

Directorate of Education, GNCT of Delhi
Practice Paper
Session: 2024-2025
Class: XI
Business Studies (054)

Duration: 3 HOURS

Maximum Marks: 80

GENERAL INSTRUCTIONS:

1. This question paper contains **34** questions.
2. All questions are compulsory.
3. Question no. **1 – 20** carry **1** mark each.
4. Question no. **21 – 24** are short answer type - I carrying **3** marks each (50 to 75 words).
5. Question no. **25 – 30** are short answer type – II carrying **4** marks each (about 150 words).
6. Question no. **31 – 34** are long answer type carrying **6** mark each (about 200 words)
7. There is no overall choice. However, an internal choice has been provided in 2 questions of three marks, 2 questions of four marks and 2 questions of six marks.

| S.NO. | QUESTION | MARKS |
|--------------|--|--------------|
| 1. | <p>GMR Industries entered the airports space in early 2000 and is today counted amongst the top 5 private airport developer and operators globally. GMR Industries presently owns and operates Delhi International Airport and Hyderabad International Airport. Apart from being the largest private airport company in India, GMR Industries is the only Indian airport developer to have developed and operated airports outside India. Identify the type of industry being discussed in above case.</p> <p>(a) Primary (b) Secondary (c) Tertiary (d) All of the above</p> | 1 |

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| 2. | <p>Bhagat ji di hatti is a famous grocery store providing good quality grocery at wholesale prices in tilak nagar market. They are running this store since three generations. All the family members run the business together. Now the senior most member wants to retire and let others run the business. Who will be next karta?</p> <p>a) The youngest member b) The next eldest member c) The karta himself d) The minor son</p> | 1 |
| 3. | <p><i>There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below</i></p> <p>Assertion (A): an active partner contributes capital, takes part in the normal business decision making and his liability is unlimited. Reason (R): Minor has right to share profits but his liability is limited.</p> <p>a) Both the Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) b) Both the 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</p> | 1 |
| 4. | <p>Read the following statements carefully:</p> <p>Statement I: Departmental undertaking is most suitable when national security is concerned. Statement II: Departmental undertaking is established under a Special Act of the Parliament.</p> <p>In the light of given statements, choose the correct alternative from the following:</p> <p>A. Both the statements are true. B. Both the statements are false. C. Statement I is true, Statement II is false. D. Statement II is true, Statement I is false.</p> | 1 |
| 5. | <p>Which of the following is not covered under general insurance?</p> <p>(a) Fire insurance (b) Theft insurance. (c) Life insurance (a) marine insurance</p> | 1 |

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| 6. | <p>Without disclosing that he is suffering from TB, Mr. A gets himself insured against death for rupees 10 lakhs. He lives for another three-four years and dies due to TB. The insurance company comes to know about Mr. A's illness only after his death. Now, under these circumstances, the insurance company is not liable to pay anything to the dependents of Mr. A as the contract between the insurance company and Mr. A is void. Identify the principle of insurance to which the above example is related:</p> <p>(a) Utmost good faith (b) Insurable interest (c) Indemnity (d) Subrogation</p> | 1 |
| 7. |  | 1 |
| | <p>Identify the Image shown:</p> <p>(a) Departmental undertaking (b) Statutory Organisation (c) Government Company (d) Joint Venture</p> <p>For Visually Impaired Candidates:</p> <p>..... form of PSU has the greatest autonomy.</p> <p>(a) Departmental undertakings (b) Public corporation (c) Government company (d) None of the above</p> | |

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| 8. | <p><i>There are two statements marked as Assertion (A) and Reason (R). Read the statements and choose the appropriate option from the options given below</i></p> <p>Assertion (A) There is a need for separate legislation of the Parliament for formation of government company.</p> <p>Reason (R) Government company can be established by fulfilling requirements of the Indian Companies Act.</p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)</p> <p>(b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)</p> <p>(c) Assertion (A) is true, but Reason (R) is false</p> <p>(d) Assertion (A) is false, but Reason (R) is true</p> | 1 |
| 9. | <p>“It has a wide reach as on one hand it allows the seller and access to the global market and on the other hand, it offers to the buyer, freedom to choose, products from almost any part of the world” Which benefit of e-business is described in above lines?</p> <p>(a) Speed</p> <p>(b) Ease of formation</p> <p>(c) Global reach</p> <p>(d) Convenience</p> | 1 |
| 10. | <p>Which of the following is an example of a B2B transaction?</p> <p>a) A customer buying a laptop from an electronics store</p> <p>b) A car manufacturer buying tires from a tire supplier</p> <p>c) A person selling a handmade item on an online marketplace</p> <p>d) A customer ordering grocery from an online store.</p> | 1 |
| 11. | <p>Which responsibility of the business is not the responsibility of the business to the government:</p> <p>(a) Following the pollution laws as set by the government</p> <p>(b) Establishment of the industrial undertaking as per the government norms</p> <p>(c) Providing after sales service</p> <p>(d) Payment of the fees, tax, surcharge etc. with honesty.</p> | 1 |
| 12. | <p>Which of the following is capable of doing maximum good to society?</p> <p>(a) Business success</p> <p>(b) Laws and regulations</p> <p>(c) Ethics</p> <p>(d) Professional management</p> | 1 |

