

Sample Questions (for modified Question Design)
Class-XI
Subject: **BUSINESS STUDIES**

Assertion and Reason Type Multiple Choice Questions

1. Assertion (A): A nominal partner is one who allows to use his or her name by a firm but does not contribute capital.

Reason (R) : He or she takes active part in managing the firm and shares its profits/losses

Choose the correct option from the following:

1

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

2. Assertion (A): Political interference is a demerit of a Government.

Reason (R) : The operational policy of the government companies are framed according to the whims of the minister.

Choose the correct option from the following:

1

- (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.

Case based Short Answer Type Question

Mani is having a small farm where he grows vegetables. He wants to expand his business and for that he plans to acquire neighboring land. He also plans to purchase a tractor and other equipment for farming. He will need money to purchase land and equipment.

1. Which type of finance is required to fulfill his demand?
2. Identify any two sources of that type of finance.
3. Why does he need that type of finance?

1+1+2=4