|  |  |
| --- | --- |
|  | **BUSINESS STUDIES**  **TERM 1**  **CLASS : XI COMMERCE**  **TIME: 90 MINS MM:40**  **General instructions:**   1. **The question paper contains 3 sections.** 2. **Section A has 24 questions. Attempt any 20questions.** 3. **Section B has 24 questions. Attempt any 20 questions.** 4. **Section C has 12 questions. Attempt any 10 questions.** 5. **All questions carry equal marks.** 6. **There is no negative marking.** |
|  | **SECTION A** |
| **1** | Which of the following does not characterize a business activity?  (a) Production of goods & services  (b) Presence of risk  (c) Sale or exchange of goods and services  (d) Salary and wages |
| **2** | Mr.Suresh purchase a smart phone from Apple Company through internet is a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_activity.   1. B2B b)B2Cc) C2C d)Intra-B |
| **3** | The Karta in Joint Hindu Family business has   1. Limited Liability 2. Unlimited Liability 3. No Liability for debts 4. Joint Liability |
| **4** | Following are the characteristics of business risks. One of them is not correct. Identify it.  (a) Loss is the reward for risk bearing  (b) Business risks are due to uncertainties  (c) Risk is an essential component of every business  (d) Degree of risk depends mainly upon the nature and size of business |
| **5** | The minimum number of members in a cooperative society is   1. 2 b)3 c)7 d)10 |
| **6** | In a cooperative society the principle followed is  (a) One share one vote  (b) One man one vote  (c) No vote  (d) Multiple votes |
| **7** | A partner whose association with the firm is unknown to the general public is called   1. Active partner 2. Sleeping partner 3. Nominal partner 4. Secret Partner |
| **8** | When business firms use eco-friendly method of production , they are performing social responsibilities towards which group:   1. Community b)Employeesc)Customer d)Shareholders |
| **9** | Profits do not have to be shared . This statement refers to which of the following:   1. Sole proprietorship b)Partnership c)Company d)Cooperative society |
| **10** | A plant manager gets his stock of goods insured but he hide the fact that the electricity  board has issued him statutory warning letter to get his factory wiring changed. Later on, the factory catches fire due to short circuit. Which principle is violated in the case?  (a) Principle of Subrogation  (b) Principle of Utmost Good Faith  (c) Principle of Indemnity  (d) Principle of Insurable Interest |
| **11** | Which of the following is an example of business risks due to economic cause   1. Earth quake 2. Lock out in a factory 3. Change in government policy 4. Mechanical defects in the machinery |
| **12** | Which of the following enterprise is formed by passing a special Act in parliament?   1. Departmental undertaking 2. Government company 3. Public corporation 4. Private ltd. company |
| **13** | Ram and Shyam are brothers, Ram transfer Rs.5,000 from his bank account to Shyam’s  Bank account, With which mode Ram transferred the money from his account to his brother’s account?  (a) E-mail (b) Postal Order(c) Money Order (d) Electronic Fund Transfer |
| **14** | The business firm which fulfils all its social obligations get benefitted in the long run, this is related to which feature of case for Social Responsibility.   1. Self interest b)Moral justificationc) Social powerd)Avoidance of government interference |
| **15** | Capital is required in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   1. Profession b)Employmentc) Business d)Non-Economic activity |
| **16** | Reserve Bank of India and Food Corporation of India are example of :   1. Departmental Undertaking 2. Government Company 3. Public Corporations 4. None of these |
| **17** | In case of life insurance , insurable interest must exist at the time of:   1. Maturity 2. Taking the policy 3. Both (a) and (b) 4. None of these |
| **18** | An economic activity in which people work for others and get remuneration in return is known as:   1. Business b)Profession c)Employment d)None of these |
| **19** | For the following two statements choose the correct option:  Statement I: A minor cannot become a member of the Hindu Undivided Family Business  Statement II: Registration is not compulsory in case of cooperative society.  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 |
| **20** | Karan took an insurance policy for his car. In an accident his car totally damaged. Insurer paid the full policy value to the insured. Karan sold his car as scrap for Rs75,000. Identify the insurance principle violated in this case.   1. Principle of Indemnity b)Principle of Mitigation   c)Principle of Insurable Interest d)Principle of Subrogation |
| **21** | For the following two statements choose the correct option:  Statement I: Petrol and diesel are the examples of analytical industries.  Statement II: Sugar and paper industry comes under synthetic industry.  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 |
| 22 | Which of the following cannot be classified as an auxiliary to trade?   1. Farming b)Insurance c)Warehousing d) Transport |
