

**KOTHARI INTERNATIONAL SCHOOL, NOIDA**  
**ANNUAL EXAMINATION, SESSION: 2025-26**  
**GRADE: 11 SUBJECT: BUSINESS STUDIES (054)**  
**SET A**

**DAY & DATE: FRIDAY FEBRUARY 06, 2026**

**MAXIMUM MARKS: 80**

**NAME: \_\_\_\_\_**

**TIME ALLOTTED: 3 HOURS**

**ROLL NO: \_\_\_\_\_**

**GENERAL INSTRUCTIONS:**

- i). This is a objective & Subjective Question Paper containing 34 questions and 8 pages.*
- ii). Marks are indicated against each question.*
- iii). Answers should be brief and to the point.*
- iv). This paper contains 20 questions of 1 marks each, 4 questions of 3 marks each, 6 questions of 4 marks and 4 questions of 6 mark.*
- v). Answers to the questions carrying 3 marks may be from 50 to 75 words.*
- vi). Answers to the questions carrying 4 marks may be about 150 words.*
- vii). Answers to the questions carrying 6 marks may be about 200 words.*
- viii). Attempt all parts of the questions together.*

**Q1.** Match the various causes of business risk in column I with their respective statement in column II. **(1)**

<b>Column I</b>	<b>Column II</b>
A. Natural Causes	(i) These include flood, earthquake, lightning, etc.
B. Human Causes	(ii) These include such unexpected events, like dishonesty of employees.
C. Economic Causes	(iii) These include uncertainties relating to demand for goods, competition, price, etc.

- A. (i) (ii) (iii)
- B. (ii) (i) (iii)
- C. (iii) (ii) (i)
- D. (ii) (iii) (i)

**Q2.** It was in the early 1970s, when Sh. M.P. Sharma started the journey towards a brighter future. Then the small sweet shop has now flourished into a family owned enterprise which consists of many outlets in Delhi. These outlets serve sweets and cuisines spanning Indian, Continental, Chinese, South Indian and Regional foods. Mehar Sweets follows the casual dining concept and provides a warm and hospitable ambience in the outlets. Today, Mehar Sweets is a food business group with special ventures focused on Bengali Sweets and Multicuisine. During Diwali season this year, the shop owner employed women and children to meeting urgent orders and paid there marginal and limited salary. He prepared more Bengali Sweets then what he had sold last year. This way, Mehar Sweets generated more than the expected profit. On the basis of the given information about Mehar Sweets, which objective of business is not being fulfilled? **(1)**

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- A. Organisational
- B. Social

- C. Personal
- D. Economic

- Q3.** Ayushi did her post-graduation from SIS University, Ukhurul. She had offers to join some reputed firms in metropolitan cities like Delhi and Mumbai. Instead of joining any of these firms, she decided to do some creative work in Ukhurul. She observed that a special type of chilli is grown by the farmers in most of the villages in Ukhurul. This chilli has a distinct flavour and pickle made from this chilli has a taste which may be liked by people from the rest of the country. But the farmers were neither trained for farming of this kind of chilli on a large scale nor was there a secured market for their produce. Ayushi met 15 like-minded women of the area and formed an organisation for doing the business of pickle manufacturing. Each of them contributed ` 20,000 each towards its capital and were equally responsible for its management. On one hand, they assured the farmers to purchase their chilli and on the other hand, the organisation, with the help of local agriculture department arranged for the training of the farmers. They also employed 15 local unemployed graduate girls for doing the various operations of pickle making. Identify the kind of organisation that was formed by Ayushi. **(1)**
- A. Sole proprietorship
  - B. Joint hindu family
  - C. Partnership
  - D. Company

- Q4.** There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below **(1)**
- A. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
  - B. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
  - C. Assertion (A) is true, but Reason (R) is false
  - D. Assertion (A) is false, but Reason (R) is true

**ASSERTION (A)** The managing committee elected by members of the cooperative society is generally not professionally equipped to handle the management functions effectively.  
**REASON (R)** Cooperative society is unable to employ experts because of their inability to pay them high salaries.

