

CLASS -XI
BUSINESS STUDIES (054)
Sample Paper (2025-26)

Marking Scheme/Hints to solutions

[Note: Any other relevant answer, not given here under but given by the candidates, be suitably awarded.]

Q.No	Value points/ Key points	Marks allotted to each key point	Total marks
1.	a) Both A & R are true, But R is not the correct explanation of A.	1	(1)
2.	c) Preliminary contract	1	(1)
3.	a) Sole proprietorship	1	(1)
4.	b) Government company	1	(1)
5.	d) Both A & R are true R is correct explanation of A	1	(1)
6.	b) objectives & values	1	(1)
7.	c) 20 years	1	(1)
8.	c) debenture holders carries voting rights	1	(1)
9.	c) statutory corporation	1	(1)
10.	d) B-ii	1	(1)
11.	b) economic efficiency	1	(1)
12.	b) dividend	1	(1)
13.	b) Time & Place	1	(1)
14.	c) wide selection	1	(1)
15.	c) goods & service tax	1	(1)
16.	a) DGFT	1	(1)
17.	d) airway bill	1	(1)
18.	b) duty drawback	1	(1)
19.	a) Both the statements are true.	1	(1)
20.	c) 5 crores	1	(1)
21.	<p>Three features of public deposits are as follows:</p> <ol style="list-style-type: none"> Public deposits are raised by organisations directly from the public. Rates of interest offered on public deposits are usually higher than that offered on bank deposits. Public deposits can take care of both medium and short-term financial requirements of a business. the cost of deposits to the company is less than the cost of borrowings from banks. Companies generally invite public deposits for a period up to three years. The acceptance of public deposits is regulated by the Reserve 	<p>1mark for each point</p> <p>1 mark for each point</p>	(3)

	<p>Bank of India. (Any three points)</p> <p>OR</p> <p>The features of preference shares are:</p> <ol style="list-style-type: none"> I. The capital raised by issue of preference shares is called preference share capital. II. Compared to the equity shareholders, the preference shareholders have a preferential claim over dividend and repayment of capital. III. Preference shares resemble debentures as they bear fixed rate of return. Also as the dividend is payable only at the discretion of the directors and only out of profit after tax, to that extent, these resemble equity shares. IV. Preference shareholders generally do not enjoy any voting rights. <p>(Any three points)</p>		
22.	<p>a) Unlike an ordinary mail, if the sender wants a proof or acknowledgement of delivery to confirm that it has been received by the addressee or his representative, 'Registered Post with Acknowledgement Due' is written on any postal article. The Acknowledgement Card is delivered back to the original sender by ordinary post.</p> <p>b) The two other postal services available in our country are described below:</p> <p>(1) Speed Post: The Indian government has launched a new scheme of postal service called Speed post for providing a time-bound and express delivery of letters and parcels, weighing up to 35 kg, between specified stations in India as compared to ordinary posts.</p> <p>(ii) Courier: A courier company is one which delivers messages, packages and mail and is known for their speed, security, tracking service and specialization.</p>	1 mark for difference+ 1 mark for each postal service	(3)
23.	<p>No, B & C were not right</p> <p>Mutual agency: The definition of partnership highlights the fact that it is a business carried on by all or any one of the partners acting for all. In other words, every partner is both an agent and a principal. He is an agent of other partners as he represents them and thereby binds them through his acts. He is a principal as he too can be bound by the acts of other partners.</p> <p>OR</p>	<p>1 mark +2 marks for feature</p> <p>1½ marks for each</p>	(3)

