

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

Q.N O.	Answers	Marks (with split up)
1.	(c) Knowledge Process Outsourcing	1
2.	(d) All of these	1
3.	(a) Business ethics	1
4.	(c) Secondary	1
5.	(a) Business risk	1
6.	(b) 51%	1
7.	(b) Itinerant traders	1
8.	(a) Departmental undertaking	1
9.	(a) Public Private Partnership	1
10.	(b) Trade credit	1
11.	(d) 5	1
12.	(a) Retailer	1
13.	(a) Share	1
14.	(d) All of these	1
15.	(a) Mate receipt	1
16.	(b) At any time	1
17.	(d) All of the above	1
18.	(d) All of the above	1
19.	Ease of formation, Convenience, Speed, Global access, Paperless society (2 points)	($\frac{1}{2}$ + $\frac{1}{2}$ =1)
20.	(c) Global trade rules	1
21.	(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)
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.	(a) Letter of credit (b) Bill of exchange (c) Bank certificate of payment (1 mark for each document with explanation)			(1X3=3)
24.	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)			
25.	(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)
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 wholesalers to producers: (i) Facilitating large scale production (ii) Bearing risk (iii)Financial assistance (iv)Expert advice (v) Help in marketing function (vi)Facilitate production continuity (vii) Storage (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)			(1X4=4)

[illegible]

	<p style="text-align: center;">OR</p> <p>Trade credit: Trade credit is the credit extended by one trader to another for the purchase of goods and services.</p> <p>Advantages:</p> <ul style="list-style-type: none"> (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 <p>Limitations:</p> <ul style="list-style-type: none"> (i) May indulge in overtrading (ii) Only limited funds can be generated (iii) Generally a costly source of funds <p>(Any 3 advantages and 2 limitations)</p>	(1+3+2=6)																								
33.	<table border="1"> <thead> <tr> <th>Basis</th><th>Departmental Stores</th><th>Chain Stores</th></tr> </thead> <tbody> <tr> <td>1. Location</td><td>Central part of the city</td><td>Any place with large number of customers</td></tr> <tr> <td>2. Range of products</td><td>All needs of customers under one roof</td><td>Specified range of products of manufacturers or wholesalers</td></tr> <tr> <td>3. Services offered</td><td>Maximum service to customers</td><td>Very limited service</td></tr> <tr> <td>4. Pricing</td><td>Do not have uniform pricing policy and offer discount occasionally</td><td>Fixed pricing and uniform pricing policies for all shops</td></tr> <tr> <td>5. Class of customers</td><td>Services to relatively high income groups of customers who care about the quality of products rather than the price</td><td>Services to different types of customers who want good quality products at reasonable price</td></tr> <tr> <td>6. Credit facilities</td><td>May provide services on credit to regular customers</td><td>All sales are strictly on cash basis</td></tr> <tr> <td>7. Flexibility</td><td>Have flexibility in respect of the line of goods marketed</td><td>No much scope for flexibility since they deal in limited line of products</td></tr> </tbody> </table> <p>(Any 6 points)</p> <p style="text-align: center;">OR</p> <p>Departmental stores: It is a large establishment offering a wide variety of products, classified into well-defined departments, aimed at satisfying practically every customer's need under one roof.</p> <p>Features:</p> <ul style="list-style-type: none"> (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 	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	(1X6=6)
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34.	<ul style="list-style-type: none"> (i) Cost and ease of setting up the organization (ii) Liability (iii) Continuity 	(1X6=6)																								

	(iv) Management ability (v) Capital consideration (vi) Degree of control (vii) Nature of business (Any 6 points with explanation)	
	THE END	