Direction Read the following case study and answer questions 5 to 9 on the basis of the same. Sahil, Sarika, Saroj and Sunder are best friends. All of them have obtained the degree in Commerce from the same college. But they got admission in different courses in the university. Now they are doing their jobs in different departments. Mr Sahil got selected for the post of Inspector in the Railways. His father too is working in the railways on a high post. Miss Sarika got selected in the Reserve Bank of India for the post of a Manager. The whole bank is most appreciative of her style of working. Miss Saroj is working on the post of Assistant Accountant in the department of accounts in 'Hindustan Machine Tools'. Her recognition in the company is as a specialist in accounts. Mr Sunder is successfully working in the H.R. Department of 'Tata Motors'. All the four friends are fully satisfied with their respective jobs.

**Q5.** Identify the type of Mr Sahil’s enterprise. (1)  
 A. Departmental undertaking  
 B. Government company  
 C. Private sector enterprise  
 D. Statutory corporation

**Q6.** Identify the type of enterprise in which Miss Sarika is working. (1)  
 A. Departmental undertakings  
 B. Government company  
 C. Private sector enterprise  
 D. Statutory corporation

**Q7.** Identify the type of company in which Miss Saroj is working. (1)  
 A. Departmental undertakings  
 B. Government company  
 C. Private sector enterprise  
 D. Statutory corporation

**Q8.** Customers are required to deposit a specified sum of money every month in his account in case of ....., which is also known as cumulative time deposit account. (1)  
 A. savings account  
 B. current account  
 C. recurring deposit account  
 D. joint account

**Q9.** Match the following. Column I Column II (1)

Column I	Column II
A. Insurable interest	(i) Insurer is liable for the loss only when such loss is caused by the perils, which are stated in the policy
B. Proximate cause	(ii) A contract found on utmost good faith
C. Utmost good faith	(iii) Insured must have economic interest at the time of entering into an insurance contract

- A. (i) (ii) (iii)
- B. (i) (iii) (ii)
- C. (iii) (i) (ii)
- D. (ii) (i) (iii)

**Q10.** There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below (1)  
 A. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)  
 B. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)  
 C. Assertion (A) is true, but Reason (R) is false  
 D. Assertion (A) is false, but Reason (R) is true

**ASSERTION (A)** Business services are those services which are used by business enterprises

for the production or sale of good and services.

**REASON (R)** Business enterprises are much dependent on business services as these services help the enterprises to carry on their activities smoothly.

- Q11.** Meera wants to buy a new laptop with latest features and want to sell the old laptop before buying the new one. So, she listed her old laptop on quicker. com. She received good response from her post and was able to sell the laptop at good price. Identify the component of e-business being described above. (1)
- A. B2B transaction
  - B. B2C transaction
  - C. B2B transaction
  - D. C2C transaction

- Q12.** Match the following. Column I Column II (1)

Column I	Column II
A. What is right and what is wrong, is judged on the basis of socially determined standards of human behaviour.	(i) Social responsibility
B. Business enterprises should take some steps like top management commitment, periodical assesment of pollution control programmes etc.	(ii) Environment protection
C. Its obligation to take decisions and perform actions which are desirable in terms of objective and values of our society.	(iii) Business ethics

- A. (iii) (i) (ii)
- B. (iii) (ii) (i)
- C. (ii) (i) (iii)
- D. (i) (ii) (iii)

- Q13.** There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below (1)
- A. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
  - B. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
  - C. Assertion (A) is true, but Reason (R) is false
  - D. Assertion (A) is false, but Reason (R) is true

**ASSERTION (A)** A business should ensure timely and honest payment of taxes and should abide by rules laid down by the government.

**REASON (R)** Business should act according to the well accepted values of the society.

- Q14.** Match the following sources of finance on the basis of their Merits: (1)

i) Trade credits	a) only limited amount of funds can be raised
ii) Public Deposits	b) is a convenient and continuous source of funds
	c) it is not having any charge on the assets of the company
	d) it is difficult for the new businesses to raise the funds

- Q15.** Identify the capital which is required to purchase fixed assets? (1)



- Q16.** In case of service enterprise, where investment in equipment is more than 10 lakhs rupees but does not exceed 2 crore rupees is **(1)**
- Micro Enterprise
  - Small Enterprise
  - Medium Enterprise
  - Cottage Industries

- Q17.** Anuj is the simple rural folk. He believed in power of hardwork and dedication. He dreams big and wants to engage in rendering services enterprises or manufacturing enterprises. Guide Anuj as per MSMED Act, the options available from government. Match the enterprises with capital investment limit in plant and machinery: **(1)**