	<p>Documents to be prepared</p> <ul style="list-style-type: none"> a) MOA b) Articles of Association c) Consent of Proposed Directors d) Agreement e) Statutory Declaration f) Receipt of Payment of fee (ANY TWO WITH EXPLANATION) 	document with explanation	
24.	<p>The new entity formed is Joint Venture</p> <p>b) The advantages of the enterprise are:</p> <ul style="list-style-type: none"> i. Increased resource 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 <p>(Any Two with suitable explanation)</p>	1 mark for each explanation	(3)
25.	<ul style="list-style-type: none"> a) Natural causes: Human beings have little control over natural calamities, like flood, earthquake, lightning, heavy rains, famine, etc., property and income in business. b) Economic causes: These include uncertainties relating to demand for goods, competition, price, collection of dues from customers, change of technology or method of production, etc. c) Human causes: Human causes include such unexpected events, like dishonesty, carelessness or negligence of employees, stoppage of work due to power failure, strikes, riots, management inefficiency, etc. d) Other causes: These are unforeseen events, like political disturbances, mechanical failures, such as the bursting of boiler, fluctuations in exchange rates, etc., which lead to the possibility of business risks. 	½ mark for each identification + ½ mark for explanation mark	(4)

26.	<p>a) B2B commerce b) B2C commerce c) C2C commerce d) Intra-B commerce</p> <p>(with suitable explanation)</p> <p>OR</p> <p>a) Ease of formation and lower investment requirements: b) Convenience c) Speed d) Global reach/access e) Movement towards a paperless society</p> <p>(with suitable explanation)</p>	<p>1 mark for each point</p> <p>1 mark for each point</p>	(4)
27.	<p>a) NSIC b) functions of NSIC</p> <p>(i) Supply indigenous and imported machines on easy hire-purchase terms.</p> <p>(ii) Procure, supply and distribute indigenous and imported raw materials.</p> <p>(iii) Mentoring and advisory services.</p> <p>(Any other relevant point)</p>	<p>1 mark for identification + 1 mark for each function.</p>	(4)
28.	<p>Arguments for Social Responsibility</p> <p>1) Justification for existence & growth 2) Long term interest of the firm 3) Avoidance of government regulations 4) Availability of resources with business</p> <p>(Any other relevant point)</p>	<p>1 mark for each point</p>	(4)
29.	<p>Four services that wholesaler provides to the manufacturers:</p> <p>1) Facilitating large scale production 2) Bearing risk 3) Financial assistance 4) Expert advice</p> <p>(Any other relevant point)</p> <p>OR</p> <p>a) A retailer purchases goods from the wholesaler. b) The amount of capital required is less in case of retail trade as compared to the wholesale trade. c) A retailer has direct link with the end consumers. d) A wholesaler performs various functions like, warehousing for storage of goods, grading and packaging etc.</p>	<p>1 mark for each point</p> <p>1 mark for each point</p>	(4)

30.	<p>Benefits of International Business to nation -</p> <p>(1) Earning foreign exchange - "Apple's decision on investment."</p> <p>(2) Improving Economic Growth - "This decision would not only prospect in India."</p> <p>(3) Employment generation - "but also it would.....opportunities for Indians."</p> <p>(4) Higher standard of living - "Manufacturing i-Phone higher standards of living. "</p>	<p>½ mark for identification + ½ mark for quoting lines</p>	(4)
31.	<p>a) Bank Overdraft - An overdraft occurs when money is withdrawn from a bank account and the available balance goes below zero. In this situation, the account is said to be "overdrawn". Thus, an overdraft is a financial accommodation under which a current account holder is permitted to overdraw his account beyond the available balance up to an agreed limit.</p> <p>b) Cash Credit - A cash credit is a short-term cash loan to a company. It is a financial accommodation under which an advance is granted on a separate account called Cash Credit account up to a specified limit. The bank provides this type of funding, only on security of goods or personal security of one more persons other than the borrower. Once a security for repayment has been given, the business receives the loan can continuously draw from the bank up to a certain specified amount.</p> <p>c) Bank Draft-It is a financial instrument for transfer of amount from one place to another without the rise of default. Here, a person required to pay a certain amount to another person deposits the said amount with his bank and the bank issues a bank draft for an equal amount in the name of payee. The payee presents the draft in his bank and the amount is paid to him by his bank.</p> <p style="text-align: center;">OR</p> <p>a) Savings Bank Account-This account is meant for individuals, especially for service class and retired persons. Salary, pension, etc. is deposited directly by the employer in the savings bank account of the employee. They can withdraw money as per their ease by means of a cheque or a withdrawal slip. Customers can deposit posit mo money as per their ease. This account is meant for individuals who want to save some amount of money out of their incomes. Nowadays banks are giving interest in this account on the basis of daily credit balance by</p>	<p>2 marks each</p> <p>2 marks each</p>	(6)

