INDIAN SCHOOL MUSCAT

ANNUAL EXAMINATION

FEBRUARY 2020

SET A

CLASS XI

Marking Scheme – BUSINESS STUDIES [THEORY]

Q.NO.		Marks (with split up)		
1.	(c) Secondary			1
2.	(a) Business risk			1
3.	(a) Departmental undertakin	g		1
4.	(a) Public Private Partnershi	ip		1
5.	(d) All of these			1
6.	(c)Includes contracting out b	ooth core and non-core activi	ities	1
7.	(c) Knowledge Process Outs	sourcing		1
8.	(a) Business ethics			1
9.	(c) Global trade rules			1
10.	Ease of formation, Converging	ess, Paperless society (2	(1/2 +1/2=1)	
11.	points) (d)All of the above			1
12.	(d) All of the above			1
13.	(b) At any time			1
14.	(a) Share			1
15.	(b) Trade credit	1		
16.	(d) 5 crores	1		
17.	(d) All of these	1		
18.	(a) Retailer	1		
19.	(b)Itinerant traders			1
20.	(a) Mate receipt	1		
21.	Basis	Business	Profession	
	Nature of work	Provision of goods and	Providing personalized,	
		services to public	expert service	(1x3=3)
	Reward	Profit	Fees	
	Transfer of interest			
	(i) It is a source of inc			
	(ii) It is a source of fin			
	(iii)It indicates the effi			
	(iv) It builds the reputa			
22	(Any 3 points with explan			
22.	(i) Acceptance of dep	(1x3=3)		
	(ii) Lending of funds			

	(iii)Cheq	ue facility					
	(iv)Remittance of funds						
	(v) Allied services						
	(Any 3 points with explanation)						
23.	` /	(a) Letter of credit					
		of exchange					
		certificate of pa					
24	·		with explanation)	منائدة المادة المادة المادة	d 40 4h 0		
24.		of entry: It is the oms office to rele					
			the importer, the n			(1x3=3)	
		ages etc.	the importer, the ii	anic of the sinp, no	illoci oi	(1X3=3)	
			is the reply sent by	the exporter for th	e enquiry of		
			nins the details abou				
		•	onditions of the exp	_	, I 3,		
			fest: It contains the		orted goods		
	on th	e basis of which	unloading of the g	goods takes place.			
25.		ect the laws of t	•				
		axes regularly a					
	` /	ect natural enviro				(1x3=3)	
		te employment o					
			age in the society				
26.	(Any 3 points with explanation) (i) Whole life policy: Amount is payable only after death						
20.	(i) Whole life policy: Amount is payable only after death (ii) Endowment life assurance policy: Amount is payable at the time of						
		(ii) Endowment life assurance policy: Amount is payable at the time of attaining a certain age or death whichever happens earlier					
	(iii) Joint life policy: Policy is taken on more than one persons						
	(iv)Annuity policy: Amount is payable after attaining a certain age						
	n	nonthly or quart	erly or yearly.				
	(v) Child	ild attains a					
	C						
	(Any 4 point	s with explanati					
		ъ .	OR	TO!	İ		
		Basis	Life	Fire			
		Subject	Human life	Physical			
		matter		property			
		matter		property			
		Insurable	Must be present	Must be present			
		interest	at the only time	both at the time			
			of effecting	of effecting			
			policy	policy and			
				claim			
		Duration	Time ranges	Does not			
			from 5 to 30	usually exceeds			

			years	1 year			
		Indemnity	Not applicable	Applicable	-		
		machining	Trot applicable	пррпецые			
27.	(i) Employment opportunities						
	(ii) Balanced regional development						
	(iii)Provides variety of goods						
		cost of product					
	(v) Self-						
	(Any 4 points with explanation)						
28.	Services of retailers to consumers:						
	(i) Regu						
	1 1	products inform					
		enience in buy	ing			(1x4=4)	
	, ,	selection					
	, ,	-sale services	.•				
	` ′	ide credit facili					
20		s with explanat					
29.	_	a private comp	₹				
	` /	mum 2 member					
	, ,	eed to issue pro	*			(15 5)	
		-	ion is not required	of in company ion		(1x5=5)	
	(iv)Can start its operations after certificate of incorporation						
	(v) Only 2 directors required (vi)No index of members						
	(vii) Minimum 1 lakh capital (Any 5 points with explanation)						
30.	Joint venture		.1011)				
30.	Benefits of j						
		ased resources	and capacity.			(1+4=5)	
			ets and distribution	networks			
	` ′	ss to technolog					
	(iv)Innov	_	2				
	(v) Low	cost of product	ion				
		olished brand na					
	(Any 4 points with explanation)						
			OR				
	Statutory corporation: These are public enterprises brought into existence by a						
	Special Act in Parliament.						
	Features of statutory corporation						
			o a Special Act pas	sed in Parliament			
	(ii) Wholly owned by the state						
	(iii)Body corporate having separate entity						
			goods or services to				
			e not strict like a go	overnment compan	y		
	(vi) Employees are not civil servants						
	(Any 4 points with explanation)						

