



# B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS  
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL



## TERM I EXAMINATION, 2025-26 BUSINESS STUDIES (054) MARKING SCHEME

Class: XI  
Date: 5.09.25  
Admission no:

Time: 3 Hrs  
Max Marks: 80  
Roll no

1.	(B) Only (ii) and (iii)	(1)
2.	(B) Peshawar	(1)
3.	(A) Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of Assertion (A).	(1)
4.	(C) Statement 1 is correct but Statement 2 is incorrect OR (D) Statement 1 is incorrect but Statement 2 is correct	(1)
5.	(D) Self-acquired property	(1)
6.	(B) (ii),(iv);(i) and (iii)	(1)
7.	(A) Both statement 1 and 2 are correct.	(1)
8.	(A) Corporate Existence	(1)
9.	(C) IAS officers	(1)
10.	(A) Departmental Undertaking	(1)
11.	(B) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion.	(1)
12.	(C) Demand deposit OR (A) 15 days to 10 years	(1)
13.	(A) Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of Assertion (A).	(1)
14.	(A) Automated Banking Machine	(1)
15.	(B) Marine insurance	(1)
16.	(B) Outsourcing	(1)
17.	(B) KPO	(1)
18.	(D) Virtual Private Network	(1)
19.	(D) Intra-B commerce	(1)
20.	(B) Option (ii) and (iii)	(1)

