

Class XI Session 2025-26
Subject - Business Studies
Sample Question Paper - 9

Time Allowed: 3 hours

Maximum Marks: 80

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

1. RSBDC (The Rural Small Business Development Centre) was sponsored by which organization? [1]
 - a) SFURTI
 - b) NABARD
 - c) RWED
 - d) DIC
2. Every importer is required to secure the sanction of foreign exchange in order to make the payment. For obtaining such a sanction, to whom the importer has to make an application from among the following: [1]
 - a) DGFT
 - b) Any bank authorized by RBI to issue foreign exchange
 - c) EXIM
 - d) Exchange Control Department of RBI
3. **Assertion (A):** There is often a delay in matters where prompt decisions are required in a departmental undertaking. [1]
Reason (R): Heads of departments of such undertakings are not free to take independent decisions.
 - a) Both A and R are true and R is the correct explanation of A.
 - b) Both A and R are true but R is not the correct explanation of A.
 - c) A is true but R is false.
 - d) A is false but R is true.
4. Which of the following statements is false regarding the mail-order houses? [1]
 - a) Sell their merchandise through mail
 - b) Customers are approached through advertisements
 - c) Indirect personal contact between the buyers and the sellers
 - d) Direct personal contact between the buyers and the sellers
5. Which of the following is an internal cause leading to sickness and closure of sick small business units? [1]
 - a) Lack of demand for their products
 - b) Shortage of working capital

- c) Delayed payment d) Lack of skilled and trained labour
6. Online buying and selling shares and other financial instruments are known as _____. [1]
 a) e-Auction b) e-Delivery
 c) e-Procurement d) e-Trading
7. What minimum percentage of the paid-up capital should be held by the government in a Government Company? [1]
 a) 75% b) 100%
 c) 51% d) 49%
8. **Assertion (A):** Sole Proprietorship has a limited life. [1]
Reason (R): Business is owned and controlled by one person, so death, insanity, imprisonment, physical ailment, or bankruptcy of the proprietor can lead to its closure.
 a) Both A and R are true and R is the correct explanation of A. b) Both A and R are true but R is not the correct explanation of A.
 c) A is true but R is false. d) A is false but R is true.
9. Expand EOUs [1]
 a) Essential Order Units b) Essential Operating Units
 c) Export Order Units d) Export Oriented Units
10. The persons who come in between the primary producer and the final consumer to promote trade is called _____. [1]
 a) Retailer b) trader
 c) middleman d) auctioneer
11. Which of the following is false regarding equity shares? [1]
 A. Funds raised through equity shares is known as ownership capital.
 B. Equity shareholders do not get a fixed dividend.
 C. Equity shareholders receive what is left after all other claims on the company's income and assets have been settled.
 D. Liability of equity shareholders is unlimited.
 a) Only C is false b) Only A is false
 c) Only D is false d) Only B is false
12. Full form of GST is- [1]
 a) Goods and State Tax b) Goods and Services Tax
 c) Government and Services Tax d) Government and State Tax
13. Partnership comes to an end in case of _____. [1]
 a) all of these b) insolvency
 c) retirement of a partner d) death of a partner
14. What do you mean by an entrepreneur ? [1]
 a) Job-hunter b) Job-applicant



- c) Job creator d) Job-seeker
15. Choose the correct full form of CSR from the below given options:- [1]
- a) Corporate Societal Responsibility b) Corporate Social Responsibility
c) Corporate Shared Responsibility d) Company Social Responsibility
16. Which of the following is incorrect regarding the nature of services? [1]
- a) Services have to be performed exclusively each time for different customers b) Services can be stored for future use
c) Services are experiential in nature d) Services involve simultaneous activity of production and consumption
17. Which of the following issues faced by small businesses is incorrect regarding the raw materials required by them for production? [1]
- a) Low bargaining power due to the small quantity of purchases made by them b) Compromise on the quality as they have to pay high prices to get good quality materials
c) Large storage facilities to store the materials d) Required raw materials are not available easily
18. Business is considered to be _____. [1]
- a) Community activity b) Economic Activity
c) Social Activity d) Political Activity
19. The District Industries Centers Programme was launched on: [1]
- a) July 1, 1978 b) September 1, 1978
c) May 1, 1978 d) 15 August 1978
20. What is the full form for MOFA? [1]
- a) Ministry of Financial Affairs b) Majority owned Foreign Affiliates
c) Ministry of Foreign Affairs d) Majority owned Financial Affairs
21. State the importance of the bill of lading. [3]
- OR
- What is a Letter of Credit? Why does an exporter need this document?
22. Briefly discuss the major trade centres in ancient India. [3]
- OR
- Which hindrance of commerce is highlighted in the following activities?
- i. It removes the geographical separation between producers and consumers.
 - ii. Warehousing facilitates holding of goods till they are required.
 - iii. Advertising informs the consumers about the goods and services available in the market.
 - iv. Trade provides an organised market where buyers and sellers can contact each other.
 - v. Banking and Financing Institutions provide necessary funds to carry on business activities.
 - vi. There exist a time gap between production and consumption of goods.
 - vii. Insurance protects the goods in case of damage due to theft, fire, accidents.
23. What do you understand by a **Taxable Event** under GST? [3]