| 13. | <p>Match the statements given in column I with the various constituents of e-business given in column II</p> <table border="1" data-bbox="280 207 1341 1066"> <thead> <tr> <th data-bbox="280 207 358 291"></th> <th data-bbox="358 207 997 291">COLUMN I</th> <th data-bbox="997 207 1068 291"></th> <th data-bbox="1068 207 1341 291">COLUMN II</th> </tr> </thead> <tbody> <tr> <td data-bbox="280 291 358 449">(a)</td> <td data-bbox="358 291 997 449">Both the parties involved in e-commerce transactions are business firms</td> <td data-bbox="997 291 1068 449">i.</td> <td data-bbox="1068 291 1341 449">Intra-B Commerce</td> </tr> <tr> <td data-bbox="280 449 358 751">(b)</td> <td data-bbox="358 449 997 751">Business firms at one end and its customers on the other end.</td> <td data-bbox="997 449 1068 751">ii.</td> <td data-bbox="1068 449 1341 751">B2C Commerce</td> </tr> <tr> <td data-bbox="280 751 358 909">(c)</td> <td data-bbox="358 751 997 909">Within a given business firm</td> <td data-bbox="997 751 1068 909">iii.</td> <td data-bbox="1068 751 1341 909">B2B Commerce</td> </tr> <tr> <td data-bbox="280 909 358 1066">(d)</td> <td data-bbox="358 909 997 1066">From the consumer and the ultimate destination is also consumers</td> <td data-bbox="997 909 1068 1066">iv.</td> <td data-bbox="1068 909 1341 1066">C2C Commerce</td> </tr> </tbody> </table> <p>Choose the correct option from the following:</p> <p>A. (a)-(iii), (b)-(ii), (c)-(i), (d)-(iv) B. (a)-(ii), (b)-(i), (c)-(iv), (d)-(iii) C. (a)-(iv), (b)-(ii), (c)-(i), (d)-(iii) D. (a)-(iii), (b)-(i), (c)-(ii), (d)-(iv)</p> | | COLUMN I | | COLUMN II | (a) | Both the parties involved in e-commerce transactions are business firms | i. | Intra-B Commerce | (b) | Business firms at one end and its customers on the other end. | ii. | B2C Commerce | (c) | Within a given business firm | iii. | B2B Commerce | (d) | From the consumer and the ultimate destination is also consumers | iv. | C2C Commerce | 1 |
|-----|--|------|------------------|--|-----------|-----|---|----|------------------|-----|---|-----|--------------|-----|------------------------------|------|--------------|-----|--|-----|--------------|---|
| | COLUMN I | | COLUMN II | | | | | | | | | | | | | | | | | | | |
| (a) | Both the parties involved in e-commerce transactions are business firms | i. | Intra-B Commerce | | | | | | | | | | | | | | | | | | | |
| (b) | Business firms at one end and its customers on the other end. | ii. | B2C Commerce | | | | | | | | | | | | | | | | | | | |
| (c) | Within a given business firm | iii. | B2B Commerce | | | | | | | | | | | | | | | | | | | |
| (d) | From the consumer and the ultimate destination is also consumers | iv. | C2C Commerce | | | | | | | | | | | | | | | | | | | |
| 14. | <p>Which of the following is an example of unethical business practice?</p> <p>(a) Transparent financial reporting (b) Insider trading (c) Fair competition (d) Customer satisfaction</p> | 1 | | | | | | | | | | | | | | | | | | | | |
| 15. | <p>A technology startup, TechVision Ltd, is developing an innovative wearable health device. After a successful product prototype, they need funding for production and marketing. TechVision's founders want to maintain ownership but are open to external funding options with manageable control over business decisions. What financing option would be most suitable for TechVision if they want to maintain ownership while raising funds?</p> <p>a) Bank Loan b) Venture Capital c) Equity Crowd-funding d) Angel Investor</p> | 1 | | | | | | | | | | | | | | | | | | | | |

