



ANANDALAYA
PERIODIC TEST- 2
Class : XI

Subject : Business Studies (054)
Date : 16-09-2025

M.M : 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

1. Warehousing facilitates the availability of goods as and when required. By doing this, which of the following utilities are provided by Warehousing? (1)
(A) Place Utility (B) Time Utility (C) Both (A) and (B) (D) Neither (A) nor (B)
2. It can continue as long as the partners want and is terminated when any partner gives a notice of withdrawal from partnership to the firm. (1)
(A) Partnership at will (B) Particular partnership
(C) General partnership (D) Limited partnership
3. Assertion (A): Partnership is a relation between two or more persons who agree to carry on a business to share profits. (1)
Reason (R): Joint ventures and partnership are same.
(A) Both A and R are true. 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 correct, but R is incorrect.
(D) A is incorrect, but R is correct
4. State with reason whether the given statement is True or False: (1)
Banks generally put certain restrictions on number of withdrawals from Current Account.
5. Complaint lodged by a customer at the company's call center is _____ type of e-business transaction. (1)
(A) C2C Commerce (B) C2B Commerce
(C) B2C Commerce (D) B2B Commerce
6. Based on the following picture, identify towards which stakeholder is the business enterprise not showing a socially responsible behaviour? (1)



- (A) Government (B) Employees (C) Consumers (D) Owners

7. The business risk which arises due to change in fashion or customer preferences is called _____. (1)
 (A) Natural risk (B) Economic risk
 (D) Speculative risk (C) Human risk
8. Match the following (1)

Column A	Column B
(a) Formed by an agreement	(1) Joint stock company
(b) Not sharing profits	(2) Co-operative society
(c) One man one vote	(3) Partnership business
(d) Transferability of shares	(4) Sole proprietorship
(A) a-2, b-4, c-1, d-3	(B) a-3, b-4, c-2, d-1
	(C) a-4, b-1, c-2, d-3
	(D) a-3, b-2, c-4, d-1
9. Statement I: A Statutory Corporation may be formed either as a private limited company or a public limited company. (1)
 Statement II: Reserve Bank of India (RBI) and Food Corporation of India (FCI) are examples of Statutory Corporation.
 Choose the correct option from the options given below:
 (A) Statement I is correct and II is wrong. (B) Statement II is correct and I is wrong.
 (C) Both the statements are correct. (D) Both the statements are incorrect.
10. The benefit of insurance that encourages saving among people is mostly related to _____. (1)
 (A) Fire insurance (B) Marine insurance (C) Life insurance (D) General insurance
11. Passion Limited is a well-known automobile company in India. In order to reduce dependence on a single supplier the automobile factory works through a network of computers which is used for placing orders. Identify the constituent of e-business being described in the given lines. (1)
 (A) B2B (B) B2C (C) C2C (D) Intra B
12. Which of the following is correct about speculative risk? (1)
 (a) Involve the possibility of only loss.
 (b) Involve the possibility of only gain.
 (c) Involve the possibility of either gain or loss.
 (d) Arise due to change in market condition.
 (A) Only (a) (B) Only (b) (C) Only (c) (D) Both (c) and (d)
13. Assertion (A): Articles of Association are the rules regarding internal management of a company. (1)
 Reason (R): The rules are not subsidiary to the Memorandum of Association.
 (A) Both A and R are true. 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 correct, but R is incorrect.
 (D) A is incorrect, but R is correct.
14. Bharat Electronics Ltd. (BEL) is a government company with 76% ownership by the Government of India and the rest by private shareholders. It was set up under the Companies Act to manufacture electronic equipment for the defense sector. Identify one of the advantages of government companies like BEL. (1)
 (A) Complete independence from government
 (B) No requirement to follow any legal regulations
 (C) Operational flexibility and separate legal entity
 (D) Freedom to avoid government accountability

