

**ELEMENTS OF BUSINESS (154)**  
**MARKING SCHEME 2023 – 2024**  
**CLASS X**

Q.1	d) Sales Promotion
Q.2	a) Joint Hindu Family
Q.3	b) Barter
Q.4	a) Processing
Q.5	b) Lack of business continuity
Q.6	d) Trade
Q.7	b) Partner's personal assets can be used to repay the firm's debt/liability
Q.8	(a) electronic mail  Or d) All of the above
Q.9	(c) Multiple shop  Or (d) is generally formed as a joint stock company
Q.10	(c) Both (a) and (b)
Q.11	a) Primary
Q.12	b) Salary
Q.13	b) Business
Q.14	b) Profession
Q.15	b) Business
Q.16	c) Manufacturing industry
Q.17	b) Synthetica
Q.18	(d) Business + Profession + Employment
Q.19	Basis of difference public company private company number of members has a minimum of 7 members and no limit on maximum members Has a minimum of 2 and a maximum of 200 members, excluding the present and past employees.Restriction on transfer of securities Has no restriction on transfer of securities Restricts the right of members to transfer its shares inviting public Is not prohibited from inviting the public to subscribe to its securities Does not invite public to subscribe to its securities....
Q.20	Sources available with Sanyam limited :- (i) Debentures (ii) Equity Shares (iii) Preferenceshares (any other relevant point)
Q.21	Profits play a vital role in any business. Earning of profits is essential for any businessbecause of the following reasons given below:  <input type="checkbox"/> Means of Livelihood <input type="checkbox"/> Rewards for taking risks <input type="checkbox"/> Funds for Growth. <input type="checkbox"/> Symbolic of efficiency and efficacy <input type="checkbox"/> Enhancement in goodwill
Q.22	Advantages of video conferencing are: a) Saves time

	<p>b) Saves cost</p> <p>c) Efforts minimization</p> <p>d) Globalization of transactionsRapid connect</p>
Q.23	<p>Different types of economic activities are of three types:</p> <ol style="list-style-type: none"> <li>1. Business refers to those economic activities which are concerned with the production of purchase and sale of goods of supply of services with the main object of earning profits.</li> <li>2. Profession refers to those activities which require special knowledge and skill to be applied by individuals in their occupations.</li> <li>3. Employment refers to the occupation in which people work for others and get remunerated in return.</li> </ol>
Q.24	<ol style="list-style-type: none"> <li>1. Badly Expressed Message</li> <li>2. Semantic Barrier</li> <li>3. Faulty Translation</li> </ol>
Q.25	<p>The two sources of finance she can use to expand her business are Share capital- Capital obtained by issue of equity shares and preference shares is called the share capital. Equity share capital is the prerequisite for the formation of a company. The preference this shareholder enjoy a preferential position over the equity shareholders and Retained earnings. A portion of the net earnings may be retained in the business for use in the future. This is known as retained earnings.</p>
Q.26	<p>A layman may say that profits are the only objective with which a business is carried on but a good business man cannot keep profits as his only motive. A business organization is an economic unit which makes use of various factors of production. Capital is one of the factors of production. It pays interest in the form of profits. Uí wick has put it beautifully, “Earning of profits cannot be objective of business any more than eating is the objective of living.” There must be other objectives of a business which are non monetary but as important as monetary, like employee satisfaction, innovation, productivity, consumer satisfaction, etc.</p> <p>Following reasons can be given to justify our opinion that profits cannot be the sole objective of a business.</p> <ol style="list-style-type: none"> <li>1. If we make profits to be only objective then interests of consumers, employees and society will be ignored.</li> <li>2. Maximum profits in the short run, may result worse for long term interest of the company.</li> </ol>
Q.27	<p>If entrepreneur starts sole proprietor form of business, then he has the following advantages. Advantages of Sole Proprietor Form of Business:</p> <ol style="list-style-type: none"> <li>1. Easy formation</li> <li>2. Direct motivation</li> <li>3. Better control</li> <li>4. Promptness in decision-making</li> <li>5. Secrecy</li> <li>6. Flexibility in operations</li> <li>7. Scope for personal touch</li> </ol>
Q.28	<p>A. The hire purchase system is essentially a contract for hiring of goods. The ownership rights remain with the seller and the customer</p>

	<p>exercises his option for purchasing the goods. The buyer can return the goods at any stage. The seller can also take back the goods in case of non-payment.</p> <p>B. When goods are sold and payment is agreed to be made in instalments, it is known as instalment payment system. In this case if there is default in payment of any instalment by the buyer, the seller cannot ask for the goods to be returned as the ownership rights pass to the buyer when goods are sold and initial payment is made.</p> <p>The seller can only sue the buyer in a law court for payment of the balance due.</p>
Q.29	<p>The fundamental difference between advertising and personal selling, are as follows:</p> <ol style="list-style-type: none"> <li>1. Advertising alludes to paid form of communication, which commercializes product or service, offered by an identified sponsor, to increase sales. On the other hand, a form of promotion, wherein the sales personnel sells the product to customers, by directly visiting them, is known as personal selling.</li> <li>2. While advertising is a one-way communication, wherein the message is transmitted to the customers, personal selling is a two-way communication, wherein the message is transmitted to customers, as well as feedback is provided simultaneously.</li> <li>3. Advertising is a non-personal form of communication the message reaches the target audience after it is being aired. On the contrary, personal selling, as the name suggest involves salesman visit to customer's place individually, which is a personal form of communication.</li> <li>4. Advertising uses pull strategy, which draws public attention and persuades them to buy the product. As against, personal selling uses push strategy, which induces them to buy the product.</li> <li>5. In advertising, the flexibility is missing, as the message is standardized and cannot be changed according to customers. In contrast, personal selling uses customized messages.</li> </ol> <p>Advertising uses mass media, like radio, television, hoardings, the internet, blogs, apps, newspaper, etc. On the flip side, in personal selling, salesman delivers the message, personally to the target audience.</p>
Q.30	<p>Characteristics of business are as follows:</p> <ol style="list-style-type: none"> <li>1. An economic activity</li> <li>2. Production and procurement of goods and services</li> <li>3. Sale and exchange of goods and services for the satisfaction of human needs</li> <li>4. Dealing in goods and services on a regular basis</li> <li>5. Profit earning</li> <li>6. Uncertainty of returns</li> </ol>