21.	<p>Every business idea may not be successful. Before launching a business it is very important to do a feasibility study. By the help of this study one can clearly understand is the project worth investing money. Various factors needs to be considered before a business is incorporated. The three feasibility study which can be done with the help of experts are</p> <p>Technical feasibility; Financial feasibility and Economic feasibility</p> <p>i) Technical feasibility: A business idea may be favourable but may not be technically feasible as the required technology may not be available. Sometimes raw materails and the required work fore may also not be easily found so investing money on such a project might be very risky.</p> <p>ii) Financial feasibility: Every business requires funds without money no business can be developed. So the market condition the rate of intertest and availability of the required fund is a very important factor which needs to be checked before stattring a business. Working capital requirement must be done properly as its also equally important for any type of business.</p> <p>iii) Economic feasibility: The main puropse of every business is to earn profit. If adequate profitcannot be earned then its better to change the business or shut down the business. Every businessman will only want to do a business which is profitable.</p> <p style="text-align: center;">OR</p> <p>Authorised Capital Section 2(8); Issued Capital Section 2(50); Subscribed Capital Section 2(86); Called up capital Section 2(15) and Paid up share capital Section 2(64)</p>	(3)					
22.	<p>a) This is a Departmental Undertaking</p> <p>b) One feature is that it is under direct control and management of a ministry.</p> <p>c) A limitation is lack of flexibility and slow decision-making due to bureaucratic control.</p>	(3)					
23.	<p>a) Ans: Cash credit</p> <p>b) Ans: shares worth 15,00,000 of the bank</p> <p>c) 12% of 7,50,000 = 90,000</p>	(3)					
24.	<p>a) e-procurement : purchase and sale of goods through internet</p> <p>b) e-bidding/e-auction: Shopping sites have quote your price option whereby bidding can be done to buy a product</p> <p>c) e-communication/e-promotion: Publication of online catalogues displaying goods, advertisement through banners. Conducting meetings through video conferencing.</p> <p>e-delivery</p> <p>e-trading</p>	(3)					
25.	<p>i) Survival : A business must ensure that it will last long and for that its very important to make adequate profit. No business can survive without profit in long run.</p> <p>ii) Expnasioin and Grwoth: Every business would like to expand and grow and that is only possible if there is enough profit. Profit can be used to fund its future expansion.</p> <p>iii) Measure of efficiency : The efficiency and prosperity of a business is measured by its business. Investors will be keen to invest only when a company or business is making good profit. Higher profit indicate that the resources has been used efficiently and there is minimum wastage</p> <p>iv) Reward of risk bearing: More the risk more is the chance of earning profit. Every businessman bears a lot of risk while doing the business and profit is noting but the award of the risk taken by the entrepreneur.If there is no chance of profit no one will be willing to take the risk.</p> <p>v) Better goodwill: A profit making company has a better goodwill in the market. This not only helps to get more investment but also helps to get better manpower and talented workforce.</p>	(4)					
26.	<p>a) It's a Public Company</p> <p>b) Minimum nimer of members is SEVEN (7)</p> <p>c) Mohit has already paid Rs.35 for each share of Rs.50 each so his total liability is 500 X 15 = Rs.7500</p> <p>d) Yes,Transferability of shares</p>	(4)					
27.	<p>Yes; Active or working partner; Sleeping or Dormant partner ; Secret partner; Nominal partner; Partner by estoppel and Partner by holding out</p> <table><tr><td>Basis</td><td>Active</td><td>Sleeping</td><td>Nominal</td><td>Holding out</td></tr></table>	Basis	Active	Sleeping	Nominal	Holding out	(4)
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	<table><tr><td>Capital Contribution</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td></tr><tr><td>Management</td><td>Yes</td><td>No</td><td>No</td><td>No</td></tr><tr><td>Shares in profit/loss</td><td>Yes</td><td>Yes</td><td>No</td><td>No</td></tr><tr><td>Unlimited Liability</td><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes</td></tr></table>	Capital Contribution	Yes	Yes	No	No	Management	Yes	No	No	No	Shares in profit/loss	Yes	Yes	No	No	Unlimited Liability	Yes	Yes	Yes	Yes	
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	<p style="text-align: center;">OR</p> <p>It is a voluntary association of persons, who join together with the motive of welfare of members. It is required to be registered under the Cooperative Societies Act 1912. Minimum 10 adults are required to form a cooperative.</p> <p>i) Voluntary Membership : Any person above the age of 18 can become a member if there is a common interest. There is no bar on religion, caste and gender.</p> <p>ii) Legal Status: As every cooperative has to be registered, once its done it becomes a separate legal entity. A cooperative can enter into contracts, own property, can be sued. It is not affected by members coming in or going out.</p> <p>iii) Limited liability: Every member has limited liability to the extent of capital contribution.</p> <p>iv) Control: All cooperative societies are run under democratic pattern based on the principle of one man one vote. The power to take decisions is on the elected board but members are allowed to give suggestions.</p> <p>v) Service Motive: Cooperative societies are formed with a motive to serve and not to earn profit. However any surplus generated is distributed among members as dividend.</p>																					
28.	<p>Departmental Undertaking is the oldest and traditional form of public enterprise. It is under the control of a concerned minister of that department and is managed by government officials. This type of enterprise is financed by the Government budget and so the department is answerable in the parliament. Departmental Undertaking is suitable for public utilities and strategic industries.</p> <p>Eg: Indian Railways; India Post</p> <p>Disadvantages</p> <p>a) Lack of flexibility</p> <p>b) Delay in decision making</p> <p>c) Bureaucracy and Conservative approach</p> <p>d) Red tapism</p> <p>e) Undue government interference</p>	(4)																				
29.	<p>a) There are three types i) Debit Card ii) Credit Card and Prepaid Cards</p> <p>Debit Card: It's a type of card which can be used to make payment and withdraw money from ATM. There is a limit upto which the money can be withdrawn or purchases can be made at its upto the minimum balance requirement of the bank. A customer needs to have the money to use it.</p> <p>Credit Card: Its is also issued by a financial institution which allows the holder to buy goods and services on credit. Every credit card has a maximum limit which can be borrowed and that money needs to be repaid either in full or in instalments (monthly basis). If the money is not paid within the credit period interest is added on the balance and it goes on compounding as long as it is not repaid. The holder of the card can use this at different shops and establishment using a PIN (Personal Identification Number)</p> <p>Prepaid Cards: In this type of card money is loaded before it can be used it is not linked to a bank account.</p> <p>b) EFT is Electronic Fund Transfer it can be done in two ways</p> <p>NEFT ( National Electronic Fund Transfer)</p> <p>RTGS (Real time Gross Settlement)</p>	(4)																				
30.	<table><tr><td>Basis</td><td>e-business</td><td>Traditional business</td></tr><tr><td>Physical presence</td><td>Not required</td><td>Required</td></tr><tr><td>Location requirement</td><td>No requirement for location</td><td>Location near market or source of raw material is better</td></tr><tr><td>Nature of human capital needed</td><td>Technically and Professionally qualified</td><td>Semi-skilled and unskilled</td></tr><tr><td>Transaction risk</td><td>Huge risk due to lack of personal touch</td><td>Low risk due to personal contact</td></tr></table>	Basis	e-business	Traditional business	Physical presence	Not required	Required	Location requirement	No requirement for location	Location near market or source of raw material is better	Nature of human capital needed	Technically and Professionally qualified	Semi-skilled and unskilled	Transaction risk	Huge risk due to lack of personal touch	Low risk due to personal contact	(4)					
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31.	<p>Primary industries are furter classified as Extractive and Genetic industries</p> <p>Extractive industries includes all those industries which are engaged in the raising of products from natural resourses. They genearelly supply raw materials to other industries.</p>	(6)																				

