SATISH CHANDRA MEMORIAL SCHOOL

Practice test, 2023-24

SUBJECT – BUSINESS STUDIES

CLASS – XI

Full marks: 30 (MCQs 14+Hots 16)

Section A: Multiple Choice Questions (12 Marks)

1. Which of the following does not characterize a business activity?

    (a) Production of goods and services

    (b) Presence of risk

    (c) Sale or exchange of goods and services

    (d) Salary or wages

2. The liability of a Karta in a Joint Hindu Family Business is:

    (a) Limited

    (b) Unlimited

    (c) Joint

    (d) None of these

3. Which of the following is a type of statutory corporation?

    (a) Indian Railways

    (b) LIC

    (c) Tata Motors

    (d) Reliance Industries

4. The process of transferring the ownership of a public sector enterprise to the private sector is known as:

    (a) Liberalization

(b) Globalization

(c) Privatization

(d) Demonetization

5. Which bank is known as the 'Banker's Bank' in India?

   (a) SBI

   (b) PNB

   (c) RBI

   (d) HDFC

6. E-commerce does not include:

   (a) B2B

   (b) B2C

   (c) C2C

   (d) A2Z

7. Social responsibility is:

   (a) Same as legal responsibility

   (b) Broader than legal responsibility

   (c) Narrower than legal responsibility

   (d) None of them

8. The capital of a company is divided into a number of parts, each one of which is called:

   (a) Dividend

   (b) Profit

   (c) Share

   (d) Interest

9. Small scale industries are defined in India based on:

   (a) Number of employees

   (b) Volume of output

   (c) Investment in plant and machinery

   (d) Sales turnover

10. Internal trade refers to:

   (a) Trade between two countries

   (b) Trade within the geographical boundaries of a country

   (c) Trade between three countries

   (d) None of the above

11. which document is made by the exporter which contains details of the goods to be sent by ship like name of the sender, number of packages, shipping bill, destination port, name of ship, etc.
(a) shipping bill
(b) packaging list
(c) mate's receipt
(d) bills of exchange

12. 7. In India, the Village and Small Industries? Sector consists of both traditional and modern small industries. This sector has ___________subgroups.

(a) Eleven

(b) Five

(c) Ten

(d) Eight

Section B: (4 Marks)

Instructions:

(a) Both A and R are true and R is the correct explanation of A.

(b) Both A and R are true but R is NOT the correct explanation of A.

(c) A is true but R is false.

(d) A is false but R is true.

11. Assertion (A): Business is considered an economic activity. Reason (R): It is undertaken with the object of earning money or livelihood.

12. Assertion (A): A partnership firm must be compulsorily registered under the Law. Reason (R): Registration provides certain legal benefits and rights to the partners to sue third parties.

13. Assertion (A): Outsourcing helps in reducing costs and focusing on core competencies. Reason (R): Most of the non-core activities are handed over to outside agencies.

14. Assertion (A): Equity shareholders are called the 'Owners' of the company. Reason (R): They bear the highest risk and enjoy voting rights.

Section : C

Topic: Case Study (Full marks: 14)

14. ABC Ltd. manufactures leather purses and garments. The company plans to expand the business at international level as domestic market is not sufficient for large expansion and growth. The company is not having any idea of starting export neither they have foreign exchange and any one known in foreign country.

(a) State few problems that company may have to face in conducting International trade. (3)

(b) State the procedure to overcome the problems. (3)

(c) Write down the short notes on WTO.(2)

15. A Transport Company took an accident insurance policy for all its vehicles. A track of that company carrying oranges met with an accident. Due to that accident there was no damage to oranges but oranges were unloaded from that truck and reloaded to another. Due to time wastage in unloading and reloading the oranges got spoiled.

(a) Will the company get compensation for loss of oranges from the insurance company or not? (1)

(b) Which principle is related with this case? Explain that principle of insurance elaborately.(1+4)