33.	<p>One Person Company</p> <p>Characteristics</p> <p>1. Only a natural person who is an Indian citizen and resident in India (a) Shall be eligible to incorporate a One Person Company; (b) Shall be a nominee for the sole member of a One Person Company. Explanation – For the purposes of this rule, the term “resident in India” means a person who has stayed in India for a period of not less than one hundred and eighty two days during the immediately preceding one calendar year.</p> <p>2. No person shall be eligible to incorporate more than a One Person Company or become nominee in more than one such company.</p> <p>3. Where a natural person, being member in One Person Company in accordance with this rule becomes a member in another such Company by virtue of his being a nominee in that One Person Company, such person shall meet the eligibility criteria specified in sub rule (2) within a period of one hundred and eighty days.</p> <p>4. Such Company cannot be incorporated or converted into a company under section 8 of the Act.</p> <p>5. Such Company cannot carry out Non-Banking Financial Investment activities including investment in securities of anybody corporates.</p> <p>6. No such company can convert voluntarily into any kind of company unless two years have expired from the date of incorporation of One Person Company, except threshold limit (paid up share capital) is increased beyond fifty lakh rupees or its average annual turnover during the relevant period exceeds two crore rupees.</p> <p>7. No minor shall become member or nominee of the One Person Company</p> <p style="text-align: right;">(ANY FIVE)</p>	1+5 marks for features	(6)
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34.

Basis	Domestic business	International business
1. Nationality of buyers and sellers	People or organisations from one nation participate in domestic business transactions.	People or organisations of different countries participate in international business transactions.
2. Nationality of other stakeholders	Various other stakeholders such as suppliers, employees, middlemen, shareholders and partners are usually citizens of the same country.	Various other stakeholders such as suppliers, employees, middlemen, shareholders and partners are from different nations.
3. Mobility of factors of production	The degree of mobility of factors of production like labour and capital is relatively more within a country.	The degree of mobility of factors of production like labour and capital across nations is relatively less.
4. Customer heterogeneity across markets	Domestic markets are relatively more homogeneous in nature.	International markets lack homogeneity due to differences in language, preferences, customs, etc., across markets.
5. Differences in business systems and practices	Business systems and practices are relatively more homogeneous within a country.	Business systems and practices vary considerably across countries.
6. Political system and risks	Domestic business is subject to political system and risks of one single country.	Different countries have different forms of political systems and different degrees of risks which often become a barrier to international business.

OR

Difference between Departmental Stores and Multiple Shops

Basics	Departmental Stores	Multiple Stores
1. Location	Centrally located place in the city	They are located at a number of places for approaching a large number of customers.
2. Range of Products	They have a variety of products of different types	Only specified range of the company's products are available
3. Services offered	They provide maximum services to their customers	They provide limited services like guarantees, repairs, etc.
4. Pricing	They do not have uniform pricing	They sell goods at fixed prices and maintain uniform pricing policies for all stores.

1mark for each difference

(6)

	5. Class of Customers	They cater to needs of relatively high income group of customers who care more for services than prices.	They cater to different types of customers including lower income groups			
	6. Credit Facility	They may provide credit facility	They do not provide credit facility			
	7. Flexibility	They have more flexibility in respect of goods marketed	They have less flexibility; branch managers have to follow instructions of head office			