



IMPERIAL HERITAGE SCHOOL, SECTOR-102, GURUGRAM
TERM-I EXAMINATION
SESSION 2025-26

SUBJECT: BUSINESS STUDIES (054)
GRADE: XI

MAX MARKS: 80
TIME: 3 HOURS

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

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1. Arora Brothers is a firm formed for the construction of a shopping mall. Identify the type of partnership. [1]
a. Particular partnership
b. General partnership
c. Limited partnership
d. Partnership at will
 2. Identify the incorrect statement: [1]
a. Industry and Commerce are interchangeable terms.
b. Commerce provides the necessary link among producers, consumers and middlemen.
c. Certain services like banking and insurance are also referred to as industry.
d. Conversion of cotton into cloth is an example of manufacturing industry.
 3. Words, colour combination, label, logo, etc. are [1]
a. Conventional trademark
b. Non-conventional trademark
c. Copyright
d. Trade secret
 4. Tata Sky is an example of: [1]
a. VSAT services
b. DTH services
c. Cellular mobile services
d. Cable services
 5. Identify the e-business application: "Most shopping sites have 'Quote your price' whereby you can bid for the goods and services." [1]
a. e-procurement
b. e-promotion
c. e-auction
d. e-trading
 6. Which of the following is an extractive industry? [1]
a. Plantation
b. building construction
c. mining
d. textile
 7. Assertion (A): The partners of a firm have unlimited liability.
Reason (R): Individually, each partner can be held responsible for repaying the debts of the business. [1]
a. A is true, R is false
b. A is false, R is true
c. Both A & R are true and R correctly explains A
d. Both A & R are true but R does not explain A

8. Read the statements and choose the correct alternative:

Statement I: MSMEs are complementary to large industries as ancillary units and form an integral part of value chain.

Statement II: MSME sector produces only simple consumer goods

- a. Both the statements are true.
- b. Both the statements are false.
- c. Statement II is true, Statement I is false.
- d. Statement I is true, Statement II is false.

9. Steel Authority of India is an example of:

- a. Government companies
- b. Departmental undertakings
- c. Statutory corporations
- d. Multinational corporations

[1]

10. Which is the document inviting subscriptions for shares and debentures?

- a. Prospectus
- b. Minimum subscription
- c. Articles of association
- d. Memorandum of association

[1]

11. Which of the following is considered (for protection) as a Trademark in some parts of the world but not at all recognised in India?

- a. Smell and taste
- b. Logo
- c. Colour combination
- d. Label

[1]

12. Identify the life insurance policy in case of which the sum becomes payable only to the beneficiaries or heir of the deceased.

- a. Whole Life policy
- b. Endowment Life Assurance Policy
- c. Joint Life Policy
- d. Annuity Policy

[1]

13. Choose the incorrect statement from the following:

- a. Current account is most suitable for mobilization of savings from the public
- b. The bank does not pay any interest on current account deposits
- c. Overdrafts are only allowed in current accounts
- d. Money can not be withdrawn from fixed deposit accounts by cheques

[1]

14. Mr. Rahul, a partner, does not have any interest in the partnership business but lends his name to the firm. He is a/an:

- a. Active partner
- b. Sleeping partner
- c. Nominal partner
- d. Secret partner

[1]

15. Read the statements and choose the correct alternative:

Statement I: Joint Hindu family business is governed by the Hindu Succession Act, 1956.

Statement II: The liability of all members including the Karta is limited to their share of co-parcenary property of the business.

- a. Both the statements are true.
- b. Both the statements are false.
- c. Statement II is true; Statement I is false.
- d. Statement I is true; Statement II is false.

[1]

16. Suppose the total outside liabilities of XYZ dry cleaner, a sole proprietorship firm, are Rs. 80,000 at the time of the dissolution, but its assets are Rs. 60,000 only. What will be the remedy in such a situation?

- a. The owner will have to bring in Rs. 20000 from his personal sources.
- b. The owner may have to sell his personal property to repay the firm's debts
- c. Both a and b
- d. Outside liabilities of Rs 20000 will remain unpaid

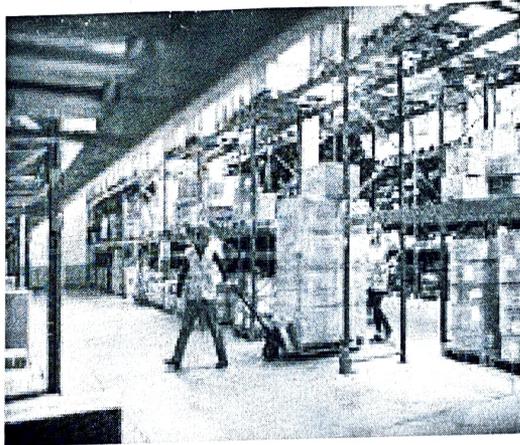
[1]

17. Assertion (A): The shortage of raw materials in the market may shoot up its price. [1]
Reason (R): The firm using these raw materials will have to pay more for buying them. As a result, cost of production may increase. [1]
- a. A is true, R is false
 - b. A is false, R is true
 - c. Both A & R are true and R correctly explains A
 - d. Both A & R are true but R does not explain A

18. Tea is mainly produced in Assam while cotton in Gujarat and Maharashtra but they are required for consumption in different parts of the country. This hindrance of place can be removed by: [1]
- a. Transport
 - b. Communication
 - c. Warehousing
 - d. Insurance

19. Which of the following activities indicates a Profession? [1]
- a. An advocate
 - b. A mobile phone seller
 - c. A labour working in a factory
 - d. Vinayak sells mobile phones on behalf of his employer