24. Mayank has a surplus money of Rs. 25,00,000, which he wants to invest either in equity shares or in preference shares. Two real estate companies (Magic Estate and Skylark Enterprises), with almost the same creditworthiness, are launching their public issue. Magic Estate is coming up with a public issue of preference shares, while Skylark Enterprises is coming up with equity shares. Mayank is confused about the two issues. He consulted his friend Gaurav, who is a portfolio manager and Gaurav convinced him to invest the money in Magic Estate due to 'Preferential Rights' of preference shareholders over equity shareholders. [3]

- State the 'Preferential Rights' stated by Gaurav, which convinced Mayank to invest in Magic Estate.

25. Chanchal, Komal and Kamal-all the three are doing trades of different goods in the same country. Chanchal is dealing in fresh fruits and vegetables, Komal in grains and pulses and Kamal is trading in cloth. It is clear that all three are doing Internal Trade. [4]

- Point out what shall we call the trades of all the three on the basis of Levels and why?

26. Briefly explain any four auxiliaries to trade. [4]

OR

What were the different types of Hundi used by traders in ancient times?

27. Harsh runs an online store dealing in all kinds of household items which he procures from different dealers. Whereas his friend Lakshay runs an online store which sells all kinds of organic products like spices, pickles, jams, etc. These products are produced in his automated manufacturing unit in Kerala. In the context of the above case answer the following: [4]

- Identify the two concepts which define the scope of business activities undertaken by both Harsh and Lakshay, respectively.
- Differentiate between the two concepts as identified in part(a) of the question.

28. What is meant by Government Company? Explain any three features of Government Company. [4]

OR

Why is the government company form of organization preferred to other types in the public sector?

29. Easy Living is a popular fast-moving consumer goods company (FMCG) in India. As per policy, the company is committed to function and develop its business in a socially responsible way. [4]

In the context of this case answer the following questions:

- What do you understand by 'socially responsible way'?
- Suggest any three ways in which the company can prove itself to be socially responsible.

30. Do you think small business units can survive in a competitive market? Explain any three factors which make way for the scope of small business enterprises. [4]

31. India is considered to be one of the leading exporters of leather goods. The main leather items include leather bags, belts, leather pouches, and handbags. Different kinds of gift items like key rings, leather journals, and leather-covered notebooks also have a huge demand in foreign countries. Numerous small scale and large scale enterprises in India are constantly engaged in exporting leather goods to various foreign countries like Germany, UK, Italy, Hong Kong, France, Spain, Netherlands, UAE, Belgium, and China. [6]

In the context of the above case answer the following:

- Briefly outline any two benefits available to the business firms who are engaged in leather export.
- How do the different countries engaged in international trade of leather goods stand to gain (any two points)?

32. List the documents required for the incorporation of a company. [6]

OR



Describe briefly different types of cooperative societies.

33. Yamini bought three hundred 10% preference shares of ABC Ltd. in the year 2016. The face value of each share is Rs. 100. She didn't receive any dividend on them during 2016 due to insufficient profits of the company. In the year 2017, the company made surplus profits. Calculate the amount of dividend payable to her in the year 2017 assuming that she is holding: [6]

a. Cumulative Preference Shares

b. Non-Cumulative Preference Shares

34. Explain the main services of commercial banks. (Any four) [6]

OR

Define e-banking. Explain the various types of bank accounts.