15. Business is responsible to provide accurate and complete financial position of the company. This responsibility is towards _____. (1)
 (A) Consumers (B) Shareholders (C) Workers (D) Government
16. Statement I: Primary industries can be further classified as manufacturing industry and construction industry. (1)
 Statement II: Tertiary industry tries to remove various hindrances which arises during production and distribution of goods and services.
 Choose the correct option from the options given below:
 (A) Statement I is correct and II is wrong (B) Statement II is correct and I is wrong
 (C) Both the statements are correct (D) Both the statements are incorrect
17. Stages in the formation of a public company are in the following order, choose the correct order. (1)
 (A) Capital Subscription, Promotion, Incorporation, Commencement of Business.
 (B) Incorporation, Capital of Business, Capital Subscription Commencement of Business, Promotion.
 (C) Promotion, Incorporation, capital subscription, commencement of business.
 (D) Promotion, commencement of business.
18. _____ is financed by the government through allocation of funds in the Annual General Budget of Parliament. (1)
 (A) Departmental Undertaking (B) Statutory Corporation
 (C) Government Company (D) None of these
19. In which type of insurance, the insurable interest is required at the time of taking the policy and/or at the time of loss? (1)
 (A) Life insurance (B) Marine insurance
 (C) Fire insurance (D) Health insurance
20. Which of the following is not a true statement? (1)
 (A) The scope of commerce is narrower than business.
 (B) Commerce includes trade and auxiliaries to trade.
 (C) Foreign trade is purchase and sale by the traders of the same country.
 (D) Traders serve as a link between producers and consumers.
21. Registration is optional for Partnership firms, but still why do partnership firms willingly go through this legal formality and get themselves registered? Explain. (3)
22. Distinguish e-business from traditional business. (3)
23. Explain the Social Responsibility of Business towards workers, customers and Government. (Two points for each) (3)
24. To overcome the difficulties faced by public in public transport system, the government of India started the METRO project in which the government involved private sector participation to get the benefits of efficiency of private sector. The project was great success as lakhs of people are enjoying the metro service to move from one place to other. (3)
 (a) Identify the form of enterprise.
 (b) Give any two features of such enterprise.
25. Explain in brief the types of manufacturing industries with examples of product manufactured in each type. (4)

26. When commencing a business, businessmen have multiple choices as to the kind of business entity that they can form. The Indian Company Law gives options including Private Company, Public Company, OPC, etc. A businessman can form an entity as per the amount to be invested, number of members, the burden of liabilities, etc. Off late, there are several benefits of private companies over public limited companies. Hence, there are various reasons why it has become the top-most choice of businessmen and is being chosen over the option of Public Company. State the various privileges that the Private Company have over a Public Company. (4)
27. 'It is in the interest of business to fulfil its social responsibilities towards different interest groups'. Why? (4)
28. (a) Amit took an insurance policy against his car and after 3 months he sold the car to Biju. The car was stolen from outside Biju's house. Amit made a claim to the insurance company. His claim was rejected on the ground that Amit was no longer the owner of the car, so he has no right to get the compensation. (4)
- (i) Was Amit eligible for compensation from the insurance company?
- (ii) Which principle of insurance is applicable here? Explain.
- (b) Mr. Hareesh gets his house insured against fire for ₹10 Lakh with Insurer A and for ₹ 5 Lakh with B. The house was damaged due to landslide and incurred a loss of ₹ 6 Lakh. How much compensation can Mr. Hareesh claim from A and B? Give reason in support of your answer by explaining the principle of insurance applicable.
29. Riya owns a small business that sells handmade soaps and skincare products. Initially, she sold her products only through local exhibitions and word-of-mouth. However, during the COVID-19 pandemic, she noticed a drop in sales and decided to shift her business online. She created a website and also started selling on e-commerce platforms like Amazon and Flipkart. She partnered with a logistics company for timely delivery and used social media for promoting her products. (4)
- (a) Identify the type of business model Riya adopted after the pandemic.
- (b) Explain any three benefits Riya gained by shifting to this model.
30. (a) Despite limitations of a size and resources, many people continue to prefer sole proprietorship over other forms of organization. Why? (4)
- (b) 'Cooperative societies exemplify democracy and secularism'. Discuss.
31. Ajit was running a trading business in India. Now he extended its operations to Dubai and USA by establishing places of business in these countries. In order to increase sales in Dubai, the company adopted selling strategies like sales promotion and advertising. As the company had an excellent credibility in the capital market, it was able to meet all its financial requirements by borrowing from Citi Bank. On the basis of the given information about Ajit, answer the following questions: (6)
- (a) Identify and explain the auxiliaries to trade used by Ajit for running his business. Also quote lines.
- (b) Identify and explain the type of trade carried on by Ajit earlier and now.
32. Rohit and Ashwin felt that there was an opportunity of business in providing a service of online grocery stores for working people. They analysed the idea in terms of technical, financial and economic liability. Once they found all the aspects satisfactory, they decided to start a company called "Anytime @ home" private Ltd. They got the name registered with the registrar. (6)
- (a) which steps of formation of company are being referred to here?
- (b) Explain the next three steps associated with it.
33. Differentiate between Departmental Undertakings, Statutory Corporations, and Government Companies on the basis of: (i) Formation (ii) Ownership (iii) Management (iv) Financing (6)
34. (a) Briefly explain the following principles of insurance (6)
- (i) Utmost good faith (ii) Doctrine of subrogation (iii) Causa Proxima
- (b) Define Banking. Briefly explain any two types of bank accounts.