

CBSE | DEPARTMENT OF SKILL EDUCATION

BUSINESS ADMINISTRATION (SUBJECT CODE- 833)

Class-XI (SESSION – 2021-22) MARKING SCHEME FOR TERM-2

Max. Time Allowed: 1 ½ Hours (90 min)

Max. Marks: 35

General Instructions:

1. Please read the instructions carefully
2. This Question Paper is divided into 03 sections, viz., Section A, Section B and Section C.
3. Section A is of 05 marks and has 06 questions on Employability Skills.
 - a) Questions numbers 1 to 4 are one mark questions. Attempt any three questions.
 - b) Questions numbers 05 and 06 are two marks questions. Attempt any one question.
4. Section B is of 22 marks and has 18 questions on Subject specific Skills.
 - a) Questions numbers 7 to 13 are one mark questions. Attempt any five questions.
 - b) Questions numbers 14 to 19 are two marks questions. Attempt any four questions.
 - c) Questions numbers 20 to 24 are three marks questions. Attempt any three questions.
5. Section C is of 08 marks and has 03 competency-based questions.
 - a) Questions numbers 25 to 27 are four marks questions. Attempt any two questions.
6. Do as per the instructions given in the respective sections.
7. Marks allotted are mentioned against each section/question.

SECTION-A

Answer any 3 questions out of the given 4 questions on Employability Skills (1x3=3)

1.	c. Innovation	1
2.	d. All of the above	1
3.	c. Sustainable development	1
4.	d. All of the above	1
Answer any 1 question out of the given 2 questions.		(2x 1=2)
5.	Characteristics of an entrepreneur: Effective Leadership, Dynamic, Risk taker, Action-oriented, Aiming towards high achievement, Passionate, Team building, Decisiveness, Collaborative, Innovative.	1
6.	A green transition for India will involve five sectors that contribute to greenhouse gases emissions which are energy, mobility, industry, green buildings and agriculture. Source: (India's Transition To A Green Economy Can Create 50mn Jobs, Presents A \$1-trillion Opportunity: WEF (moneycontrol.com))	

SECTION B (5+8+9 = 22 marks)**Answer any 5 questions out of the given 7 questions. (1x5=5)**

7.	a. True	1
8.	d. All of the above	1
9.	b. Consumers	1
10.	c. Individual, Group, Organisation	1
11.	a. True	1
12.	b. 2 and 50	1
13.	c. One and fifteen	1

Answer any 04 questions out of the given 06 questions. (2x4=8)

14.	Formal communication is the communication in which the information is transferred through proper organisational channels while Informal communication does not make use of formal channels to communicate.	2
15.	Recruitment is the process of attracting prospective candidates for a job while selection is the process of identifying and selecting the right candidate for that job.	2
16.	The collegial model is based on providing economic security to the employees to strengthen the employer-employee relationship. The organization acts as custodian for the employees.	2
17.	A company can face issues in following areas:-a. Lengthy and Costly registration procedure. b. Excessive government regulations c. Conflict of interests. d. Restricted control e. Monopolistic tendencies imposed by other companies.	2
18.	The important documents needed during the formation of a company are Memorandum of Association, Articles of Association and Prospectus.	2
19.	A partner by Estoppel is a person who gives an impression to others that he/she is a partner of the firm through his/her own initiative, conduct or behavior.	2

Answer any 03 questions out of the given 05 questions (3x3=9)

20.	There should be clarity in thoughts as well as expression while communicating. The thoughts about the communication should focus on the subject matter, the purpose of the communication, the timing, the listener and language or the way of the message to be conveyed. There should be an emphasis on the clarity of expression when is communicating. This requires that one should use short sentences and simple words. Technical jargon should be avoided.	3
21.	Information technology has a pivotal role in an organization's operations. It is used across different business functions thereby improving business productivity. On one hand, Information technology is applied in finance function for recording financial transactions and generating financial statements. While, it's quite useful for the marketing personnel as they can work on enhancing the customer relationship experience. Human resource managers can collect and maintain data of employees by resorting to information technology.	3
22.	The formation of informal groups is quite helpful for the management. They provide support to the existing formal groups thereby improving the interpersonal relationships. The communication process is relatively faster in informal groups as it is free from the barriers of status and formality. Existence of informal group provides gratification to the employees as they get a place to vent out their feelings. The managers can also develop better relationships with their subordinates owing to the informal groups.	3