Solution

1.
(b) NABARD
Explanation:
RSBDC was sponsored by NABARD for micro, small and medium businesses.
2.
(b) Any bank authorized by RBI to issue foreign exchange
Explanation:
Any bank authorized by RBI to issue a foreign exchange. In India, all foreign exchange transactions are regulated by the Exchange Control Department of the Reserve Bank Of India.
3. **(a) Both A and R are true and R is the correct explanation of A.**
Explanation:
Since heads of such enterprises can't take independent decisions, it leads to delay in decision making.
4.
(d) Direct personal contact between the buyers and the sellers
Explanation:
In mail-order business there is no direct personal contact between the buyers and the sellers. Orders are taken through advertisements.
5.
(d) Lack of skilled and trained labour
Explanation:
Small business firms cannot afford to pay higher salaries to employees.
6.
(d) e-Trading
Explanation:
It involves securities trading, that is online buying and selling of shares and other financial instruments.
7.
(c) 51%
Explanation:
A government company means any company in which not less than 51% of the paid up capital is held by central govt. Or state govt. Or both
8. **(a) Both A and R are true and R is the correct explanation of A.**
Explanation:
Sole Proprietorship has limited life because it has a single owner whose death, insolvency, the illness will directly affect the business.
9.
(d) Export Oriented Units
Explanation:
The small scale industry can enjoy the status of an export-oriented unit if it exports more than 50 per cent of its production.



10. (c) middleman
Explanation:
Middleman is an intermediary or agent between two parties; especially: a dealer, agent, or company intermediate between the producer of goods and the retailer or consumer for promotion of trade.
11. (c) Only D is false
Explanation:
The liability of equity shareholder is limited to the extent of capital contributed by them in the company.
12. (b) Goods and Services Tax
Explanation:
The **goods and services tax** (GST) is a tax that is paid on goods and services with all terms and conditions.
13. (a) all of these
Explanation:
Partnership gets automatically dissolved on the death, retirement, insanity or insolvency of any of its partners. However, if the remaining partners desire to continue, then they may do so on the basis of a new agreement.
14. (c) Job creator
Explanation:
An entrepreneur is a Job creator and not a job seeker or hunter.
15. (b) Corporate Social Responsibility
Explanation:
Corporate Social Responsibility- It is a company's commitment towards managing the social, environmental and economic effects of its operations in line with public expectations.
16. (b) Services can be stored for future use
Explanation:
Services cannot be stored for sale in the future.
17. (c) Large storage facilities to store the materials
Explanation:
Large storage facilities to store the materials. Since due to a shortage of funds no bulk quantity is purchased and no need to store.
18. (b) Economic Activity
Explanation:
Economic activities are related to production, distribution, exchange and consumption of goods and services. The primary aim of economic activity is the production of goods and services with a view to make them available to the consumer. Since earning profit is the major objective of business, it is an economic activity.
19. (c) May 1, 1978

Explanation:

The District Industries Centers Programme was launched on May 1, 1978, with a view to providing an integrated administrative framework at the district level.

20.

(b) Majority owned Foreign Affiliates**Explanation:**

The full form of MOFA is Majority owned Foreign Affiliates

21. i. It is a document of title which gives the holder the right to possession of the goods.
ii. It is a very important document as it serves as a receipt issued by a carrier to a shipper.
iii. It is a contract of affreightment comprising the terms and conditions on which the shipping company has agreed to carry the goods to the destination port.
iv. It may be used as collateral security for raising loans.

OR

A letter of credit is a guarantee issued by the importer's bank that it will honour up to a certain amount the payment of export bills to the bank of the exporter. Letter of credit is the most appropriate and secure method of payment adopted to settle international transactions. Due to the nature of international dealings, including factors such as distance, differing laws in each country, and difficulty in knowing each party personally, the use of letters of credit has become a very important aspect of international trade. An exporter needs this document because it is a secure method of payment. It is a guarantee by the importers for the payment.

22. Major trade centres in ancient India are:

- i. **Pataliputra:** Known as Patna today. It was not only a commercial town, but also a major centre for export of stones.
- ii. **Peshawar:** It was an important exporting centre for wool and for the import of horses. It had a huge share in commercial transactions between India, China and Rome in the first century A.D.
- iii. **Taxila:** It served as a major centre on the important land route between India and Central Asia. It was also a city of financial and commercial banks. The city occupied an important place as a Buddhist centre of learning. The famous Taxila University flourished here.
- iv. **Indraprastha:** It was the commercial junction on the royal road where most routes leading to the east, west, south and north converged.
- v. **Mathura:** It was an emporium of trade and people here subsisted on commerce. Many routes from South India touched Mathura and Broach.