| 23 | To ensure fair and regular return on investment is related to which group?   1. Customer b)Employees c)Community d)Shareholders |
| 24 | Which of the following is not applicable in life insurance contract?  (a) Conditional contract (b) Unilateral contract(c) Indemnity contract(d) None of the above |
|  | **SECTION B** |
| 25 | Choose the correct alternatives:   |  |  |  | | --- | --- | --- | | s.no. | **Column I** | **Column II** | |  | The service which helps in removing hindrance of knowledge. | 1. Advertising | | (ii) | The service which helps in removing hindrance of Place. | 1. Transport | | (iii) | The service which helps in removing hindrance of Time. | 1. Insurance | | (iv) | The service which helps in removing hindrance of Risk. | 1. Warehousing |  1. (i)-A,(ii)-B,(iii)-D,(iv)-C 2. (i)-C,(ii)-B,(iii)-D,(iv)-A 3. (i)-A,(ii)-D,(iii)-B,(iv)-C 4. (i)-C,(ii)-D,(iii)-B,(iv)-A |
| 26 | Fishing is what type of Industry?   1. Primary b)Secondary c)Tertiary d)Commercial |
| 27 | Transfer of interest is possible in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   1. Profession 2. Employment 3. Business 4. Non-Economic activity |
| 28 | ABC Ltd. Is charging very low price which is just covering their cost so that it can remain in competitive market. It is achieving which organisational objective?   1. Survival 2. Profit 3. Growth 4. Social objective |
| 29 | Choose the correct alternative:   |  |  | | --- | --- | | **Column I** | **Column II** | | 1. A person who lends his name and goodwill for the benefits of a partnership firm. | 1. Particular Partnership | | 1. Person who contributes capital but does not take part in the business of the firm. | 1. Partnership Deed | | 1. A document containing terms and conditions of partnership. | 1. Sleeping partner | | 1. A partnership set up for specific projects. | 1. Nominal Partner |  1. (i)-(A),(ii)-(C ),(iii)- (B), (iv) – (D) 2. (i)-(D),(ii)-(B ),(iii)- (C), (iv) – (A) 3. (i)-(D),(ii)-(C ),(iii)- (B), (iv) – (A) 4. (i)-(D),(ii)-(A ),(iii)- (C), (iv) – (B) |
| 30 | The capital of the company is divided into number of parts, each one of which is called   1. Dividend b)Profit c) Interest d)Share |
| 31 | Application of approval of name of a company is to be made to   1. SEBI 2. Registrar of companies 3. Government of India 4. Government of the state in which company is to be registered |
| 32 | Maximum amount of funds and resources can be raised through which of the following form of business   1. Sole proprietorship b)Partnership c)Cooperative d)Company |
| 33 | All deposits in a bank account carry interest except :-   1. Current account b)Savings account c)Recurring account d)Fixed Deposit |
| 34 | Where national security is concerned, which form ofpublic enterprises is most suitable?   1. Statutory Corporationb)Departmental undertaking   c)Sole Proprietorship d) Partnership |
| 35 | This is not a characteristics of E- business   1. Convenience b)Customer satisfaction c)Global reach d)Personal touch |
| 36 | A government company purchases shares in the name of  a)Prime Minister b)President of India c)Chief Justice of India d)State chief minister |
| 37 | The prime objective of insurance is  a)Risk Management b)Financial Management c)Capital Management d)Investment Management |
| 38 | It is a type of saving bank account in which excess of a particular limit gets automatically transferred to fixed deposit account.  a)Current deposit account b)Recurring deposit c)Multiple option deposit account d)None of these |
| 39 | Full form of ATM is  a)Automatic take money b)Any time money c)Automated teller machine d)None of these |
| 40 | Complaint lodged by a customer at the company’s call centre is \_\_\_\_\_\_\_ type of e-business transaction. (a) C2C Commerce(b) C2B Commerce(c) B2C Commerce(d) B2B Commerce |
| 41 | e-commerce does not include (a) A business interactions with its customers (b) Interactions among the various departments within the business (c) A business interactions with its suppliers (d) Interactions among the geographically dispersed units of the business |
| 42 | The funding of which of the following enterprise comes directly from the government treasury, is under an annual appropriation from the budget of the government and the revenue earned by it is also paid into the treasury?   1. Departmental Undertaking b)Statutory Corporations   c)Government company d)Cooperatives societies |
| 43 | Reliance corporation opened a new branch in Bangalore. It is fulfilling which of the following organisational objective:   1. Survival b)Profit c)Growth d)Innovation |
| 44 | Providing accurate and up-to-date information on the financial position of the company is a responsibility of business towards:  a)Shareholders or owners b)Workers c)Consumers d)Government and community |
| 45 | Olx.com is an example of   1. B2C Commerce b)B2B Commerce c)C2C Commerce d)Intra B commerce |
| 46 | Provision of residential accommodation to the members at reasonable rates is the objective of (a) Consumers cooperative(b) Credit cooperative(c) Housing cooperative(d) Producers cooperative |
