

	BCM SCHOOL, BASANT AVENUE, DUGRI ROAD, LUDHIANA XI BUSINESS STUDIES ASSIGNMENT	
1	Ankit's warehouse was covered by a fire insurance policy of ₹10 lakhs. Two years back his warehouse caught fire. He immediately called up the nearest fire station and started removing the goods from the warehouse in order to protect them from fire. He took all the reasonable steps to minimise the loss or damage. As a result, the actual loss by fire to him was ₹3 lakhs which could have gone up to 7 lakh if he not acted as a prudent person. After scrutiny of the loss. The insurance company handed over the cheque of ₹3 lakh to Ankit. Identify and explain the principle of insurance which was followed by Ankit in the given case.	
2	Yogita, a business woman, has a Current Account in Punjab National Bank (PNB). Her Current Account shows balance of just 40,000, while she urgently needs 2,50,000 to pay off one of her creditors. She approaches PNB to allow her to withdraw 2,50,000, using the facility extended by the her due to her creditworthiness. The Bank agrees to it. Identify and state the facility which has been provided by PNB to Yogita	
3	Naresh took a fire insurance policy from NICL of Rs 50 Lakhs for his factory at the annual premium of Rs 75,000 in order to avoid premium more than his amount he did not disclose that highly explosive chemicals are being manufactured in his factory, due to a fire his factory gets damaged. The insurance company NICL refused to make the payment for the claim as they were aware of the highly explosive chemicals. Is Naresh entitled to claim? Explain the principle of insurance violated by Naresh	
4	Mohit is a manufacturer of readymade kids garments. He sells his products through various dealers across the country. However, his sales are decreasing over the years. Recently his wife gifted him a jacket which she had ordered through Myntra (an online shopping site). This gave Mohit an idea to start selling his products online. State any three benefits that Mohit can get through e-business.	
5	Skylark Enterprises is dealing in mobile accessories. With the continuous increase in demand for mobiles, their business is expanding. However, the Managing Director (MD) observed that the decision-making process in the enterprise is very slow and level of coordination is decreasing between the various departments. Piyush, an IT professional, suggested that the company should have its own internet to interact and deal between various departments and persons within the firm. MD liked the idea and implemented it immediately. Identify the branch of e-business suggested by Piyush. Define this branch of e-business and also mention some areas, in which this branch of e-business can be conducted.	
6	Anil and Sunil are brothers engaged in Textile business. The mode of business that Anil has chosen, customers are in personal touch. But Sunil intends to expand the business by venturing into online retailing. He also intends to introduce flexible manufacturing with the use of computer networks wherein the marketing department can interact constantly with the production department and get the customized products made as per the requirements of individual customer. A) How is the mode of business that Sunil intends to adopt different from the one that his brother has chosen?	

	B) Distinguish between the two different modes of business as identified in part (a) of the question by giving any four points.	
7	The Department of Post and Telegraph is a Government Ministry. It is entirely managed, supervised, and funded by the relevant ministry. The monies required by the department are included in the ministry's annual budget. The parliament is the ministry's primary line of accountability. (a) State which sector the Postal and Telegraph Department falls under. (b) Identify the type of organization or group it is as well as the relevant ministry. (c) Name the other departmental undertaking controlled by ministry? (d) How does the department treat its revenues?	
8	Reyansh is the sole owner of a shoe manufacturing factory. He took loan of 20 lakhs from ABC Finance Company for the expansion of his business. Because of continuous losses however, he was not able to repay the loan on time. Assets of the business were not enough for repaying liabilities in full. As a result, the Finance Company asked him to repay their loan. He refused to do so on the ground that the loan was taken by his business and not by him for his personal use. The Company filed a case against him. The court gave decision in favour of the Company on the ground that Reyansh was operating as the sole proprietor and a sole proprietor did not have a separate entity distinct from his own. The Court further stated that Reyansh had unlimited liability and held him liable to repay the loan even by selling his personal property if need be. (a). Name the form of business which is being carried out by Reyansh. (b). What type of liability is enjoyed by Reyansh? (c). Why did Court hold Reyansh responsible for paying his business liabilities out of his personal assets? (d). Name that characteristic of sole proprietorship which facilitates the sole proprietor to take all decisions related to his business without consulting anybody.	
9	Rohit and Gurvinder are partners selling electronic products across India. They import the components from their friend Atul who does his business in China and assemble them in their factory established in a rural area Jharkhand most of the workers in the factory are children and women. They are paid very less salaries thus owner save on labour cost. They store their stocks in a warehouse but do not take proper safety measures against fire, burglary. There was a short circuit in the factory and as a result most of the stock was damaged. On the basis of the given information about Rohit and Gurvinder, answer the following questions: a) Specify the type of business activity performed by Rohit and Gurvinder. b) Specify the type of business activity performed by Atul. c) Specify the auxiliary to trade used by Rohit and Gurvinder.	
10	Ratan after doing his B.Pharm degree from a reputed government college started two chemist shops in two different localities of his home town. Encouraged with the success of these shops, he started six more shops in different cities of the state. His strategy was to cut price, focus on lower and middle class patients and open shops near hospitals. He earned good profit margins. But the staff of the shops did not give much attention to the customers. Because of this mis-management he started incurring huge losses and his business failed. On the basis of the given information about Ratan, answer the following questions: a) Identify and explain the main cause behind the business failure of Ratan. b) Explain any two other causes of risk associated with Ratan's business.	

