



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL

TERM 1 EXAMINATION -2026-27

BUSINESS STUDIES (054) SET-I

Class: XI

Date: 31.08.2026

Admission no:

Time: 3hrs

Max Marks: 80

Roll no:

General Instructions:

Read the following instructions very carefully and strictly follow them:

- This question paper contains 34 questions. Answer the questions according to given instructions.
- Marks are indicated against each question.

Q1) _____ Trade involves the transport of goods through the sea, using ships.

- (A) Maritime (B) Shipment (C) Cargo (D) Internal (1)

Q2) Chinese used to come to _____ to buy pearls, glass and rare stones.

- (A) Ujjain (B) Surat (C) Kanchi (D) Madurai (1)

Q3) **Assertion (A):** Internal trade refers to buying and selling of goods within the geographical boundaries of a country.

Reason (R): Internal trade does not require foreign exchange.

Choose the correct option:

- (A) Both Assertion (A) and Reason (R) are true, and (R) is the correct explanation of (A).
(B) Both Assertion (A) and Reason (R) are true, but (R) is not the correct explanation of (A).
(C) Assertion (A) is true, but Reason (R) is false.
(D) Assertion (A) is false, but Reason (R) is true. (1)

OR

Assertion (A): Economic activities are undertaken to earn a livelihood.

Reason (R): Non-economic activities are profit-oriented.

Choose the correct option:

- (A) Both Assertion (A) and Reason (R) are true, and (R) is the correct explanation of (A).
(B) Both Assertion (A) and Reason (R) are true, but (R) is not the correct explanation of (A).
(C) Assertion (A) is true, but Reason (R) is false.
(D) Assertion (A) is false, but Reason (R) is true. (1)

Q4) **Statement 1:** Economic activities are undertaken to earn a livelihood.

Statement 2: For a student, going to school is an economic activity.

Choose the correct option:

- (A) Both Statement 1 and Statement 2 are correct.
(B) Both Statement 1 and Statement 2 are incorrect.
(C) Statement 1 is correct but Statement 2 is incorrect.
(D) Statement 1 is incorrect but Statement 2 is correct. (1)



- Q5) The picture above shows which form of business? (1)
 (A) Sole Proprietorship (B) Joint Hindu Family (C) Partnership (D) Company
- Q6) A, B and C enter into a partnership agreement and it was decided that as A is the youngest he will have limited liability. This form of partnership is _____ partnership. (1)
 (A) General (B) Partnership at will (C) Particular (D) Limited
- Q7) Members may come, members may go but company remains for ever. Which feature of company is highlighted by the statement? (1)
 (A) Perpetual Succession (B) Transfer of Shares
 (C) Common Seal (D) Artificial person
- Q8) Which of the following is not a feature of a Joint Hindu Family Business? (1)
 (A) Governed by Hindu Law (B) Only male members can be co-parceners
 (C) Liability of Karta is limited. (D) Membership is by birth
- Q9) Statement 1: Sole proprietorship is suitable for small-scale businesses. (1)
 Statement 2: It is not easy to start.
 Choose the correct option:
 (A) Both Statement 1 and Statement 2 are correct.
 (B) Both Statement 1 and Statement 2 are incorrect.
 (C) Statement 1 is correct but Statement 2 is incorrect.
 (D) Statement 1 is incorrect but Statement 2 is correct.
- OR**
- Statement 1: The Karta in HUF has limited liability.
 Statement 2: The coparceners in HUF have unlimited liability.
 Choose the correct option:
 (A) Both Statement 1 and Statement 2 are correct.
 (B) Both Statement 1 and Statement 2 are incorrect.
 (C) Statement 1 is correct but Statement 2 is incorrect.
 (D) Statement 1 is incorrect but Statement 2 is correct.
- Q10) What is NOT true about private sector enterprises? (1)
 (A) Its main objective is to provide service (B) It is managed by owners and professionals
 (C) Owned by one or more individuals (D) Owners are free to manage the enterprise
- OR**
- With relation to a government company what does BEMIL stand for?
 (A) Bharat Engineering Management Ltd. (B) Bharat Earth Movers Ltd.
 (C) Bharatiya Efficiency Movement Ltd. (D) Bharatiya Ecological Movement Ltd.
- Q11) Which one of the following is a demerit of Multinational Corporation? (1)
 (A) Economies of Scale (B) Foreign Direct Investment
 (C) Cultural and Ethical Challenges (D) Cultural Exchange
- Q12) Multinational Corporations are also known as. (1)
 (A) Transpiration Companies (B) Translocation Corporations
 (C) Transmitted Companies (D) Transnational Corporations
- OR**
- The statutory corporation is managed and controlled by Board of Directors _____.
 (A) elected by the members of statutory corporation (B) nominated by the government
 (C) appointed by the government (D) selected by a special committee.