OR

- i. Hindrances of Place (Transportation)
- ii. Hindrances of Time (Warehouse)
- iii. Hindrances of Information (Advertisement)
- iv. Hindrances of Persons (Communication)
- v. Hindrances of Finance (Banking)
- vi. Hindrances of Time (Warehousing)
- vii. Hindrances of Risk (Insurance)

23. Under GST, taxable event is **supply of goods from one taxable person to another taxable person**. Accordingly self consumption of goods & services by same taxable person is not chargeable to tax.

24. The preference shareholders enjoy two preferential rights over equity shareholders:

- i. Right to receive a fixed rate of dividend before any dividend is paid to equity shareholders.
 - ii. Right to receive repayment of capital on winding up of the company, before the capital of equity shareholders is returned.
25. i. Chanchal is doing the trade of fresh fruits and vegetables. This is a Local Level Trade. We call it a local level trade because the trade of such items is limited to one city or village.
ii. Komal is doing the trade of grains and pulses. This is a State Level Trade. We call it so because the trade of these items is often done in the different parts of the same state.
iii. Kamal is doing the trade of cloth. This is a National Level Trade. We call it so because the trade of cloth is often done between the states of the same country.

26. Following are the important auxiliaries to trade:



- i. **Transportation and communication:** Production of goods generally takes place in a particular location, But these goods are demanded consumption in different parts of the country. This hindrance of place can be removed by transportation—road, rail or coastal shipping, etc. In the same way, the hindrance of information is removed by communication. Communication helps in the exchange of information between producers, consumers, and traders.
- ii. **Banking and finance:** Banks and financial institutions provide credit facilities to provide finance for the smooth flow of business activities. Other facilities like collection and deposit of cheques, issue of bank draft, discounting of bills of exchange, etc. are also provided by banking institutions.
- iii. **Insurance:** Risk is inherent in the business. The insurance sector provides protection from some of the risks faced by businesses. These risks mainly include theft, burglary, fire, accident, etc, and helps the businessman to focus on the primary and operating activities.
- iv. **Warehousing:** Goods are not consumed immediately when these are produced usually there is a time gap between production and consumption of goods special arrangement has to be made to store the goods to prevent the loss of goods and to keep them fresh. Warehousing helps the businessman to overcome the problem of storage by creating time utility.

OR

Hundi is a negotiable instrument. In other words, it is an unconditional order in writing made by a person directing another to pay a certain sum of money to a person named in the order. These are under control of the Negotiable Instrument Act'1881 unless there is a local usage to the contrary. The different types of Hundi used by traders in ancient times are:

- i. **ShahJog Hundi:** It is drawn by one merchant on another, asking the latter to pay the amount to a third merchant. In this case, the merchant on whom the hundi is drawn has a certain level of 'creditworthiness' in the market. A ShahJog hundi passes from one hand to another till it reaches the final recipient who, after reasonable inquiries, presents it to the drawee for acceptance of the payment.
 - ii. **DhaniJog Hundi:** Dhani in local terms means owner. Such a hundi is like any other bearer instrument and is payable to the owner or a holder or bearer-owner.
 - iii. **FirmanJog Hundi:** This hundi is made payable to the order of payee. It is just opposite of DhaniJog hundi which is payable to the bearer only.
 - iv. **Darshani Hundi:** It is similar to a demand bill and is payable on sight. It needs to be presented for payment within a reasonable time after its receipt by the holder. If the drawer faces any loss due to delay in presentation, the holder shall be responsible for it.
 - v. **Jokhmi Hundi:** Unlike any other hundi a Jokhmi hundi is not negotiable and conditional in nature as the drawer promises to pay the amount of the hundi only on the satisfaction of a certain condition.
 - vi. **NamJog hundi:** Such a hundi cannot be endorsed in favor of any other person and is payable only to the person whose name is mentioned in the Hundi.
27. a. Harsh is engaged in e-commerce as the scope of his business is restricted to only trading, whereas Lakshay is engaged in e-business as he is involved in both production and distribution of organic food products.
- b. The difference between e-business and e-commerce is outlined below:

S. No.	Basis	e-Business	e-Commerce
1.	Meaning	The process of carrying out business activities related to both production and distribution of goods electronically is known as e-business.	The process of carrying out buying and selling goods and services electronically is known as e-commerce.
2.	Scope	It has a wider scope as it includes e-commerce.	It has a narrow scope as it is a part of e-business.
3.	Requirement	It may involve the use of the internet, intranet or extranet.	It is conducted through the internet.
4.	Orientation	e-business includes both internal as well as the external process of a business.	e-commerce activities are confined to only externally oriented processes that involve interactions with customers, suppliers, distributors, etc.