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| 16. | <p>The debenture, which does not carry any charge/security on the assets of the company. These are also known as “Naked Debentures”. Identify the type of debenture:</p> <p>a) Secured debenture b) Unsecured debenture c) Bearer debenture d) Convertible debenture</p> | 1 |
| 17. | <p>Ritwik started a business of supplying IT related services to business organisations under the name ARK IT Solutions. He got the exclusive right over the name of his firm by following due legal procedure so that no other firm can copy his firm’s name. Identify the IP right discussed in this case.</p> <p>a) Copyright b) Trademark c) Patent d) All of these.</p> | 1 |
| 18. | <p>Prakash is a retailer, who runs a small retail shop in his locality dealing with a variety of products required to satisfy the day to day needs of the people in his locality. He sells on credit to trusted customers and free home delivery also. Which type of retail shop is run by Prakash?</p> <p>(a) Departmental Stores (b) General stores (c) Multiple Shops (d) Speciality shops.</p> | 1 |
| 19. | <p>Rajiv is an exporter who has received an inquiry from a potential buyer regarding the purchase of his products. The buyer wants detailed information about the products, including quality, grade, size, weight, type of packaging, and other specifications. To provide a clear understanding of the terms, Rajiv sends a formal quotation that includes all the necessary details to help the buyer make an informed decision.</p> <p>What is the formal quotation Rajiv sent, which includes detailed information about the product's quality, grade, size, weight, type of packaging, etc., called?</p> <p>Rajiv, an exporter sent complete information about the quality, grade, size, weight, type of packaging, etc. about the product on his enquiry. Such quotation is known as:</p> <p>(a) Performa Invoice (b) Indnent (c) Letter of Information (d) Enquiry Performa</p> | 1 |

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| 20. | <p>Statement I: The GST has replaced 17 indirect taxes (8 Central + 9 State levels) and 23 cesses of the Centre and the States, eliminating the need for filing multiple returns and assessments and rationalising the tax treatment of goods and services along the supply chain from producers to consumers.</p> <p>Statement II: GST comprises Central GST (CGST) and the State GST (SGST), subsuming levies previously charged by the Central and the State governments respectively.</p> <p>(a) Statement I is true, Statement II is false. (b) Statement II is true, Statement I is false. (c) Both the statements are true. (d) Both the statements are false.</p> | 1 |
| 21.(A) | <p>What are the differences between primary and secondary industry?</p> <p style="text-align: center;">OR</p> | 3 |
| 21.(B) | <p>Insurance is known as the tertiary industry. Explain.</p> | |
| 22. (A) | <p>Explain three features of a public-private partnership.</p> <p style="text-align: center;">OR</p> | 3 |
| 22. (B) | <p>What are the features of an MNC?</p> | |
| 23. | <p>“The directors of Jindal limited have decided to expand the business by adding two new products. To produce the two new products, they required to import and install fully Automatic Machinery worth ₹120 crores.”</p> <p>a) As a Finance Manager, advise the directors about various sources (Any two) of finance available to the company. b) If you would have to choose one of the suggested sources of finance, then which would be the best and also give reasons behind your choice.</p> | 3 |
| 24. | <p>Fixed shop retailers are shops which have a permanent establishment to sell their products. One of their characteristics is that they need not move from place to place for product selling. In the same manner, specify the other characteristics of these retailers and explain its classification.</p> | 3 |