Column A	Column B
(i) Micro Manufacturing enterprises	(a) investment between 25 lakh to 5 crore
(ii) Small service enterprises	(b) not more than 10 lakh
(iii) Micro service enterprises	(c) investment between 10 lakh to 2cr
(iv) Small manufacturing enterprises	(d) investment less than 25 lakh

- (i)-a,(ii)-b,(iii)-c,(iv)-d
  - (i)-d,(ii)-c,(iii)-b,(iv)-a
  - (i)-b,(ii)-c,(iii)-d,(iv)-a
  - (i)-c,(ii)-d,(iii)-a,(iv)-b
- Q18.** Wholesale trade refers to **(1)**
- Exporting goods and services
  - Importing goods and services
  - Buying and selling of goods and services in large quantities
  - Buying and selling of goods and services in small lots
- Q19.** ABC Traders is a wholesale merchant operating in Delhi. It purchases goods like rice, sugar, and pulses in bulk directly from manufacturers and farmers. The wholesaler stores these goods in large warehouses and sells them in smaller quantities to retailers located in different markets. ABC Traders provides services such as warehousing, transportation, grading, and sometimes extends credit facilities to retailers. By performing these activities, the wholesaler **(1)**

helps in smooth distribution of goods and reduces the burden on manufacturers.

For each question, choose the correct option:

- A. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- B. Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
- C. Assertion (A) is true, but Reason (R) is false
- D. Assertion (A) is false, but Reason (R) is true

**ASSERTION (A)** Wholesalers act as a link between manufacturers and retailers.

**REASON (R)** Wholesalers buy goods in large quantities from manufacturers and sell them in smaller quantities to retailers.

- Q20.** Which of the following is not a document related to export transaction? **(1)**
- A. Shipping Bill
  - B. Airway Bill
  - C. Mate's Receipt
  - D. Bill of Entry

- Q21.** "One man control is the best in the world if that man is big enough to manage everything." Explain. **(3)**

- Q22.** Nishant & Company (OPC) got its office building insured for ₹10 crore. Due to an electric fire, a part of the building was badly destroyed. The advisor from the insurance company estimated the loss and approved the claim for ₹6 crore. Mr Nishant, the owner of the company, argued with the advisor to approve the claim for the amount of ₹10 crore as he has paid the premium of this amount and not for ₹6 crore. Explain with reason who is justified in the above case. **(3)**

**OR**

Ram Narain got his building insured against fire hazards for ₹10 crores. While settling with the insurance company for premium, he hid the fact that the property was in dispute over the ownership with the development authority of the state. A fire broke out due to electric short circuit and Mr Ram suffered severe losses. The insurance company refused to pay the claim when it learnt about the disputed ownership of the building.

- i). In your opinion, why did the insurance company refuse to pay the loss?
- ii). Which principle of insurance has Mr Ram violated?

- Q23.** Which type of e-business transaction is highlighted in the following cases? **(3)**
- A. Complaint lodged by a customer at the company's call centre.
  - B. Withdrawal of money from ATM.
  - C. Employees send their daily report through e-mail.
  - D. Sale of used books through eBay.com
  - E. Conducting surveys to determine customer's preference
  - F. Purchase of security lock system by Maruti Suzuki from Autocops.

- Q24.** Shoppers Stop has opened a new retail outlet in Patna. It offers a wide variety of products, **(3)**

classified into well- defined units each one is confined to one kind of products to satisfy every customer need under one roof. It purchases goods directly from the manufactures and thus eliminates middlemen.

- A. Identify the types of large scale retail outlet by quoting the lines from above case.
- B. State 2 differences between the above type of retail outlet and chain store

**Q25.** India is currently the third largest producer of eggs (by weight) and the sixth largest producer of chicken meat in the world. The meat production in India has grown by a brisk 10 percent and egg production by five per cent over the past 10 years. By 2030, over 40 percent of India's population will be urbanised and the number of working women is likely to double. This could significantly boost the market for frozen foods, including poultry products. But, the potential is constrained by recurring incidents of disease in poultry produce on frozen foods and rising feed costs.  
In context of the above case: (4)

- A. Identify and explain the different kinds of industries being discussed in the above paragraph.
- B. State the categories of types of industries to which the different kinds of industries as identified in part (A) belong to.