28. A Government Company is established under the Indian Companies Act, 2013 and is registered and governed by the provisions of the Indian Companies Act, 2013.

According to the section 2(45) of the Indian Companies Act, 2013, a government company means any company in which not less than 51 percent of the paid up capital is held by the central government, or by any state government or partly by central



government and partly by one or more state governments.

Three features of Government Company are:

- i. It has a separate legal entity, apart from the government.
- ii. It enjoys autonomy in all management decisions and takes actions according to business prudence.
- iii. A Government Company can be established by fulfilling the requirements of the Indian Companies Act. A separate Act in the Parliament is not required.

OR

The government company form of organization preferred to the other types in the public sector, due to the following reasons:

- i. It has a separate legal entity, apart from the government.
 - ii. It enjoys autonomy in all management decisions and takes actions according to business prudence.
 - iii. A government company can be established by fulfilling the requirements of the Indian Companies Act. A separate act in the parliament is not required.
29. a. 'Socially responsible way' refers to the concept of Social responsibility. Social responsibility means the obligation of a business to make those decisions and perform those actions which are desirable in terms of the objectives and values of our society.
- b. The three ways in which the company can prove itself to be socially responsible are stated below:
- i. The company should promote sustainable development by adopting alternate sources of energy like solar energy, using biodegradable packaging material, etc.
 - ii. The company should promote gender equality by giving equal opportunities to both males and females.
 - iii. The company should work diligently towards social causes like education of a girl child, eradication of child labor, etc.
30. Yes, small business units can survive in a competitive market. Small businesses can be a competitive advantage by themselves when competing against larger and more established companies. Factors which make way for the scope of small business enterprises are as follows:
- i. **Limited resources:** Individuals with entrepreneurial spirit but with limited economic means and resources always have the option of starting a small business.
 - ii. **Flexibility:** Small firms are usually owner-operated and this allows them to expand or reduce the scale of operation, try new products, new ideas without requiring lengthy approval procedures.
 - iii. **Personal touch:** Small enterprises are more likely to succeed in areas requiring personal touch in handling customers.
31. a. The two benefits available to the business firms engaged in leather export are as follows:
- i. Prospects for higher profits for the business firms as they get an opportunity to sell their products in countries where prices are high.
 - ii. Increased capacity utilization may help the business firms to take advantage of economies of scale, which leads to a reduction in the production cost and increases per-unit profit margin.
- b. The two ways in which different countries engaged in international trade of leather goods stand to gain are as follows:
- i. Improving growth prospects and employment potentials as the scope of production activities increase.
 - ii. Increased standard of living as it provides access to the products with better technology from other countries.
32. Promoters make an application to the Registrar for the incorporation of the company. The application must be accompanied with the following documents:
- i. The Memorandum of Association duly stamped, signed and witnessed by at least seven members in case of a public company and of two members in case of a private company.
 - ii. The Articles of Association duly stamped and witnessed as in case of the Memorandum.
 - iii. Written consent of the proposed directors to act as directors and an undertaking to purchase qualification shares.
 - iv. The agreement, if any, with the proposed Managing Director, Manager or Whole-Time Director.
 - v. A copy of the Registrar's letter approving the name of the company.
 - vi. A statutory declaration affirming that all legal requirements for registration have been complied with. This must be signed by an advocate of a High court or Supreme Court or a signatory to the Memorandum of Association or a Chartered Accountant or Company Secretary in whole-time practice in India.
 - vii. A notice about the exact address of the registered office may also be submitted along with these documents. However, if the same is not submitted at the time of incorporation, it can be submitted within 30 days of the receipt of the Certificate of Incorporation.
 - viii. Documentary evidence of payment of registration fees.