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| 25. | <p>Dr. Anant Kumar is an orthopedic surgeon in Jaipur Golden Hospital and Dr. Sukumar Anand, his friend is a Pediatrician who has set his own clinic. Dr. Sukumar Anand's wife Ms. Sukumar Priya Anand operates a retail store specializing in the selling of antiques. On the basis of the given information about different business, answer the following questions:</p> <p>a) Identify the type of economic activity undertaken by, Dr Anant Kumar, Dr. Sukumaran and and Ms. Sukumar Priya Anand.</p> <p>b) Differentiate between them on basis of nature, capital investment, and transfer of interest.</p> | 4 |
| 26. (A) | <p>Why do the enterprises need to adopt pollution control measures?</p> <p style="text-align: center;">OR</p> | 4 |
| 26. (B) | <p>State the meaning of Corporate Social Responsibility as per the Companies Act 2013.</p> | |
| 27. | <p>“Solid Pipes Ltd. is a multi-location, multi-product company, manufacturing pipes in stainless steel/exotic material in wide size ranges, for a wide spectrum of applications. It now wants to cater to the Asian market and decided to invest in new Hi-tech machines. Since the investment is large, the finance manager wants to raise funds through the cheapest long-term source of finance.”</p> <p>On the basis of the given information about Solid Pipes Ltd., answer the following questions:</p> <p>a) Identify and explain the source of finance to be used by the company to meet its funds requirement.</p> <p>b) State any three merits of the source of finance identified in part (a).</p> | 4 |
| 28. (A) | <p>What are the criteria to define Micro, Small and Medium enterprises by the Government of India? Explain.</p> <p style="text-align: center;">OR</p> | 4 |
| 28. (B) | <p>Explain the role of National small Industries Corporation(NSIC) for development of small scale industries with special reference to rural and backward areas.</p> | |

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| 29. | <p>Ajay is a trader dealing in low cost fashionable footwear. In order to sell his merchandise he opens his shop on fixed days in different markets.</p> <p>In context of the above case:</p> <p>(a) How would you classify Ajay as a type of retailer?</p> <p>(b) Name the category of the type of retail trade as identified in part (a) of the question under which he should be placed.</p> <p>(c) Also, briefly explain any two other types of retailers which fall in the same category as Ajay as identified in part (a) of the question.</p> | 4 |
| 30. | <p>“It acts as a proof that goods have actually been manufactured in the country from which the export is taking place.”</p> <p>(I) Which certificate is highlighted in this statement?</p> <p>(II) Explain any two goods related documents required in export.</p> | 4 |
| 31. | <p>Phoenix Technologies Ltd., have developed such a washing machine through years of research which requires very less water for washing clothes and cleans them without damaging the cloth, as compared to other washing machines presently being sold in the market. This machine use 3D wash system, whereby there are 3 nozzles to spray water inside the drum while it rotates 360 degree. This facilitates complete of detergents and deep penetration of detergents into the clothes while washing. During the rinsing stage, the 3D wash system helps better penetration of fresh water in to the clothes, thereby minimizing any detergent traces in the clothes. This machine is available at a highly competitive price to motivate people from lower middleclass to buy it. The company wants to provide information about new features, price, availability and brand name to the maximum potential customers. On the basis of the given information about Phoenix Technologies Ltd., answer the following questions:</p> <p>a) Explain the service facility/ aids to trade which the company can utilize to generate maximum sales.</p> <p>b) Explain other service facility/aids to trade facilitating smooth movement of goods from the producer to the ultimate consumers.</p> | 6 |

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| 32. (A) | <p>Explain in detail the principles of Insurance?</p> | 6 |
| | <p>OR</p> | |
| 32. (B) | <p>State Six Differences Between Life Insurance, Fire Insurance, and Marine Insurance?</p> | |
| 33. | <p>Bhupendra was a very industrious sales executive with a small herbal cosmetic manufacturer. He earned a good salary and a commission on the business he brought for the firm and had a very good command of the Delhi market for which he had virtually become indispensable. He was aware of the enviable position he held in the firm and thought aloud: "The key to success in any business is the sale of its products. The beginning and end of the business cycle is nothing but sales and "other" people working in the factory to manufacture products are mere cogs in the business machine set in motion by sales people. So why carry this burden and get only a tiny share of the prosperity of the firm? Instead of others enjoying the fruits of my labour, why should I not start my own business?"</p> <p>(a) Should Bhupendra take a leap? Give reasons for your answer. (b) State any four functions Bhupendra will perform as an entrepreneur in relation to economic development.</p> | 6 |
| 34. (A) | <p>Rajasthan handicraft has received a grand order for handmade products from a German company. The exporter has obtained the pre shipment inspection report under the export quality control and Inspection Act 1963 and also got the excise clearance certificate from the authorities.</p> <p>Explain the next six steps to be taken by the Indian counterpart to export these goods.</p> | 6 |
| | <p>OR</p> | |
| 34. (B) | <p>Nipun is a successful businessman who is engaged in manufacturing auto spare parts. The products manufactured by him are sold not only in India, but are also exported to various countries like Singapore, Switzerland, Belgium, etc. On the basis of given case, answer the following questions: (a) Identify the two kinds of business in which Nipun is engaged. (b) Differentiate between the two types of business as identified in part (a) of the question.</p> | |