

**INDIAN SCHOOL MUSCAT****ANNUAL EXAMINATION****FEBRUARY 2020****SET B****CLASS XI****Marking Scheme – BUSINESS STUDIES [THEORY]**

Q.N O.	Answers	Marks (with split up)
1.	(b) Itinerant traders	1
2.	(d) wages and salaries	1
3.	(a) retailer	1
4.	(d) All of these	1
5.	(d) 5	1
6.	(b) Trade credit	1
7.	(c) Secondary	1
8.	(b) At any time	1
9.	(d) All of the above	1
10.	(a) Business ethics	1
11.	(d) All of the above	1
12.	(c) Global trade rules	1
13.	Ease of formation, Convenience, Speed, Global access, Paperless society (2 points)	( $\frac{1}{2}$ + $\frac{1}{2}$ =1)
14.	(c) Knowledge Process Outsourcing	1
15.	(c) Includes contracting out both core and non-core activities	1
16.	(d) All of these	1
17.	(a) Public Private Partnership	1
18.	(a) Mate receipt	1
19.	(a) Departmental undertaking	1
20.	(a) Business risk	1
21.	(i) Respect the laws of the country (ii) Pay taxes regularly and honestly (iii) Protect natural environment (iv) Create employment opportunities (v) Develop a proper image in the society (Any 3 points with explanation)	(1X3=3)
22.	(a) Bill of entry: It is the form filled by importer and submitted to the customs office to release the goods. It contains information about the name and address of the importer, the name of the ship, number of packages etc. (b) Proforma invoice: It is the reply sent by the exporter for the enquiry of the importer. It contains the details about the price of goods, quantity, quality, terms and conditions of the export etc. (c) Import general manifest: It contains the details of the imported goods on the basis of	(1X3=3)

	which unloading of the goods takes place.									
23.	(i) Acceptance of deposits (ii) Lending of funds (iii)Cheque facility (iv)Remittance of funds (v) Allied services (Any 3 points with explanation)			(1X3=3)						
24.	(a) Letter of credit (b) Bill of exchange (c) Bank certificate of payment (1 mark for each document with explanation)			(1X3=3)						
25.	Basis	Business	Profession	(1X3=3)						
	Nature of work	Provision of goods and services to public	Providing personalized, expert service							
	Reward	Profit	Fees							
	Transfer of interest	Possible	Not possible							
	OR (i) It is a source of income for business (ii) It is a source of finance for the expansion of business (iii)It indicates the efficient working of business (iv)It builds the reputation of business (Any 3 points with explanation)									
26.	(i) Employment opportunities (ii) Balanced regional development (iii)Provides variety of goods (iv)Low cost of production (v) Self-employment opportunities (Any 4 points with explanation)			(1X4=4)						
27.	Services of retailers to manufacturers: (i) Help in distribution of goods (ii) Personal selling (iii)Enabling large scale production (iv)Collecting market information (v) Help in promotion (Any 4 points with explanation)			(1X4=4)						
28.	(i) Whole life policy: Amount is payable only after death (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 monthly or quarterly or yearly. (v) Children’s endowment policy: Amount is paid after the child attains a certain age. (Any 4 points with explanation) OR <table><tr><td>Basis</td><td>Life</td><td>Fire</td></tr><tr><td>Subject matter</td><td>Human life</td><td>Physical property</td></tr></table>			Basis	Life	Fire	Subject matter	Human life	Physical property	(1X4=4)
Basis	Life	Fire								
Subject matter	Human life	Physical property								

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- | Basis                 | Departmental Stores   | Chain Stores  |
|-----------------------|---|---|
| 1. Location           | Central part of the city  | Any place with large number of customers  |
| 2. Range of products  | All needs of customers under one roof   | Specified range of products of manufacturers or wholesalers                                 |
| 3. Services offered   | Maximum service to customers  | Very limited service  |
| 4. Pricing            | 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 | Services to different types of customers who want good quality products at reasonable price |
| 6. Credit facilities  | May provide services on credit to regular customers   | All sales are strictly on cash basis  |
| 7. Flexibility        | Have flexibility in respect of the line of goods marketed   | No much scope for flexibility since they deal in limited line of products                   |

	(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 arrangement			
33.	Types of Co-operative Societies (i) Consumer’s cooperative societies (ii) Producer’s cooperative societies (iii)Marketing cooperative societies (iv)Farmer’s cooperative societies (v) Credit cooperative societies (vi)Cooperative housing societies (6 points with explanation)			(1X6=6)
34.	Basis	Owned	Borrowed	(1X6=6)
	Voting rights	There is voting right	No voting rights	
	Reward	Dividend	Interest	
	Permanent	Permanent source	Redeemable after certain period	
	Risk	More	Less	
	Meaning	Provided by shareholders and retained earnings	Borrowings and loans.	
	Burden	Dividend is payable only out of profits	Interest should be paid every year compulsorily	
	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)
	THE END			