



B K BIRLA CENTRE FOR EDUCATION
SARALA BIRLA GROUP OF SCHOOLS
SENIOR SECONDARY CO-ED DAY CUM BOYS' RESIDENTIAL SCHOOL
PERIODIC TEST – II (2025-26)
BUSINESS ADMINISTRATION (833)
CLASS XI
MARKING SCHEME



Class: XI Commerce

Date: 7/11/2025

Admission No:

Duration: 1Hr

Max. Marks: 25

Exam No.

1. d) risk taking 1)
2. c) A is true, but R is false 1)
3. b) Conveying orders, instructions and responsibilities 1)
4. c) A is true, but R is false 1)
(Reason is wrong because oral conversations are not always stored.)
5. **False.** A complaint letter is usually written by a **customer** to the supplier/organisation. 1)
6. Finance is called the **lifeblood of a business** because just like blood is essential for the survival and smooth functioning of a human body, **finance is essential for the survival, growth, and efficient functioning of a business.** (Any two points) 2)
 1. **Starting a Business** – Every business needs funds to purchase land, machinery, raw materials, etc. Without finance, a business cannot even begin operations.
 2. **Day-to-Day Operations** – Finance is required for paying salaries, buying raw materials, covering electricity, rent, and other running expenses.
 3. **Growth and Expansion** – For modernization, research, introducing new products, or expanding to new markets, finance is crucial.
7. Financial Management is the process of **planning, organizing, directing, and controlling the financial activities** of an organization, such as procurement and utilization of funds, with the aim of achieving business objectives 2)
Two Objectives of Financial Management
 1. **Ensuring Availability of Funds:** To arrange sufficient finance from different sources (equity, loans, retained earnings) for smooth business operations.
 2. **Profit Maximization / Wealth Maximization:** To use the available funds in the best possible way so that the business earns higher profits and increases the value of shareholders' wealth.
8. **Sales Letters** – e.g., promoting a product or service. 2)
Complaint Letters – e.g., written by customers regarding defective goods.
(Any other two like Information Letters or Goodwill Letters also correct.)
9. **Formal Communication:** 2)
 - a) Communication that follows the official hierarchical channels of an organization.
 - b) Flows through official lines (superior-subordinate, departments).
 - c) Used to give instructions, convey policies, reports, orders, or official information.
 - d) Business letters, memos, circulars, reports.

Informal Communication:

- a) Communication that does not follow formal channels; occurs naturally among employees.
- b) Flows through unofficial channels (casual conversations, social interactions).
- c) Used to share ideas, opinions, socialize, or satisfy social needs.
- d) Gossip, casual discussions, chats among colleagues.

10. Business Memorandum (Memo):

2)

A **memo** is a short, formal written communication used **within an organization** to convey information, instructions, requests, or announcements. It is more formal than emails but shorter than reports and can be kept for future reference.

Example:

- i) Announcement of a new company policy.
- ii) Requesting employees to submit monthly reports.
- iii) Instructions for organizing an internal event.

11.

2)

(a) XYZ Company Pvt. Ltd.

NOTICE

Date:

Training Session for Employees

All employees are hereby informed that a training session on *Effective Business Communication* will be held on **Monday, 30th September 2025 at 10:00 AM in the Conference Hall**. Attendance is compulsory.

Issued by:

HR Manager

(b) Clarity, Conciseness, Courtesy, Correctness, Consideration, Concreteness (any two)

1)

12. Three Functions of Production Management

3)

- 1. **Production Planning:** Deciding what to produce, how much to produce, and by which method.
- 2. **Quality Control:** Ensuring that goods meet required standards and are free from defects.
- 3. **Inventory Management:** Managing raw materials, work-in-progress, and finished goods to avoid shortages or overstocking.

13. 9. a) Functions of Marketing Management:

2)

- **Market Research**
- **Promotion/Advertising**

b) How these functions help:

2)

- Research ensures product matches customer needs.
- Advertising creates awareness, attracts buyers, increases sales.

*****ALL THE BEST*****