| 47 | Unlimited liability for sole proprietors means that   1. They can lose everything they own if their businesses fail 2. They can show the business as bankrupt 3. Proprietor are liable to the maximum of the capital invested in the business 4. They can sell the business and save themselves from paying the debts. |
| 48 | It is not compulsory for private limited company to   1. Maintain index of membersb) Issue prospectus   c)Conduct statutory meeting d)All of the above |
|  | **SECTION C** |
| 49 | Choose the correct option:  Assertion :(A) Trade removes ‘hindrance of persons’  Reason :(R) Transportation helps in moving goods from the place of production to the markets for sale  ( a) Both (A) and ( R ) are true and ( R) is the correct explanation of (A)  ( b ) Both (A) and ( R) are true, and (R) is not the correct explanation of (A)  (c ) (A) is true but (R ) is false  (d ) (A) is false but ( R) is true |
| 50 | Code of conduct exist in\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_   1. Business b)Profession c)Employmentd)All of these |
| 51 | Amit and Bipin are two partners in a firm. Karan is a good friend of Amit, who is a well-known rich person. Firm is in need of funds for their financial requirement. In a social gathering, Karan impresses Mr Gupta on the financial soundness and growth prospects of the firm and acts like a partner of AmitandBipin. Mr. Gupta got impressed with his words and grants loan to the firm. What type of partner is karan in the firm   1. Partner by Estoppel 2. Secret Partner 3. Sleeping Partner 4. Partner by holding out. |
| 52 | Minimum number of members to form a public company is   1. 5 b)7 c)12 d)21 |
| 53 | Choose the correct alternative:   |  |  | | --- | --- | | **Column I** | **Column II** | | 1. It enjoys maximum autonomy in all management activities | 1. Government Company | | 1. LIC and Air India are the examples of this form of enterprises. | 1. Departmental Undertaking | | 1. This enterprise is most suitable when national security is concerened. | (c ) Statutory Corporation |  1. (i)-(a), (ii)-( c), (iii)-(b) 2. (i)-(b), (ii)-( c), (iii)-(a) 3. (i)-(a), (ii)-( b), (iii)-(c) 4. (i)-(c), (ii)-( b), (iii)-(a) |
| 54 | An enterprise must behave as a good citizen is an example of its responsibility towards:   1. Owners b)Workers c)Consumers d)Community |
| 55 | Choose the correct option:  Assertion :(A) Memorandum of Association document of a company is described as ‘Charter of the Company’  Reason :(R) Memorandum of Association document contains the power and objectives of the company ,define the scope of its operations and its relations with the investors and outside world  ( a) Both (A) and ( R ) are true and ( R) is the correct explanation of (A)  ( b ) Both (A) and ( R) are true, and (R) is not the correct explanation of (A)  (c ) (A) is true but (R ) is false  (d ) (A) is false but ( R) is trues |
| 56 | Assurance is associated with-  (a) Fire Insurance (b) Life Insurance(c) Motor Insurance (d) Hull Insurance |
| 57 | Where, parties involved in the electronic transactions are from within a given business firm, hence, the name is \_\_\_\_\_\_\_\_ (a) Intra-C Commerce(b) Intra-D Commerce(c) Intra-B Commerce(d) Intra-A Commerce |
| 58 | Choose the correct option:   |  |  | | --- | --- | | **Column I** | **Column II** | | 1. To develop employee skill through training and education | 1. Government | | 1. To avoid unfair trade practices such as under-weighing, poor quality advertising etc. | 1. workers | | 1. To pay taxes regularly and honesty | 1. Consumers |  1. (i)-(b),(ii)-(c ), (iii)—(a) b) (i)-(a),(ii)-(c ), (iii)—(b) c)(i)-(b),(ii)-(a), (iii)—(c)   d)(i)-(a),(ii)-(b ), (iii)—(a) |
| 59 | The mutual agency feature of a partnership business can hold partners liable for the business entire debt as\_\_\_\_\_\_\_   1. Limited to their investment in business 2. Limited to the investment of the partner responsible for the debt 3. Unlimited for the partner responsible for the debt 4. Unlimited for each partner in the business |
| 60 | In a partnership , the partners   1. Always get salaries for working in the business 2. Always share profits and losses equally 3. Cannot take decisions independently 4. Enjoy limited liability. |

|  |  |
| --- | --- |
| Q.NO. | KENDRIYA VIDYALAYA SANGATHAN  MARKING SCHEME  CLASS XI (2021-22)  TERM 1  SUBJECT: BUSINESS STUDIES |
| 1. | D |
| 2. | B |
| 3. | B |
| 4. | A |
| 5. | D |
| 6. | B |
| 7. | D |
| 8. | A |
| 9. | A |
| 10. | B |
| 11. | C |
| 12. | C |
| 13. | D |
| 14. | A |
| 15. | C |
| 16. | C |
| 17. | C |
| 18. | C |
| 19. | D |
| 20. | D |
| 21. | C |
| 22. | A |
| 23. | D |
| 24. | C |
| 25. | A |
| 26. | A |
| 27. | C |
| 28. | A |
| 29. | C |
| 30. | D |
| 31. | B |
| 32. | D |
| 33. | A |
| 34. | B |
| 35. | D |
| 36. | B |
| 37. | A |
| 38. | C |
| 39. | C |
| 40. | C |
| 41. | D |
| 42. | A |
| 43. | C |
| 44. | A |
| 45. | C |
| 46. | C |
| 47. | A |
| 48. | D |
| 49. | A |
| 50. | B |
| 51. | A |
| 52. | B |
| 53. | B |
| 54. | D |
| 55. | A |
| 56. | B |
| 57. | C |
| 58. | A |
| 59. | D |
| 60. | C |