**Q26.** Bharat Heavy Electricals Limited (BHEL) was founded in the year 1964 by the Govt. of India. It is the largest plant equipment manufacturer in the country with 74% market share in the power sector. It has a network of 17 manufacturing units, 2 repair units, 4 regional offices, 8 service centres, 8 overseas offices, 15 regional centres, 7 joint ventures, and infrastructure allowing it to execute more than 150 projects at sites across India and abroad. It has been granted the status of a Maharatna (big gem) status in the year 2013 by Govt. of India for its outstanding performance and vast scale. Maharatna status affords the Boards of these companies enhanced financial and operational autonomy.  
In context of the above case: (4)

- A. How will you classify BHEL as a form of public sector enterprise?
- B. State any three features of the form of public sector enterprise as identified in part (a)
- C. Explain briefly 'financial and operational autonomy' as a merit of the type of public sector enterprise as identified in part (A)

**OR**

Two Years back Rahul had joined a branch of Bank of Baroda as Assistant Manager in the term deposits in Delhi. Whereas, his younger brother Rehan recently joined HDFC Bank as Business Development Manager in Kolkata. While discussing about their job experience belong to different both 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 banks are similar like, offering a higher rate of interest on term deposits made by senior citizens, ensuring safety and security in netbanking etc.

In context of the above case:

- A. By quoting lines from the paragraph identify the two sectors being highlighted.
- B. State any 3 differences between the two sectors as identified in part (A) of the question

**Q27.** Britannia Industries Ltd. is committed to help secure every child's right to growth and (4)

development through good food every day. The company is working in partnership with Global Alliance for Improved Nutrition (GAIN) and the Naandi Foundation to supply iron fortified Tiger biscuits to supplement the Mid-Day Meal program in schools. Iron deficiency among Indian children is a key cause of school dropouts as well as decreased productivity. In keeping with its core essence of “Swasth Khao Tan Man Jagao”, the company constantly strives to find sustainable opportunities to drive home the message of nutrition and good food habits among children at the right age.

In context of the above case:

- A. Identify the kind of social responsibility being discharged by Britannia Industries Ltd.
- B. Briefly explain any two other kinds of social responsibilities.

**Q28.** Differentiate between Equity Shares and Preference Shares. (4)

**Q29.** Explain briefly the various services provided by the wholesaler to the manufacturers. (4)

**OR**

Outline the functions performed by a retailer to the manufacturer and wholesaler.

**Q30.** Sheetal and Shilpi are close business friends engaged in a discussion on benefits of trade. Shilpi feels trade between the nations is highly beneficial while Sheetal feel an economy can only develop and grow if trade within the nations is strong. She also praised the supportive associations playing a catalytic role in strengthening trade within the nation to make it an important part of economic activity. (4)

On the basis of the aforesaid information, enumerate the benefits of the type of trade highlighted by Shilpi.

**Q31.** A partnership with five partners is operating a shoe factory and retail outlets in five big cities. The demand of the firm's products has increased considerably, but it does not have the capacity to meet the increasing demand. For expanding its operations, the firm needs more capital, manpower and machinery. After adequate deliberation, the partners have listed two alternatives. They can either admit new partners or convert the partnership into a public limited company. (6)

Questions:

- A. Which alternative is most suitable for the partners and why?
- B. Why should the partners adopt the alternative suggested by you?

**Q32.** Arun Kumar has recently joined JBM Autocorp Ltd. An auto spare parts manufacturing company as a finance manager of the company. After understanding the financial status of the company he realised that the company has only issued equity shares and preference shares. This has resulted in payment of large amount of taxes to government as dividend on shares is not deducted from income of the company for the purpose of tax calculation. The returns to shares holders are comparatively lower than what other competitors are paying. So he advised in the meeting to procure money from such sources that can give tax benefit to the firms. (6)

On the basis of aforesaid information about JBM Autocorp Ltd., answer the following questions:

- A. State and Explain the source of finance that can be used by the company to avail the benefit of tax saving.
- B. State any two merits and two demerits of the source of finance identified in part (i).

**Q33.** How do small-scale industries contribute to the socio-economic development of India? **(6)**

**OR**

Discuss the problems faced by small-scale industries.

**Q34.** Excel ltd. has received an order to export 2000 sewing machines to Swift Import ltd. of Spain. Explain in brief first six steps which Excel ltd. would need to go through for executing the export order. **(6)**