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.	* * *	1
10.	Outsourcing B 2 C commerce	
11.		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	1
	money.	
	Non-economic activities are done for enjoyment, pleasure etc.	
13.	The liability of business is considered as the liability of owner and	1
	it extends even towards the personal property of the owner.	
14.	The written agreement which specifies the terms and conditions	1
	that govern the partnership is called as partnership deed.	
15.	Life Insurance Corporation of India (LIC), Food Corporation of	1
	India (FCI).	
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	1
	commerce using computer networks.	
	E-commerce includes the transactions of business with customers	
	and suppliers over internet.	
20.	KPO refers to an outsourcing whereby functions related to	1
	knowledge and information are outsourced to third party service	
0.1	providers.	(1.1.1.2)
21.	Primary industries includes all those activities which are connected	(1+1+1=3)
	with the extraction and production of natural resources and reproduction and development of living organisms, plants etc.	1 mark for each point
	Types: (1) Extractive industries (2) Genetic industries	each point with
	1 ypes. (1) Extractive industries (2) deficte industries	explanation
22.	Privileges of a private company	(1+1+1=3)
	(1)Only 2 members required (2) No need to issue prospectus	(Any 3
	(3) Minimum subscription not required (4) Can start its operations	points)
	after receiving certificate of incorporation (5) Only 2 directors	F)
	required (6) Not compulsory to maintain index of members (7) No	
	restriction on the amount of loans to its directors.	
23.	(a) Sole proprietorship.	(1+2=3)
	(b) Advantages of sole proprietorship: (1) Fast decision	
	making (2) Confidentiality of information (3) Direct	
	incentive (4) Sense of accomplishment (5) Ease of	

	formation and closure.	
	(Any two points with explanation)	
24.	Departments are established as departments of the ministry and are	(1+2 =3)
	considered part or an extension of the ministry itself.	(112 -3)
	Merits: (1) Funding is directly form Govt. (2) Audits are subject to	
	Govt. auditing (3) The recruitments of employees are done directly	
	by Govt. (4) It is a major subdivision of Govt.	
	(5) Accountable to the ministry.	
	(Any 2 points with explanation)	
25.	Merits of Govt. Company	(1+1+1=3)
	(1) Formed according to Companies Act.	,
	(2) Has separate legal entity apart from Govt.	
	(3) Has autonomy in management	
	(4) Provides goods and services at reasonable rates	
	(Any 3 points with explanation)	
	OR	
	Benefits of e-business	
	(1) Ease of formation and less capital	(1+1+1=3)
	(2) Convenience	
	(3) Speed	
	(4) Global reach/access	
	(Any 3 points with explanation)	
26.	Business risk refers to the possibility of inadequate profits or even	(1+3=4)
	losses due to uncertainties or unexpected events.	
	Causes of business risks:	
	(1) Natural causes	
	(2) Human causes	
	(3) Economic causes	
	(4) Other causes	
	(Any 3 causes with explanation)	
27.	Clauses in Memorandum of Association	(1+1+1+1=4)
	(1)Name clause (2) Registered office clause (3) Objects clause	
	(4) Liability clause (5) Capital clause (6) Association clause.	
	(Any 4 clauses with explanation)	
	OR	
	Principles of insurance	
	(1)Utmost goods faith (2) Insurable interest (3) Indemnity	/1.1.1.1.4
	(4) Proximate cause (5) Subrogation (6) Contribution	(1+1+1+1=4)
20	(7) Mitigation (Any 4 points with explanation)	/1.1.1.1 A
28.	Advantages of a statutory corporation	(1+1+1+1=4)
	(1) High degree of operational efficiency (2) Govt. do not	
	generally interfere with financial matters (3) They frame their	
	own rules and regulations within the frame work of the Act	
	(4) It is a tool for economic development.	
	(4 points with explanation)	

29.	Basis	Business	Profession	Employment	(1 x 5
	Qualification	Not	Specified by	Specified by	points=5)
		necessary	Professional	employer	
			body of	according to	
			knowledge	the work	
	Reward	Profit	Fees	Salary/wages	
	Transfer of interest	Possible	Not possible	Not possible	
	Risk	More	Less	No	
	Code of		Yes	Yes	
	conduct				
	processing of rav Four categories:	w materials and	thus creating for	ing goods throug rm utilities.	
	from the same m	naterials. Eg: Oi industry: It co	l refinery	ingredients into	(1+4=5)
	manufacturing fi	nished products industry: It as	s, eg: sugar and p sembles differer	essive stages for paper. In component par	
	(1 mark each for				
30.	Differences between Life, Fire and Marine Insurance				Any 5 points
	Basis	Life	Fire	Marine	
	Subject	Human life	Physical	Ship, cargo	
	matter		property	or freight	(1x5
	Element	Protection and investment	Protection	Protection	points=5)
	Insurable	Must be	Must be	Must be	
	interest	present at the only time of effecting policy	present both at the time of effecting policy and claim	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	Not	Measurable	Measurable	
	measurement	measurable			
	Surrender	Has	No surrender	No surrender	
	value or paid up value	surrender value	value	value	
	Policy value	Can insure for any amount	Can be up to the value of subject	Can be up to the value of subject	
			matter	matter	

Basis	Traditional	E-business	
1 Ease of formation	Difficult	Simple	
2 Physical presence	Required	Not required	
3 Locational requirements	Proximity to resources and market	None	Any 5 points 1+1+1+1+1 = 5
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	s 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	
and distribution ne	ces and capacity (i etworks (iii) Acc Low cost of producti	i) Access to new markets ess to technology (iv) on (vi) Established brand	points=3)
32. Steps involved in ca (i)SEBI approval		pectus (iii) Appointment	(1x 6 points=6)

	of bankers, brokers and underwriters (iv) Minimum subscription (v) Application to stock exchange (vi) Allotment of shares OR	
	Characteristics of business activities: (i) An economic activity (ii) production or procurement of	
	goods and services (iii) Sale or exchange of goods and services	
	(iv) Dealings in goods and services on regular basis (v) profit earning (vi) Uncertainty of return (vii) Element of risk	
33.	Features of multinational corporations:	(1x6 points=6)
	(i) Huge capital resources (ii) Foreign collaboration	
	(iii)Advanced technology (iv) Product innovation (v) Marketing strategy (vi) Expansion of market territory (vii) Centralised	
	control	
34.	BPO: When the non-primary activities of a business are given on contract to any third party, it is called BPO. Need for outsourcing:	(1+5 points=6)
	(i) Focusing of attention (ii) Quest for excellence (iii) Cost reduction (iv) Growth through alliance (v) Fillip to economic development	
	OR	
	Types of life insurance policies:	
	(i) Whole life policy (ii) Endowment life assurance policy (iii) Joint life policy (iv) Annuity policy (v) Children's endowment policy	(1.5+1.5+ 1+1+1=6)
	THE END	