23.	The important features of a sole-proprietary organization include the following: 1. Individual Initiative: One person is the owner in a sole proprietorship. 2. Risk Bearing: The proprietor is the sole beneficiary of profits as well as the losses. Thus, the risks of business are borne by the proprietor himself. 3. Management and control: Management and control of this type of organization is the responsibility of the sole proprietor. 4. Minimum government regulations: The government does not interfere with the working of the sole proprietorship organization. However, they have to comply with the general laws.	3																					
24.	Difference between Private Company and Public Company	3																					
	<table border="1"> <thead> <tr> <th>Basis of distribution</th> <th>Private Company</th> <th>Public Company</th> </tr> </thead> <tbody> <tr> <td>1. Number of Members</td> <td>Minimum-2 members Maximum-20 members</td> <td>Minimum-7 members Maximum-No limit</td> </tr> <tr> <td>2. Name</td> <td>Name should include "Private Ltd."</td> <td>Name should include 'Ltd.'</td> </tr> <tr> <td>3. Number of directors</td> <td>Minimum – 2 Directors</td> <td>Minimum – 3 Directors</td> </tr> <tr> <td>4. Transfer of shares</td> <td>Restricted</td> <td>Not restricted</td> </tr> <tr> <td>5. Minimum paid up-capital</td> <td>One Lakh Rupees</td> <td>Five Lakh Rupees</td> </tr> <tr> <td>6. Allotment of shares</td> <td>Can allot share without receiving minimum subscription</td> <td>Cannot allot shares until minimum subscription is received.</td> </tr> </tbody> </table>	Basis of distribution	Private Company	Public Company	1. Number of Members	Minimum-2 members Maximum-20 members	Minimum-7 members Maximum-No limit	2. Name	Name should include "Private Ltd."	Name should include 'Ltd.'	3. Number of directors	Minimum – 2 Directors	Minimum – 3 Directors	4. Transfer of shares	Restricted	Not restricted	5. Minimum paid up-capital	One Lakh Rupees	Five Lakh Rupees	6. Allotment of shares	Can allot share without receiving minimum subscription	Cannot allot shares until minimum subscription is received.	
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SECTION-C

COMPETENCY BASED QUESTIONS

Answer any 2 questions out of the given 3 questions (4x2=8 marks)

25.	A business letter is a letter written in formal language for different official purposes. There are different types of business letters used for external business correspondence. They are discussed below: # Sales letter: A sales letter is a letter written to advertise and in due course sell a product or a service to the consumers. # Information letters: They can be further divided into routine and special purpose letters. The routine letters include correspondence regarding enquiries, orders, payments, collection letters etc. Circulars, personnel letters are included in special purpose letters. # Complaint Letter: Business complaint letter is written by customers who are not satisfied by the levels of consumer services provided # Goodwill Letters: Business enterprises as part of image development and to better connect with the stakeholders write goodwill letters to them. Thank you; Congratulatory letters are examples of the goodwill letters.	4
26.	Finance function is recognized as a separate function of an organization as it is a very important function. The objectives of the financial management are as follows: a. Finance function is responsible for raising funds from different sources. These sources include long term sources like bank loan, venture capital, Owner's equity, share market. The short term sources include bank overdraft, short term loans, etc. b. Personnel in the finance function are responsible for recording the financial transactions, generating financial reports and further reporting them for decision making. c. The finance function also takes care of disbursing funds for different business operations. For instance funds are needed for procuring raw materials, machinery, paying bank interest and dividend to the shareholders d. The personnel in the financial function should also act as an advisory to	4

	other departments for facilitating the decrease in the expenses and suggesting avenues for increasing profits.	
27.	<p>A public company has to undergo four stages before commencing the business. These are discussed below:</p> <ol style="list-style-type: none"> 1. Promotion: Promotion includes all the steps from conception of an idea to starting of the Company, till it is formed. These include identifying business opportunity, performing feasibility studies. This stage also deals with decision of the name and appointing of bankers, lawyers, etc who assist in preparation of necessary documents. 2. Incorporation of the Company: The firm will furnish documents like Memorandum of Association, Articles of Association, Name and Address of Registered Office to name a few along with a fee with the Registrar of Companies Act 1956 along with a prescribed fees. A certificate of incorporation is issued along with Corporate Identity Number to the company. 3. Capital Subscription: A public company has to raise funds in the form of shares or debentures from the public in this stage. It will seek SEBI approval and file a prospectus for inviting the investors to invest in the company. A Company can start the allotment of shares only when minimum number of shares has been subscribed and application money is received. As per Company Act the minimum subscription should be 90% of the issued capital. After the allotment and refund process, the names and address of the shareholders are shared with the Registrar. 4. Commencement of business: After issuing the shares and receiving minimum subscription, a Public Company applies to Registrar for issue of 'Certificate of Commencement of Business'. 	4