

DAV BR PUBLIC SCHOOL, BINA
Half Yearly Examination SESSION 2024-25

PRACTICE PAPER

Class: 11th
Time Allowed: 3hrs

Subject: Business Studies
MM: 80

General Instructions:

- i. This question paper contains 34 questions with given internal choice.
- ii. Marks are indicated against each question.
- iii. Answers should be brief and to the point.
- iv. Answers to the questions carrying 3 marks may be from 50 to 75 Words
- v. Answers to the questions carrying 4 marks may be about 150 words.
- vi. Answers to the questions carrying 6 marks may be about 200 words.
- vii. Attempt all parts of the questions together.

Q. No.	QUESTIONS	MARKS
Section A: Statistics for Economics		
1.	The industries which provide support services to other industries are known as a) Secondary industries c) Commercial industries	1
		b) Primary industries d) Tertiary industries
2.	Which of the following does not characterise business activity? a) Presence of risk c) Production of goods and services	1
		b) Sale or exchange of goods and services d) Salary or wages
3.	The business activity involves dealing in goods and services on what basis? a) Irregular basis c) Regular basis	1
		b) One-time basis d) Quarterly
4.	Which of the following cannot be classified as an objective of a business? a) Productivity c) Innovation	1
		b) Profit earning d) Investment
5.	A partnership deed that specifies the terms and conditions that governs the partnership should be _____ a) verbal c) Either written or oral	1
		b) Oral d) Written

6. The partnership deed generally includes the following: **1**
a) Location of business
b) Nature of business
c) Name of firm
d) All of these
7. The head of the Joint Hindu Family Business is popularly known as ____ **1**
a) Manager
b) Director
c) Karta
d) Proprietor
8. When can a public company commence its business? **1**
a) After obtaining the certificate of commencement
b) After obtaining the license
c) All of these
d) After obtaining the certificate of incorporation
9. Statutory Corporation falls under which of the following category: **1**
a) Private Limited Company
b) Private Sector
c) Public Sector Enterprises
d) Public Limited Company³
10. A government company is any company in which the paid-up capital held by the government is not less than **1**
a) 49 percent
b) 51 percent
c) 25 percent
d) 50 percent
11. A prospectus is issued by: **1**
a) a joint enterprise
b) a public enterprise
c) a private company
d) a public company seeking investment from the public
12. From the following which of this is covered under Marine Insurance? **1**
a) Whole Life policy
b) Act only
c) Liability Insurance
d) Endowment Policy
13. Which one is not the principle of insurance? **1**
a) Principle of contribution
b) Principle of Mutual Interest
c) Principle of Indemnity
d) Principle of utmost Good faith
14. If reasonable care is not taken by the insured to minimize the loss or damage to the insured property then the claim from the insurance company may be lost. What is this principle known as? **1**
a) Utmost good faith
b) Indemnity
c) Mitigation
d) Contribution
15. From the following which of this is covered under Burglary Insurance? **1**
a) Freight Insurance
b) Open cover policy
c) Liability Insurance
d) Jewellery and Valuables
16. From the following which of this is covered under Burglary Insurance? **1**
a) Freight Insurance
b) Open cover policy

- c) Liability Insurance d) Jewellery and Valuables
- 17.** Online buying and selling shares and other financial instruments are known as **1**
- a) e-Trading b) e-Delivery
- c) e-Procurement d) e-Auction
- 18.** What is the method payment chosen by the customer at the time of physical delivery of goods? **1**
- a) Credit card payment b) Cash on delivery
- c) Debit card payment d) Prepaid amount
- 19.** **Assertion (A):** Statutory Corporation is a separate body corporate. **1**
- Reason (R):** It has the capacity of acting on its own i.e, can sue and be sued, enter into a contract, and acquire property in its own name.
- a. Both A and R are true and R is the correct explanation of A.
- b. Both A and R are true but R is not the correct explanation of A
- c. A is true but R is false
- d. A is false but R is true
- 20.** 20. Assertion (A): Almost all types of business functions, as well as managerial activities like planning, organising and controlling, can be carried out over computer networks. **1**
- Reason (R): B2B, B2C, C2C are all constituents of E-business.
- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A
- c) A is true but R is false
- d) A is false but R is true
- 21.** Rama Krishana Pvt. Ltd. is a well-known company in its own industry. This company is earning a considerable profit. Inspired by the great profit, both the classes, the proprietors and the Employees, are using their utmost skill. Not only this but both sides are also feeling inspired to do something special. They are making efforts to make good quality products available to the customers at a low price, to pay the shareholders a handsome dividend and the employee's reasonable remuneration. The company's foundations have become so strong that there is no doubt about its continuity in the market for a long time. On the other hand, an other company of similar industry namely Rama Pvt. Ltd. which is at the point of death, is likely to get closed at any time because of the decline in the profit. **1**
- i. Which aspect of business has been mentioned in the above paragraph?
- ii. Quoting the relevant lines, write about the three points of the concerned aspect?
- 22.** Distinguish between a partnership and sole proprietorship on the basis of: **1**
- i. Number of members
- ii. Capital contribution

iii. Secrecy

OR

Briefly explain the following types of partners:

i. Dormant Partner

ii. Active Partner

iii. Nominal Partner

23. What do you mean by the **Inconsistency** of services? **1**

24. What is electronic business? **1**

25. Distinguish between business and profession on the basis of: **1**

i. Qualification

ii. Mode of the establishment

iii. Return

iv. Risk

v. Code of Conduct

26 Harshit runs a well known departmental store in Delhi. He procures different kinds of products from all over the country through railways, roadways, and airways. He also owns a godown to hold the stocks. He has also taken an insurance policy worth Rs.10 crores for his business. Moreover, he has taken a loan of Rs. 2,00,000 from ICICI Bank in order to meet short term financial needs of his business. He has placed information about his store on the hoardings, billboards, etc. in order to popularize them. **1**

In the context of the above case answer the following:

i. What are auxiliaries to trade?

ii. Identify the different auxiliaries to trade that are being used by Harshit in his business by quoting lines from the paragraph.

