1
	a) Retained earnings	
	b) Savings	
	c) Debentures	
	d) Assets	
3	A business enterprise must behave as a good citizen is an example of responsibility of	1
	business towards the:	
	a) Community	
	b) Employees	
	c) Owners	
	d) Debtors	
4	Mr. Gurudutt is a trader from Assam and a leading Supplier of "Assam Tea" to wholesalers	4
	and retailers in different parts of India. He is facing problem while communicating with his	
	customers, which is given as below:	
	(a) Asgar, a big retailer in Mumbai, asked for a quotation for different flavours of tea from	
	Mr. Gurudutt. Gurudutt wants to send the quotation as quickly as possible along with	
	sample so that Asgar does not shift to his competitors.	
	(b) Chaman, a big wholesaler in Delhi asked Mr. Gurudutt to send a bag of 10 kg special.	
	Assam tea.	
	(c) Dholu, a customer of Mr. Gurudutt, is in default on a payment on his loan even after	
	three reminders.	
	Now, Mr. Gurudutt wants to send him a legal notice and also wants to get assured that it	
	must reach him without fail.	
	Suggest to Mr. Gurudutt, with explanation, the different types of postal services, which he	
	can use to communicate with different customers described in the above cases	
5	Trinity Ltd. is a company which manufactures blankets. The company needs additional	3
	capital for expansion of business. So it issues 50,000 shares of the face value of 100	
	each. Before issuing shares the management of the company decided that they would	
	issue such shares which will not impose any fixed financial charges. In the prospectus	

	they mentioned that in the coming years, the company expected to earn a big profit and	
	as a result, the investors would be able to earn extra dividends. The company collected	
	money from the public and the company's business expanded.	
	Identify and explain the type of shares issued by Trinity Ltd.	
6	What is 'Marine Insurance'? State the Main Elements of a Marine Insurance Contract.	3
7	Chennai Pharmaceuticals Co. Ltd. was started with a paid-up capital of ₹50 lakh, of which 40 percent is in the hands of private individuals and the remaining is in the hands of the state govt.  (i) Identify the form of PSE, Chennai Pharmaceuticals Co. Ltd.  (ii) Enumerate its merits.	4
8	Abhimanyu Ltd. is manufacturing cotton shirts for men. It is planning to expand its	3
	business by opening one more unit in another city. It has been consistently earning good	
	profits. So there are sufficient reserves. State the most appropriate source of finance for	
	the company. Explain its features.	