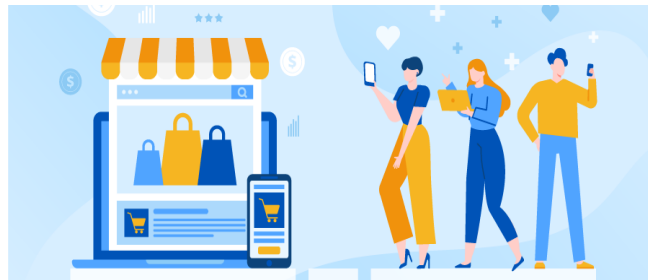
- Q13) Find the odd one out. (1)
- (A) Joint Hindu Family business (B) Cooperative Society
(C) Joint Stock company (D) Departmental Undertaking

- Q14) What is NOT true about services? (1)
- (A) It is an activity or process (B) It is homogeneous
(C) Services cannot be stored (D) Customer is necessary for its delivery

OR

- What is IFSC in relation to a cheque?
- (A) International Fiscal Security Code (B) Indian Financial System Code
(C) Indian Financial Security Code (D) International Fiscal System Code

- Q15) An account where a third party holds funds while a transaction between two or more parties are completed is known as. (1)
- (A) Demat Account (B) Bank Account (C) Debit Account (D) Escrow Account



- Q16) The above picture represents. (1)
- (A) B2C Commerce (B) C2C Commerce (C) Intra-B Commerce (D) B2B Commerce

- Q17) Anita has a collection of National Geographic magazines, she is moving out of the city and so she sold all her magazines online to Krishna. This is an example of. (1)
- (A) B2C Commerce (B) C2C Commerce (C) Intra-B Commerce (D) B2B Commerce

- Q18) Which one of the following is NOT a segment of outsourcing? (1)
- (A) Contractual Informatics (B) Contract Sales (C) Contract research (D) Contract manufacturing

- Q19) In relation to Business Process Outsourcing ITES means. (1)
- (A) Influence Time Elongated Service (B) Informed Time Economy Service
(C) Informational Technical Enabled Service (D) Information Technology Enabled Service.

- Q20) Division of society on the basis of familiarity or non-familiarity with digital technology is called. (1)
- (A) Digital divide (B) IT divide (C) e-commerce divide (D) Media divide

- Q21) State any three differences between member and coparcener in Joint Hindu Family business. (3)

- Q22) What are the 5-I's of service? Name them and explain any two. (3)

OR

What is internet banking? State any four requirements for Internet banking.



Q23) Identify the form of public sector from the picture above. Explain any two merits of such an organisation. (3)

Q24) Differentiate between e-business and Traditional business on the basis of
i) Cost of setting ii) Operating Cost iii) Response time (3)

OR

Explain any three benefits of e-business.

Q25) State any four characteristics of business and explain any three. (4)



Q26) Identify the picture and write a short note on it. Also state four manufacturing and services sector included in this mission. (4)

Q27) By what other names is the Sole Proprietorship business also known as? Explain, its formation and closure; Liability and Continuity of business. (4)

OR

Read the following passage and answer the questions that follow:

Arun, Binoy, and Chitra decided to start a digital marketing agency called "Pixel Craft Solutions". Arun brought strong technical design skills, Binoy contributed excellent marketing and client-relationship skills, and Chitra invested a large amount of capital. By pooling their distinct talents and financial resources together, they were able to secure major corporate projects that a single individual could never manage alone. Before launching, they legally registered their partnership agreement, which clearly outlined profit-sharing ratios and role divisions.

However, differences emerged after six months. Arun wanted to invest heavily in expensive Artificial Intelligence software, but Chitra strongly opposed taking on heavy expenses. As all decisions required mutual agreement, the launch of their new automated services was delayed by three months, causing them to lose a major tech client.

To make matters worse, Binoy signed a contract with a shady vendor without consulting the others. The vendor defaulted, leaving Pixel Craft with a massive debt of Rs.15, 00,000. The creditor threatened to seize Chitra's personal car to recover the entire unpaid balance.

- i) Identify and state the specific legal document Arun, Binoy, and Chitra signed before starting the business.
- ii) Identify and state two merits of a partnership business highlighted in the case.
- iii) Identify and state two demerits of a partnership business highlighted in the case.



Q28) What type of business is shown in the above two examples? What are the different ways in which this type of company can be formed? (1+3)

Q29) What is Life insurance? Explain any three elements of Life insurance contract. (4)

OR

Mr. Akash owns a commercial building. He decides to insure his building against fire risks. He approaches two different insurance companies and buys two separate policies:

Policy A from Star Insurance for Rs.5,00,000, and Policy B from Zenith Insurance for Rs.10,00,000.

A few months later, a short-circuit fire breaks out, causing structural damage to the building calculated at Rs.3,00,000. Mr. Akash files a claim demanding Rs.3,00,000 each from Star Insurance and Zenith Insurance, aiming to collect a total of Rs.6,00,000 so he can also remodel his personal office room.

i) Can Mr. Akash legally recover Rs.6,00,000 from both companies combined? Explain your answer citing the relevant insurance principle.

ii) Name and explain the secondary principle that guides how Star Insurance and Zenith Insurance will settle this specific loss of Rs.3,00,000. Clearly show their individual settlement.

Q30) Explain any four reasons why outsourcing is required. (4)

Q31) Commerce play a vital role by removing various hindrances in exchange of goods and services. Do you agree? Explain. (6)

OR

Peter F Drucker has suggested eight key areas, where objectives of business must be set. Name any six such areas and explain any four.

Q32) Write six differences between partnership and Joint Stock Company. (6)

Q33) What is a departmental undertaking? Explain any five limitation. (6)



Q34) a) Write four differences between the two types of cards shown above. (4)

b) Write the full forms of (2)

i) AEPS ii) NEFT iii) USSD iv) VSAT

ALL THE BEST