08.09.25

Delhi Public School, Howrah

PERIODIC TEST II - (2025-2026)

Class-XI

Care must be taken not to write anything on the question paper. All the questions must be attempted in the correct sequence.

SUBJECT: BUSINESS STUDIES (CODE-054)

Time Allowed: - 3 HOURS **Maximum Marks - 80**

General Instructions:

Please read the following instructions very carefully:

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.

1. Multinational Companies have sophisticated Research and Development Departments engaged in the task of developing new products and superior designs of existing products. Qualitative research requires huge investment which only multinational companies can afford. Identify the feature of MNCs that is being discussed in the above statement. 1
   - A. Marketing strategies
   - B. Product innovation
   - C. Advanced technology
   - D. Centralised control
2. When a property is insured by more than one insurance (i.e. in case of multiple insurance), the insurers are to share losses in what proportion? 1
   - A. Ratio of premiums received
   - B. Ratio of duration of insurance
   - C. Ratio of amount insured
   - D. Equal ratio
3. If the cargo does not reach its destination due to damage or destruction in the transit, the shipping company is not paid freight charges. To overcome losses suffered by such circumstances shipping companies opt for______________. 1
   - A. ship insurance
   - B. hull insurance
   - C. cargo insurance
   - D. freight insurance
4. Which is the e-business application that involves publication of online catalogues displaying images of goods, advertisement through banners, pop-ups? 1
   - A. E-procurement
   - B. E-promotion
   - C. E-delivery
   - D. E-trading

5. Which of the following statements is not true? 1

A. Multinational corporations have huge capital resources.
B. Multinational corporations use aggressive marketing techniques.
C. Indian companies have failed to become MNCs.
D. PPP model is a huge success in India.

6. Statement I: Every company must file Article of Association. 1

Statement II: Article of Association is the main document of a company.

Choose the correct option from the options given below:

A. Statement I is true and II is false
B. Statement II is true and I is false
C. Both the statements are true
D. Both the statements are false`

7. Match the following: 1

Column A	Column B
a. Subrogation	i. It is duty of the insured to take reasonable steps to minimise the loss to the insured property.
b. Contribution	ii. Insurer gets all the rights against the third party with respect to subject matter insured, after compensating the loss.
c. Mitigation	iii. This principle ensures equitable distribution of losses between insurer

A. a-ii ; b-iii ; c-i
B. a-ii ; b-i ; c-iii
C. a-i ; b-ii ; c-iii
D. a-iii ; b-i ; c-ii

8. Which of the following is not included in B2C transactions? 1

A. After sale service
B. Promotional activities
C. HR management
D. Selling and distribution of goods

9. Hindrance of communication can be removed by: 1

A. Postal services
B. Transportation
C. Advertisement
D. Warehousing

10. Which of the following is true with respect to characteristics of Departmental organisation? 1

I. The staffs of Departmental organisations are Civil servants.
II. They are financed from the annual budgets of the Government.
III. It is created by an Act of Parliament or central or state legislature.

A. Both I and II.
B. Only I.
C. Only III.
D. Both II and III.

11. The marketing department of an organisation may not interact regularly with the production department. Due to this problem, scarcity of raw material causes the discontinuation of production. Which of the following reason is responsible for above problem? 1

A. Problem between managers of both departments.
B. Intra-B commerce between two departments is not working properly.
C. Scarcity of raw materials is a common problem of all such organisations.
D. None of these.

12. Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason(R). 1
Assertion: Public Corporations do not have to face any competition and are not guided by profit motive.
Reason: The employees of such organisation do not take initiative to increase the profit and reduce loss.

Choose the correct option from the following:

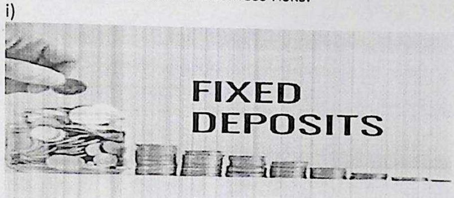
A. Both Assertion and Reason are true and the Reason is the correct explanation of the Assertion.
B. Both Assertion and Reason are true but the reason is not the correct explanation of the Assertion.
C. Assertion is true but Reason is false.
D. Assertion is false but Reason is true.