27. Discuss the limitations of partnership **1**

28. Write the limitations of a government company. **3**

OR

What are the different kinds of organizations that come under the public sector?

29. State four points of the nature of Fire Insurance. **3**

30. Describe briefly any two applications of E-business. **4**

OR

E-business can be handled effectively by suitably qualified personnel and a well-designed system. Comment on this statement

31. Read the text carefully and answer the questions: **4**
Sejal had recently completed her MBA. Her father, who was the eldest

member of his family, wants her to help him in his family business. But she had the opinion that this business form has limited scope for expansion. So, she was thinking of starting a venture with a few of her friends. They gathered at Sejal's house to discuss the pros and cons of doing a particular business. One of her friends suggested starting a partnership firm in which each of them contributes and handles a particular area of their expertise. This will lead to good decision-making. But since the personal assets of the partners can be utilised for repayment of the firm's loan in case the assets are insufficient, most of them don't agree. Another friend recommended that they should choose that form of business in which they can have greater funds and scope of expansion and at the same time limited liability. Everyone liked his idea and they finally started their business in the next few months.

- (a) Which form of business was recommended by Sejal's father?
a) Partnership b) Hindu Undivided Family Business
c) Sole Proprietorship d) Joint venture
- (b) Which term is best suited for Sejal's father in the business he was a part of?
a) Karta b) Partner
c) Owner d) Coparcener
- (c) Which limitation of the business form has been mentioned in the above para?
a) Limited Resources b) Limited managerial skills
c) Lack of secrecy d) Unlimited liability
- (d) Identify one advantage of partnership firms mentioned in the above para.
a) Secrecy b) Balanced decision making
c) All of these d) Ease of formation
- (e) Identify one limitation of the partnership firm mentioned in the above para.
a) Limited Resources b) Lack of secrecy
c) Chances of Conflicts d) Unlimited Liability
- (f) Which form of business organisation do you think Sejal and her friends started?
a) HUF b) Company
c) Partnership d) Sole Proprietorship

32. Read the text carefully and answer the questions:

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Manish, Rahul and Madhav live in the same locality. They used to meet and discuss their ideas. After discussing about the recent fire breakout in their area, they decided to take fire insurance for their house or work area.

Manish gets his house insured against fire for ₹1 lakh and during the policy period, his house gets damaged due to fire and the actual loss amounts to ₹2.5 lakh. Insurance company acquired the burnt material and approved his claim.

Rahul gets his godown insured against fire for ₹1 lakh but does not take enough precautions to minimize the chances of fire like installing fire extinguishers in the factory. During

the policy, a fire take place in his godown and he does not take any preventive steps like throwing water and calling the employees from the fire fighting department to control the fire. He suffered a loss of ₹1,20,000.

Madhav took a fire insurance policy of ₹20 lakh for his factory at the an annual payment of ₹24,000. In order to reduce the annual premium, he did not disclose that highly explosive chemicals are being manufactured in his factory. Due to a fire, his factory gets severely damaged. The insurance company refused to make payment for the claim as it become aware about the highly explosive chemicals.

- (a) How much can Manish claim from the insurance company?
- a) 2.5 Lakhs b) 1 Lakh
c) 2 Lakhs d) None of the above
- (b) How much compensation can Rahul get from the insurance company?
- a) ₹2,00,000 b) ₹1,20,000
c) ₹1,00,000 d) Nil
- (c) Which principle is violated in case of Rahul?
- a) Mitigation b) Insurable Interest
c) Utmost Good Faith d) Indemnity
- (d) How much amount is the insurance company liable to pay to Madhav if he files a case against it?
- a) 24,000 b) Nil
c) Insufficient information d) 20 lakh
- (e) Which principle of Insurance is violated by Madhav?
- a) Utmost Good Faith b) Insurable interest
c) Subrogation d) Proximate Cause
- (f) The insurance company acquired the burnt material and approved his claim. Which principle of insurance is highlighted in the given statement?
- a) Mitigation b) Indemnity
c) Proximate Cause d) Subrogation

33. Two years back Rahul had joined a branch of Bank of Baroda as Assistant Manager in the Term Deposits division in Delhi. Whereas, his younger brother Rehan recently joined HDFC Bank as Business Development Manager in Kolkata. While discussing their job experiences both the brothers realized that the working of the two banks varies primarily because they belong to different sectors of the economy. However, on certain parameters the approach of both the banks is similar like offering a higher rate of interest on term deposits made by senior citizens, ensuring safety and security in net banking, etc.

In the context of the above case answer the following questions :

- a. By quoting lines from the paragraph identify the two sectors being highlighted.
- b. State any three differences between the two sectors as identified in part (a) of the question.

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c. List any two values that banks wish to communicate to society.

34. After becoming a certified chartered accountant Ridhima has recently started a tax consultancy firm. Her brother being an IT professional has advised her to ensure the security and safety of e-transactions. Apart from the transaction risks what are the other two types of e-business risk that Ridhima needs to guard her business against?

OR

Elaborate the steps involved in online trading.