20. Which hindrance of trade is removed by the activity shown in image given below? [1]



- a. Hindrance of persons
 - b. Hindrance of time
 - c. Hindrance of place
 - d. Hindrance of risk
21. (a) If a person sells his domestic computer at a profit, will it be considered a business? Also, explain the characteristics of business which are being highlighted above. [3]
- OR
- (b) Explain the following features of a company: [1½ + 1½]
- i. Artificial person
 - ii. Perpetual succession.
22. (a) Write a short note on Cooperative Banks and Specialized Banks. [3]
- OR
- (b) Identify and define the type of cooperative society mentioned below: [3]
"Employees Union of Hindustan Textiles started a retail store to make daily household articles at reasonable prices available to its members."
23. Explain three objectives of Startup India Scheme. [3]

24. Mr. Singh has been in 'lighting' business for the past 15 years. To help his friend, Mr. Yadav, a beginner, Mr. Singh projected himself as a partner before Abdul, a wholesale dealer of fancy lights. Abdul gave Mr. Singh the stock without asking for payment and gave him a credit limit of one month. Will Mr. Singh be liable to Abdul if Mr. Yadav does not pay him on time? Classify Mr. Singh's role here along with an explanation. [1+2]

25. Neel, a student of class 11, often goes in the evenings to buy registers, pens, chart papers, etc. from a small neighborhood stationary store owned by his neighbour Mr. Dixit. [1+3]

- (a) State the form of business organisation mentioned above.
(b) Mention three features of such form of business organisation.

26. Explain any four features of a global enterprise. [4]

OR

Read the following case and answer the questions that follow:

Starbucks, a leading American coffee company, entered the Indian market in 2012 by forming a contractual joint venture with Tata Global Beverages. Instead of forming a new company, both parties signed a detailed agreement to operate Starbucks outlets across India. Tata provided local market knowledge, infrastructure, and coffee beans from its plantations, while Starbucks brought in its brand name, expertise, and global operational practices. The partnership helped Starbucks establish itself in India without going through the complex process of setting up an independent legal entity. [2+2]

- (a) What is meant by a contractual joint venture?
(b) Identify any two benefits Starbucks gained from this joint venture.

27. Is it compulsory for a partnership firm to get registered? State three consequences of non-registration of a firm. [1+3]

28. (a) What factors are to be considered while starting a business? Explain any four of them (use caption). [4]

OR

- (b) i) Write two similarities between fire insurance and marine insurance. [2]
ii) Briefly explain any two differences between goods and services on the basis of the following: [2]
i. Inseparability
ii. Inventory

29. (a) Identify and define the type of business risk in the following situations: [1+1]

- i. Sahil had a matchstick factory in Nepal, which got distracted by recent earthquake
ii. Samsung was charged with evasion of tax and asked to pay fine in crores which could lead to heavy losses for the company.

(b) Write a short note on the term 'Partnership deed'. [2]

30. Explain any four principles of insurance in detail (use examples wherever applicable). [4]

31. (a) Ryan Food Industries set up food and beverages plant in the rural area of Madhya Pradesh and opted for labour intensive technique due to easy availability of labour and to provide employment to local people. Board of directors decided to invest Rs. 50 lacs to acquire plant and machinery, Rs. 1 crore to buy land, Rs 25 lacs to buy raw material and Rs. 20 lacs to maintain day to day expenses. [1+1+1]

- i. Name the Act of industries which is applicable to the above industry.
ii. Which category of industries of part (a) will the above industry come?
iii. State the investment limits of this category.

b) Answer the following:

[1+1+1]

- i. Who heads the department undertakings?
- ii. Why are departmental undertakings accountable to the ministry?
- iii. Classify the following into economic or non-economic activity, with reason.
"A doctor treating poor patients free of cost after being hired by an NGO."

32. (a) Explain any four points that highlight the contribution of MSME in an economy (use captions). [6]

OR

[3+3]

(b) Explain three advantages of:

- i. private company over public company.
- ii. e-business over traditional business

33. 'People National Bank' has been established under the Public Private Partnership model. The bank is offering various services to its customers. Their customers are happy and satisfied with the quality of services provided. The bank also spends an amount towards building public convenience. [1+1+2+2]

In the light of the above information, answer the following questions:

- (a) Define public private partnership.
- (b) What is the conceptual difference between a current account and a fixed deposit account?
- (c) List any two benefits of e-banking service provided to the customers of the bank.
- (d) Write short notes on the following types of digital payments.
 - i. RTGS
 - ii. Point of Sale (POS)

34. I. (a) Define a patent. What are the three conditions that an invention needs to satisfy in order to be patentable? [1+3]

(b) Identify the functions of warehousing being performed in the following cases: [1+1]

- (i) A business person obtains monitors from plant X, CPU from plant Y and keyboards and printers from plant Z. He stores these parts in a warehouse and makes assembled computers there, which are in turn supplied to various dealers.
- (ii) A wholesaler buys sugar in large quantities from the market and stores it in the warehouse, where it is again packed in small quantities and supplied to various retailers.

OR

II. (a) Identify and define the scope of e-business highlighted in the following cases: [1+1+1]

- i) Mr. Lakshya, the CEO of a multinational company, informed all employees for upcoming training programme through e-mail.
 - ii) Gurpreet bought a washing machine from a reputed company, which stopped working after using it for a few days. He decided to write an e-mail to the quality control manager of the company.
 - iii) Aryan bought a new LED TV and decided to sell his LCD through olx.com
- (b) At which stage of the formation of a company does it interact with SEBI? Explain. [3]