BUDHA DAL PUBLIC SCHOOL PATIALA

Final Examination (26 February 2026)

Class XI (Commerce)

Subject – Business Studies (Set - A)

M.M. 80

Time: 3hrs

General Instructions

1. All questions are compulsory.
2. Questions from 1 to 20 carrying 1 mark each.
3. Questions from 21 to 24 carrying 3 marks each.
4. Questions from 25 to 30 carrying 4 marks each.
5. Questions from 31 to 34 carrying 6 marks each.

Q1. Riya wants to open a bank account for her business in which she can deposit and withdraw money number of times in a day. She should open __ account for this purpose.

a) Current b) Fixed c) Savings d) None of the above

Q2. In case of life insurance, insurable interest must exist at the time of:

a) Taking the policy b) Maturity c) Both a & b d) None of these

Q3. In case of Govt. Company in India, shares are bought in the name of:

a) Prime Minister b) Managing Director c) President of India d) None of these

Q4. Public Private Partnership (PPP) primarily aims at:

a) Complete privatisation b) Collaborative infrastructure development

c) Reducing government ownership d) Enhancing foreign investment

Q5. This document is described as charter of the company:

a) Prospectus b) Articles of Association c) MOA d) None of these

Q6. Qualification shares are subscribed by:

a) Auditors b) Directors c) Bankers d) Employees

Q7. Match the following

Principle	Definition
i) Subrogation	b) Insurer gets all the rights against the third party with respect to subject – matter insured, after compensating the loss.
ii) Contribution	c) This principle ensures equitable distribution of losses between insurers
iii) Mitigation	a) It is the duty of the insured to take reasonable steps to minimize the loss to the insured property

a) i-b, ii-c, iii-a b) i-a, ii-c, iii-b c) i-c, ii-a, iii-b d) i-a, ii-b, iii-c

Q8 'After Sale Service' is an example of:

a) C2C Commerce b) B2C Commerce c) Intra B Commerce d) B2B Commerce

Q9. Preference shares are referred to as hybrid securities because they have features of both __ and __.

a) Equity & Debentures b) Retained earnings & debentures

c) Equity & Public d) Retained earnings & Equity

Q10. Investment limit in plant & machinery or equipment for micro enterprise is:

a) ₹10 crore b) ₹50 crore c) ₹5 crore d) ₹2.5 crore

Q11. Which of the following methods can be used to fund a start-up?

a) Crowd funding b) Angel investment c) Bootstrapping d) All of the above

Q12. Which source of finance is available in normal course of purchase of goods?
a) Inter-corporate deposits b) Trade credit c) Public deposit d) None of the above

Q13. In case of __ investors are individuals with surplus cash who have interest to invest in upcoming start-ups.
a) Bootstrapping b) Crowd funding c) Angel investment d) Venture capital

Q14. In an enterprise, investment in plant and machinery or equipment is more than ₹25 crore but does not exceed ₹125 crore.
a) Micro enterprise b) Small enterprise c) Medium enterprise d) None of the above

Q15. __ removes the hindrance of knowledge.
a) Trade b) Advertisement c) Transportation d) Import

Q16. In a cooperative society, the principle followed is:
a) One share one vote b) One member one vote c) No liability for debts d) Multiple votes

Q17. There is a full guarantee by the issuing bank branch about its payment to the payee. So, there is no risk of getting dishonoured.
a) Bank draft b) Cheque c) Both a and b d) None of these

Q18. Which of the following is a contract of indemnity?
a) Marine insurance b) Fire insurance c) Both a and b d) Life insurance

Q19. **Read the following statements carefully and choose the correct alternative from the following:**
Statement 1: Intra-B Commerce includes the use of intranet to interact and deal between various departments and persons within a firm.
Statement 2: Intra-B Commerce transactions may be conducted for human resource management.
(a) Both the statements are true.
(b) Both the statements are false.
(c) Statement 1 is true and Statement 2 is false.
(d) Statement 2 is true and Statement 1 is false.

Q20. A customer can place an order at midnight from home using a website. Which benefit of e-business is highlighted?
(a) Speed (b) Convenience (c) Low cost (d) Low personal touch

Q21. In all types of insurance (life, fire and marine insurance), insured must have insurable interest both at the time of insurance and at the time of loss. Do you agree? Give reasons. (3)

Q22. A firm must take decisions and actions that will help to increase the market value of shares. It is an example of responsibility towards which interest group? (3)
Also state any two other responsibilities of the business towards the interest group identified above.

Q23. How can partnership firms be classified on the basis of liability? (3)

Q24. Govind is a manufacturer of readymade kids garments. He sells his products through various dealers across the country. However, his sales are decreasing over the years. Recently, his wife gifted him a jacket which she had ordered through Myntra (an online shopping site for fashion and lifestyle). This gave Govind an idea to start selling his products online. (3)
State any three benefits that Govind can get through e-business.

Q25. The business assets of an organisation amount to ₹ 50,000 but the debts that remain unpaid are ₹ 80,000. What course of action can the creditors take if: (4)
(a) The organisation is a sole proprietorship firm.
(b) The organisation is a partnership firm with Anthony and Akbar as partners. Which of the two partners can the creditors approach for repayment of debt? Explain giving reasons.

Q26. The Reserve Bank of India (RBI) was established under a special Act of the Parliament, that lays down the objects, powers and functions of the Corporation. It was established on 1st April, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934. RBI formulates, implements and monitors the monetary policy and its main objective is to maintain price stability while keeping in mind the objective of growth. (4)
How will you classify the Reserve Bank of India as a form of public sector enterprise? Also, state features and merits of this type of public sector enterprise.

A-2

Give meaning of MOA. Briefly discuss its various clauses. (4)

28. Discuss the various points which highlight the role of Small scale business in the development of rural India. (4)

Q29. Discuss the differences between Domestic and International business. (4)

Q30. Discuss the Social responsibility of business towards: (4)

(i) Workers (ii) Shareholders

Q31. A) Identify the type of Bank Account in each of the following cases (6)

B) Also mention one feature of each ,apart from the one which is mentioned in the following cases

(i) This account interlinks the savings or current account with a deposit account and any amount in excess of a pre-determined amount is automatically transferred to a fixed deposit.

(ii) Under this account, individuals can keep their surplus money safe in the banks and also earn interest on their deposits.

(iii) In this account, certain fixed amount is deposited every month for a specified period and the total amount is repaid with interest at the end of the particular fixed period.

(iv) The main objective of this account is to enable the businessmen to conduct their business transactions smoothly.

Q32. Name the concept which defines the right and wrong behaviour in the world of business. Also discuss its various elements. (6)

Q33. A firm faced continuous losses and was unable to expand or meet its expenses. Another firm in the same industry earned reasonable profits and used them to improve product quality and provide better facilities to its employees. (6)

a) Why is profit essential for the survival of a business?

b) Identify one economic and one social objective discussed in the above case.

Q34. Shining Star Ltd. raised funds by issuing one of the securities. The investors were assured a fixed rate of dividend and priority in payment of dividend, but they did not have voting rights. (6)

a) Identify the source of finance used.

b) State any two features and three demerits of the source.