

CLASS: 11
HALF YEARLY EXAMINATION
 Business Studies (054)
SET - A

QP.NO.	VALUE POINTS	SPLIT UP MARKS
1.	(c) Secondary	1
2.	Tertiary industry	1
3.	(c) Limited partnership	1
4.	(b) Sole proprietorship	1
5.	(d) The President of India	1
6.	(b) Joint venture	1
7.	(d) Electronic Fund Transfer	1
8.	(c) Life insurance	1
9.	Outsourcing	1
10.	B 2 C commerce	1
11.	The economic activities which includes production or procurement of goods or services and its exchange for a profit.	1
12.	Economic activities are conducted with the objective of earning money. Non-economic activities are done for enjoyment, pleasure etc.	1
13.	The liability of business is considered as the liability of owner and it extends even towards the personal property of the owner.	1
14.	The written agreement which specifies the terms and conditions that govern the partnership is called as partnership deed.	1
15.	Life Insurance Corporation of India (LIC), Food Corporation of India (FCI).	1
16.	(d) All of the above	1
17.	(b) Overdraft facility	1
18.	(c) Indemnity contract	1
19.	E-business is defined as the conduct of industry, trade and commerce using computer networks. E-commerce includes the transactions of business with customers and suppliers over internet.	1
20.	KPO refers to an outsourcing whereby functions related to knowledge and information are outsourced to third party service providers.	1
21.	Primary industries includes all those activities which are connected with the extraction and production of natural resources and reproduction and development of living organisms, plants etc. Types: (1) Extractive industries (2) Genetic industries	(1+1+1=3) 1 mark for each point with explanation
22.	Privileges of a private company (1) Only 2 members required (2) No need to issue prospectus (3) Minimum subscription not required (4) Can start its operations after receiving certificate of incorporation (5) Only 2 directors required (6) Not compulsory to maintain index of members (7) No restriction on the amount of loans to its directors.	(1+1+1=3) (Any 3 points)
23.	(a) Sole proprietorship. (b) Advantages of sole proprietorship: (1) Fast decision making (2) Confidentiality of information (3) Direct incentive (4) Sense of accomplishment (5) Ease of	(1+2 =3)

29.	Basis	Business	Profession	Employment	(1 x 5 points=5)
	Qualification	Not necessary	Specified by Professional body of knowledge	Specified by employer according to the work	
	Reward	Profit	Fees	Salary/wages	
	Transfer of interest	Possible	Not possible	Not possible	
	Risk	More	Less	No	
	Code of conduct	No	Yes	Yes	
OR					(1+4=5)
<p>The industries which are engaged in producing goods through processing of raw materials and thus creating form utilities. Four categories: (i) Analytical industry: It analyses and separates different elements from the same materials. Eg: Oil refinery (ii) Synthetical industry: It combines various ingredients into a new product, eg: cement. (iii) Processing industry: It involves successive stages for manufacturing finished products, eg: sugar and paper. (iv) Assembling industry: It assembles different component parts to make a new product, eg: car, computer. (1 mark each for point with explanation)</p>					
30.	Differences between Life, Fire and Marine Insurance				Any 5 points (1x5 points=5)
	Basis	Life	Fire	Marine	
	Subject matter	Human life	Physical property	Ship, cargo or freight	
	Element	Protection and investment	Protection	Protection	
	Insurable interest	Must be present at the only time of effecting policy	Must be present both at the time of effecting policy and claim	Must be present at the only time of effecting policy and claim	
	Duration	Time ranges from 5 to 30 years	Does not usually exceeds 1 year	For 1 year or voyage	
	Indemnity	Not applicable	Applicable	Applicable	
	Loss measurement	Not measurable	Measurable	Measurable	
	Surrender value or paid up value	Has surrender value	No surrender value	No surrender value	
	Policy value	Can insure for any amount	Can be up to the value of subject matter	Can be up to the value of subject matter	
31.	Differences between Traditional and e-business				

Basis	Traditional	E-business	
1 Ease of formation	Difficult	Simple	Any 5 points 1+1+1+1+1 = 5
2 Physical presence	Required	Not required	
3 Locational requirements	Proximity to resources and market	None	
4 Cost of setting up	High	Low	
5 Operating cost	High	Low	
6 Nature of contact with customers and suppliers	Indirect through intermediaries	Direct	
7 Nature of internal communication	Hierarchical	Non-hierarchical	
8 Response time for meeting customers	Long time	Instant	
9 Business process and its length	Longer	Shorter	
10 Inter-personal touch	Much more	Less	
11 Ease of going global	Less	More	
12 Govt. Patronage	Shrinking	Increasing	
13 Transaction risk	Low	High	
OR			
Benefits of joint venture: (i) Increased resources and capacity (ii) Access to new markets and distribution networks (iii) Access to technology (iv) Innovation (v) Low cost of production (vi) Established brand name. (Any 5 points with explanation)			(1x5 points=5)
32.	Steps involved in capital subscription: (i) SEBI approval (ii) Filing of prospectus (iii) Appointment		(1x 6 points=6)