31.	Incentives provided by Central/State Governments:					
	(i) Land: Some governments does not charge rent in the initial years					
	while some allow payment in instalments.					
	(ii) Power: It is supplied at a concessional rate of 50%, while some states					
	exempt such units from payment in initial years.					
	(iii)Water: Supplied on a non-profit, no-loss basis or with 50% concession or exemption from water charges for a period of initial 5 years.					
	<u>-</u>	_	÷			
		s: Supply scarce resources				
			or building capital assets.			
			ge setting up of industrial			
		backward areas.				
	(vii) Tax holida	ays: Exemption from the	payment of taxes for 5 to 10			
	initial year	rs.				
		OR				
	Debenture: The deben	nture issued by the compa	any is an acknowledgment that			
		ed a certain amount of mo				
	Advantages		•			
	C	vestors who want fixed i	ncome			
	` '		the profits of the company			
		e when the incomes and				
		the power of equity share		(1+2=2=5)		
	` '		erest on debentures is tax	(1+2-2-3)		
	deductible		erest on dependires is tax			
		;				
	Disadvantages					
	(i) Permanent burden on company					
	(ii) In case of redeemable debentures, the company has to make provisions					
	for repayment (iii) If dependings are issue, the ability of company to further borrow funds					
	(iii)If debentures are issue, the ability of company to further borrow funds					
	reduces					
	(Any 2 advantages and disadvantages)					
32.	Clauses in Memorano	lum of Association				
	(i) The name clar	ıse				
	(ii) Registered of	fice clause		(1x6=6)		
	(iii)Objects clause	e				
	(iv)Liability claus	se				
	(v) Capital clause					
	(vi) Association cl					
	(6 points with explana					
33.	Basis	Owned	Borrowed			
	Busis	O William	Bollowed			
	Voting rights	There is voting right	No voting rights	(1x6=6)		
	, oung rights	There is young right	Tio voting rights	(170-0)		
	Reward	Dividend	Interest			
	Permanent	Permanent source	Redeemable after certain			
			period			
			period			

	Risk	More	More			
	Meaning	•	Provided by shareholders and retained earnings			
Burden		Dividend is payable out of profits	Dividend is payable only out of profits		y	
	OR Trade credit: Trade credit is the credit extended by one trader to another for the purchase of goods and services. Advantages: (i) Convenient and continuous source of funds (ii) Readily available for those trades with credit worthiness (iii)Promotes the sales of business (iv)Increase inventory level (v) No charge on any assets Limitations: (i) May indulge in overtrading (ii) Only limited funds can be generated (iii)Generally a costly source of funds (Any 3 advantages and 2 limitations)					(1+3+2=6)
34.	Basis	Departmental Stores	Chain S			
	1. Location	Central part of the city	custom	ce with large number of ers		
	2. Range of products	All needs of customers under one roof		d range of products of cturers or wholesalers		(1.6.6)
	3. Services offered	Maximum service to customers	Very lin	nited service		(1x6=6)
	Do not have uniform pricing policy and offer discount occasionally Fixed pricing and uniform pricing policies for all shops					
	5. Class of customers	Services to relatively high income groups of customers who care about the quality of products rather than the price	custom	s to different types of ers who want good quality ts at reasonable price		
	6. Credit facilities	May provide services on credit to regular customers	All sale:	s are strictly on cash basis		
	7. Flexibility	Have flexibility in respect of the line of goods marketed		ch scope for flexibility since al in limited line of ts		
	(Any 6 points) OR Departmental stores: It is a large establishment offering a wide variety of products, classified into well-defined departments, aimed at satisfying				(1+5=6)	
]	practically every customer's need under one roof. Features:					

(i) Provide various facilities
(ii) Generally located in the central part of the city
(iii)Formed as a joint stock company and decisions are taken by BOD
(iv)Combines the functions of both retailing and warehousing
(v) Centralised purchasing arrangements

THE END