B.K. BIRLA CENTRE FOR EDUCATION

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

NABET

INDIAN PUBLIC SCHOOLS' CONFERENCE

PRE MID TERM EXAM, 2026-27
BUSINESS STUDIES (054) SET II

Class: XI | **Time: 1hr**
Date: 22.07.2026 | **Max Marks: 25**
Admission no: | **Roll no:**

General Instructions:

Read the following instructions very carefully and strictly follow them:

i) This question paper contains 10 questions. Answer the questions according to given instructions.

ii) Marks are indicated against each question.

Q1) This is the logo of (1)

(A) Made in India (B) Skill India (C) Chennai Super Kings (D) Make in India

Q2) _________ was known for its textile industry, gold, silk and sandalwood craftsmanship. (1)

(A) Pataliputra (B) Peshawar (C) Varanasi (D) Ujjain

Q3) **Assertion (A):** Registration of a partnership firm is compulsory in India.

Reason (R): A registered firm enjoys legal recognition and protection.

Choose the correct option: (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.

Q4) Which of the following is a merit of Sole Proprietorship? (1)

(A) Unlimited liability (B) Confidentiality of information

(C) Limited Managerial ability (D) Limited resources

Q5) Match the following (1)

i)	Partnership	a)	Act of1912
ii)	Company	b)	Act of 1956
iii)	Cooperative Society	c)	Act of 1932
iv)	Hindu Undivided Family	d)	Act of 2013

(A) i) c); ii) d); iii) a); iv) b) (B) i) a); ii) b); iii) c); iv) d)

(C) i) d); ii) c); iii) a); iv) b) (D) i) c); ii) b); iii) d); iv) a)

Q6) Ravi, decides to open a small bakery in his neighbourhood. He invests his own savings, manages the daily operations, and personally interacts with customers to understand their preferences. He uses a secret recipe to make a special pineapple cake which is the highest selling item, he is planning to add few more items if his customers grow. Since the bakery is small, Ravi does not need to register it as a company. He enjoys the freedom to make quick decisions, keeps all the profits, and builds strong relationships with his customers.

Explain any three merits that are evident in the case. (3)

OR

Preeti runs a small stationery shop as a sole proprietor. Initially, her business grew steadily, but as demand increased, she found it difficult to arrange more funds. She also struggled to manage accounts, marketing, and customer service all by herself. When she fell ill for a few weeks, the shop had to remain closed, leading to losses. Preeti now feels that her business growth is limited because she cannot expand beyond a certain point alone.

Explain any three limitations that are evident in the case.

Q7) Differentiate between Joint Stock Company and Cooperative Society on the basis of

i) Formation ii) Management iii) Motive (3)

Q8) How is trade classified? Explain. (4)

OR

What is a secondary industry? Explain how it is further classified.

Q9) What is private company? State any five privileges of private company. (4)

Q10) Pankaj and two of his friends started a garment manufacturing business. They sourced their raw materials from a town which was 85 km away. The used their personal savings and had also taken a bank loan keeping their factory as mortgage. They hired best labours most of whom stayed within 30km radius. The factory was well connected with roads. They had identified some 40 businessmen throughout the region to whom they supplied their finished products. Most of their transactions were on credit. However the shopkeepers to whom they supplied shits and trousers gave them post dated cheques. These cheques were deposited in their bank account, which was opened in the same bank from where the loan was taken. Before the festive season they used social media as well as print media to advertise their product. This ensured that they have excellent sale during the season. As they had to produce goods in anticipation they had taken a huge hall on rent to store their finished products as well as their raw materials. This hall was insured with the leading insurance company of the country.

i) Identify the various aids to trade from the above paragraph. (5)

ii) State what hindrance these aids to trade remove. (1)

---------------------ALL THE BEST -----------------------