13. Asim and Binod are in a partnership sharing profits of their business in an equal ratio. They met Mukesh Ambani in a corporate function and somehow convinced him to let them use his name and goodwill for the benefit of their business by representing him as a partner of their firm. Mr. Ambani didn't participate in the affairs of the business and never contributed any money in the form of capital. Determine the type of partner Mr. Ambani is? 1

A. Active partner.
B. Secret partner.
C. Nominal partner.
D. Partner by estoppels.

14. The given pictures represent different business services. Choose the correct option representing the sequence of these causes of business risks. 1

i)



ii)

iii)

A. (i) Postal (ii)Banking (iii) Insurance
B. (i) Banking (ii) Postal(iii) Insurance
C. (i) Banking (ii) Insurance (iii) Postal
D. (i) Insurance(ii) Postal (iii) Banking

15. Mr. Kishor Majumdar is running his family business at Kolkata, West Bengal. He is the eldest member of his family. Both male and female members are allowed to participate in their business. But Kishor ji always remains the power centre and sole authority in controlling and regulating business. Name the form of business organizations run by the family members referred in the above case. 1

A. Partnership
B. One Person Company
C. Joint Hindu Family Business
D. Sole Trading Concern

16. 'It is a democratic large sized organisation having numerous shareholders; the owners having minimum influence in terms of controlling or running the business." Which form of organisation and the corresponding demerit is highlighted here? 1

A. Cooperative Society — Government Control
B. Joint Stock Company — Impersonal Work Environment
C. Cooperative Society — Inefficiency in Management
D. Joint Stock Company — Oligarchic Management

17. Geeta has Rs.20,000 in her account. For the next two years she doesn't make any use of it. Identify the type of bank account she needs to open in order to derive more interest. 1

A. Recurring Deposit
B. Fixed Deposit
C. Current Account
D. Saving Account

18. _______ is an example of a Departmental Undertaking: 1

A. ONGC
B. SAIL
C. Indian Railways
D. State Bank of India

19. According to The Companies Act, 2013, a government company is a company in which not less than ____% of the paid-up capital is held by the Central government or partly by the State and the Central government. 1

A. 100
B. 56
C. 51
D. 54

20. Electric power plants required huge investments for setting up, which was only possible by making it a public sector enterprise because only government could fulfil the demand of huge investments, which changing role of PSUs do you think is applied here? 1

A. Development of infrastructure
B. Economies of scale
C. Import substitution
D. Regional balance

21. A. In a Hindu Undivided Family business, after the death of karta, his younger brother automatically became the new karta and continued running the business. 3

a) Name the feature of Joint Hindu Family Business reflected here.
b) State one benefit of this feature.

OR

B. Why is a nominal partner liable for the debts of the firm even though he does not contribute capital or share profits? Distinguish between a sleeping partner and a nominal partner (any two points).

22. Roop visits her bank to transfer Rs. 50,000 electronically into her husband's account. At the bank she fills up the Real Time Gross Settlement (RTGS) form and presents it along with the necessary cash to the bank employee at the counter for immediate action. But to her surprise, the bank employee informs her that in this case, she cannot avail RTGS facility. But there is an alternate electronic bank transfer method available to her. In context of the above case: 3

a) Why do you think, the bank refused to transfer funds on behalf of Roop through RTGS facility?

b) What is the alternate electronic bank transfer method being referred to in the above lines? Explain.

23. A. a) "A cooperative society is a democratic organisation." Justify. 3

b) Why is the existence of a cooperative society not affected by the death or insolvency of a member?

OR

B. a) What is meant by the term "perpetual succession" in relation to a company?

b) "The company form of organisation enjoys the benefit of spreading risk." Explain.

24. Rakesh's father gifted him a cricket bat on his birthday. The cost of the bat was Rs. 800. Few months later, Rakesh sold it to Nishant, one of his school friends for Rs. 850. He was very happy to earn a profit of Rs.50. He was boosted by this transaction and after completing his studies, he formed a partnership business with his friend Nishant trading in bats and other sports materials under the name M/s Rakesh Traders. Rakesh and Nishant both act like an agent as well as principal of each other. Firm soon started earning good profits. Rakesh's father suggested them to spend some money on social responsibilities. They then decided to donate free sports goods to schools which were financially weak. 3

a) Can the transaction between Rakesh and Nishant be termed as business transaction? Give reason.

b) According to you which value motivated the partners to donate sports goods? Give any one suitable value.

25. A. Explain the following limitations of a Joint Stock Company: 4

a) Impersonal Work Environment

b) Possibility of Fraud

OR

B. Explain the following contents of Memorandum of Association:

a) Liability Clause

b) Association Clause

26. A. a) Elucidate the role of telecom services in India's economic development. 4

b) Differentiate between VSAT services and DTH services.

OR

B. a) How does warehousing help in stabilising prices?

b) Differentiate between Private Warehouses and Public Warehouses.