OR

The various types of cooperative societies are described below:

- i. **Consumer's Cooperative Societies:** It is formed by consumers for obtaining good quality products at reasonable prices. The society aims to achieve economy in operations by purchasing goods in bulk directly from the wholesalers and selling them directly to the members, thereby eliminating the middlemen.
 - ii. **Producer's cooperative societies:** It is formed by small producers, who desire to procure inputs for the production of goods to meet the demands of consumers. These societies enhance the bargaining power of small producers. Profits among the members are generally distributed on the basis of their contributions to the total pool of goods produced or sold by the society.
 - iii. **Marketing cooperative societies:** The members consist of producers who wish to obtain reasonable prices for their output through one centralised agency. These societies perform marketing functions like transportation, packaging, etc., and selling the output at the best possible price. Profits are distributed according to each member's contribution to the pool of output.
 - iv. **Farmer's cooperative societies:** This society is formed by farmers to jointly take up farming activities in order to gain the benefits of large scale farming and increase productivity by providing good quality seeds, fertilisers, machinery and other modern techniques for use in the cultivation of crops. Such a society is helpful in consolidating the uneconomic, fragmented and small land holdings into viable economic holdings.
 - v. **Credit cooperative societies:** Providing easy credit on reasonable terms to the members. Such societies provide loans to members out of the amounts collected as capital and deposits from the members and charge low rates of interest.
 - vi. **Cooperative housing societies:** Helps people with limited income to construct houses at reasonable costs. The members of these societies consist of people who are desirous of procuring residential accommodation at lower costs.
33. a. On Cumulative Preference Shares, the unpaid dividend on shares gets accumulated and is due for payment in future years.
Dividend due to Yamini in the year 2016 = $300 \times 100 \times 10/100 = \text{Rs. } 3000$
Dividend due to Yamini in the year 2017 = $300 \times 100 \times 10/100 = \text{Rs. } 3000$
Total dividend due to Yamini = Rs. 6000
- b. On Non-Cumulative Preference Shares, the unpaid dividend on shares does not get accumulated and is not paid as arrears in the future years. Therefore, only Rs. 3000 is due to Yamini as a dividend.
(Dividend due to Yamini in the year 2017 = $300 \times 100 \times 10/100 = \text{Rs. } 3000$)
34. The term commercial bank refers to a financial institution that accepts deposits, offers checking account services, makes various loans and offer other financial products like certificate of deposit etc. Banks make money from service charges and fees. Banks also earn money from interest they earn by lending out the money as loans to other clients. The main functions of commercial banks are described below:
- i. Collection of deposits: One of the basic and primary functions of commercial banks is that they accept deposits from their clients. The depositors can withdraw money from their accounts in the form of cash or through cheques and drafts.
 - ii. Granting loans: Banks grant loans to industry, trade, and commerce. The banks lend the money which they get in the form of deposits. The funds lent out by banks help in the development of trade and industry.
 - iii. Collection of cheques and bills: Banks collect the cheques for their customers drawn on other banks. To collect cheques, banks have clearing houses. In the case of local houses, the banks take no extra charges. For collecting outstation cheques, banks charge a commission. Banks also accept bills of exchange and encash those by charging a commission called discount before the maturity date.
 - iv. Agency functions: Banks pay the insurance premium on behalf of their clients. They also collect dividends, premiums, interest, pension, etc. on behalf of customers and credit the same in their accounts.
 - v. Custodial services: Commercial banks act as custodians by providing protection to the valuable articles of their clients.
 - vi. Issue of letter of credit: Letter of credit is a very important document in external trade. It gives assurance of payment on behalf of the importer. The letter of credit is issued by the importer's bank to the exporter's bank to give assurance of payment on delivery of goods in the importer's country.

OR

E-banking means any user with a PC and a browser can get connected to the bank's website to perform any of the virtual banking functions and avail of any of the bank's services. It eliminates the need for the bank's customers to visit the bank to do the financial transactions. This digital medium of banking makes banking more accessible and convenient for users.

Types of Bank Accounts are as follows:

- i. **Saving Deposit Account:** A person can open a savings deposit account by depositing a small sum of money. He can deposit money and withdraw money from his account whenever required. The rate of interest on saving bank account vary from bank to bank and also changes from time to time.



- ii. **Current Deposit Account:** The account holder can deposit and withdraw money whenever desired. This account is generally opened by the businessmen. On this deposit bank doesn't pay any interest on the balances.
- iii. **Fixed Deposit Account:** A fixed deposit is repayable after the expiry of the specified period of time. The period may vary from 6 months to 5 years. Such deposits offer a higher rate of interest.
- iv. **Recurring deposit Account:** In this account, money is deposited in regular installments of a specified time period. The total deposit along with interest is payable on maturity.
- v. **Multiple deposits:** It offers the benefits of the current account option and savings account to the depositor.