	Genetic industries are those industries which are engaged in breeding plants and animals for their use in further reproduction. Cattle rearing; fish hatchery. Here man not only adds to the growth but also reproduces nature made goods. Secondry industries are further classified into Manufacturing and Construction industries Manufacturing industries are further classified into a) Analytical industries : Here the basic raw materials are analysed and separated into different final products. b) Synthetical industries are those where two or more raw materials are combined together in manufacturing process to make a final product. c) Processing industries are those where a product passes through various stages to become a final product. d) Assembling industries where different parts are joined together to produce a final product. Construction industries are those which are engaged in the construction of building; dams; bridges			
32.	Basis	Partnership	Hindu Undivided Family	6
	Governing Body	Indian Partnership Act 1932	Hindu Succession Act 1956	
	Number of members	Minimum 2 ; Maximum 50	Minimum 2; Maximum – No limit	
	Female	Female can be an active partner	Female cannot be an active member	
	Profit Sharing Ratio	PSR reamin same unless changed with mutual consent of partners	PSE goes on changing due to birth and death	
	Liability	All partners have unlimited liability	Karta has unlimited liability, members have limited liability	
	Management	Every partner can take active part in the management	Management and Control is with the Karta.	
33.	MNC or Multinational Company it is also known as Global Enterprises, Supernatural Companies and Transnational Companies. These companies have their business operations extended beyond the country in which they have been incorporated. They have their head office in one country and have their operations spread in may countries. It is a boon for developing countries as it offers the various advantages. a) Employment Opportunities b) Advanced Technologies c) Inflow of Foreign Capital d) Improves standard of living e) Grwoth of domestic business f) Healthy competion  OR a) There are three different ways in which a Joint Venture can be formed. i) Transfer of Business to New Company: Two business come together to form a new company and the business of one is transferred to this newly formed company in consideration of issue of shares. ii) New Joint Venture Company: Two companies come together to form a new company by buying the shares of the newly formed company in an agreed ratio. c) Collaboration of existing Indian company with other party b) Joint venture offers many advantages i) Increased resources and capacity ii) Access to New markets iii) Access to technology iv) Innovation v)Low cost of production vi) Established Brand Name i) Increased resources and capacity by pooling in the financial, physical and human resources of two or more firms. This helps in rapid development and taking advantage of new opportunities.			(6)

	ii) Access to technology JV provides access to new and advanced technologies. This helps in saving a lot of time, energy and investment. This helps in producing superior quality of goods and helps in improving the efficiency and reduction of cost..	
34.	<p>Life insurance is a contract between an insurance policy holder and an insurance company, in this case the insurer promises to pay a sum of money known as sum assured or Cover amount in exchange for a premium. This amount is paid on the death of the insured person or upon the expiry of certain period of time known as the maturity period whichever happens earlier. It is generally called Life Assurance this is because the risk insured here is certain and natural.</p> <p>Elements of Life Insurance</p> <p>i) It must have all the essentials of a valid contract: Existence of an agreement; free consent of the parties; competence of the parties and lawful consideration is necessary.</p> <p>ii) Contract of utmost good faith: The assured must disclose all material facts about his health to the insured even if its not asked by the insurer.</p> <p>iii) The insured must have insurable interest at the time of making the contract, though it is not necessary at the time of maturity.</p> <p>Different types of life insurance policies are</p> <p>i) Whole life Policy</p> <p>ii) Endowment Life Assurance Policy</p> <p>iii) Joint Life Policy</p> <p>iv) Annuity Policy</p> <p>v) Children's Endowment Policy</p>	6

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