27. A. It is a form of public enterprise which is considered to be most suitable when national security is concerned. Identify and explain three merits of this form of public sector enterprises. 4

OR

B. Statutory Corporation form of organisation suffers from several limitations. Discuss in brief any four of them.

28. Identify and state the principle of insurance highlighted in the following cases: 4

i. The purpose of this principle is to put the insured in the event of loss, in the same position that he occupied immediately before the happening of the event.

ii. An insured car has been stolen. The insurer will compensate the loss as the car was covered by insurance. However, if the car is recovered later, then the insurer will have all the rights on that car.

iii. Rohit took a marine insurance to protect his goods from perils of sea. On the way, the goods were spoiled by rats. In such case, no compensation will be given by the insurer.

iv. A person wanted to do a fire insurance policy for his neighbour's house but Insurance Company is not accepting the policy.

29. During summer holidays, Mayur visit his grandparents to celebrate is grandfather's 90th birthday. His grandmother shares with him that she would like to buy a special gift for her husband on his birthday, but she cannot walk comfortably up to the market. Mayur opens an application of a popular e-commerce company on his smartphone and shows his grandmother different types of products which are being offered for sale from distant places. Although, initially the grandmother is fascinated by the concept of purchase online, but is reluctant to make a purchase as she is not confident about the whereabouts of the seller. 4

a) State the two advantages of e-Business mentioned in the paragraph.

b) Explain briefly any two other importance of e-business besides the ones which have been described in the paragraph.

30. Post and Telegraph Department is part of a Government Ministry. It is fully managed, controlled and financed by the concerned ministry. The annual budget of the ministry makes provision for the funds needed by the department. The ministry is answerable to the Parliament for its functioning. 4

a) Name the sector under which 'The Post and Telegraph Department' comes.

b) Name the kind of organization it is and also the concerned ministry.

c) How is the kind of organization to which this department belongs different from other organizations in the same sector? Give any two differences between the organizations in the sector.

31. Akanksha wanted to pitch in to reduce the financial crisis prevailing in her house and thought of working as a cook. She started working in three different households, one Punjabi, one Gujarati and one South Indian family. She soon realised that all the three households had different cuisine. It was indeed a challenge for her to learn the techniques of the cuisine. All the families greatly appreciated the time frame within which she had mastered the local cuisine. After working for them for a year, she decides to open a small eating joint of her own, along with two of her friends by the name 'Hamara Khana'. 6

They decided to share profits equally and that each of them will be liable for acts performed by the other two. Soon the eatery became a hot spot because of the fusion platter which was being offered.

On the basis of above case, answer the following questions

a) Identify the kind of business organisation which was setup by Akanksha and her friends.

b) Quoting the lines from the paragraph, state the features of this form of business organisation.

32. Sarika is running an organic store under the brand name, 'Earth' in a popular market in Dehradun. She acknowledges that risks in her business cannot be predicted with utmost accuracy as business environment is dynamic in nature. Therefore, it is not possible to predict future events with accuracy like, change in consumer preferences, increase in competition, natural calamities etc. Also, she feels that the risks in business can be minimized, but cannot be eliminated altogether. As her business is operated at a small scale, she feels her quantum of risk is relatively low. At the same time, she truly believes in the saying that 'no risk, no gain' is applicable to all the business organizations. 6

Identify and explain the various characteristics of business risk being described in the above paragraph.

33. Mansi is running a general store. The store was insured against natural disaster like flood, earthquake and fire from Hindustan General Insurance Company for the amount of Rs. 50 lacs. Heavy raining in the city caused massive flood. This left the store without any security. The store was looted by people which was caught on CCTV. She claimed from the insurance company the amount of damage of Rs. 13 lacs for the material and furniture spoiled from flood and also Rs. 5 lacs for the loss of material by theft, she also claimed another Rs. 25 lacs for now converting the store into fully AC and additional floor for more storage space. Insurance after assessing the damage to the property and stock due to flood and seeing the CCTV footage accepted the claim of Rs.13 lacs. Mansi argued that as she has been paying premium for Rs.50 lacs she should be paid the full claim of Rs.43 lacs. 6

On the basis of above case, answer the following questions.

a) Identify and explain the principle of insurance involved by insurance company for not accepting the claim amount.

b) Explain any two other principles of insurance with example.

34. A. a) Discuss the Scope of e-business: 6

i. B2B commerce ii. C2C commerce iii. Intra-B commerce

b) Differentiate between traditional and electronic business.

OR

B. a) "Many times, the terms e-commerce and e-business are used interchangeably"-Is the statement true? Give explanation in support of your answer.

b) "B2C commerce entails a wide gamut of marketing activities"- Justify your answer by giving any three suitable reasons.