

SAMPLE QUESTION PAPER -II

Sub : Business Studies

Class : XII

Blue Print

Units	Very Short Answer (1)	Short Answer I, II (3, 4)	Long Answer I, II (5, 6)	Total
Unit-1 (7)	1(2)		5(1)	7(3)
Unit-2 (7)	1(2)	-	5(1)	7(3)
Unit- 3 (5)	1(2)	3(1)	-	5(3)
Unit-4 (7)	-	3(1), 4(1)	-	7(2)
Unit- 5 (10)	-	4(1)	6(1)	10(2)
Unit- 6 (8)	-	3(1)	5(1)	8(2)
Unit- 7 (10)	1(1)	3(1)	6(1)	10(3)
Unit- 8 (6)	1(2)	4(1)	-	6(3)
Unit- 9 (12)	1(1)	-	5(1) 6(1)	12(3)
Unit- 10 (8)	-	4(2)	-	8(2)
Unit- 11 (14)	-	3(1)	5(1) 6(1)	14(3)
Unit- 12 (6)	-	-	6(1)	6(1)
Total	10(10)	35(10)	55(10)	100(30)

SAMPLE QUESTION PAPER - II
BUSINESS STUDIES
Class - XII

Max. Marks - 100

Time - 3 Hrs.

General Instructions :-

1. *Answers to questions carrying 1 mark may be from one word to one sentence.*
 2. *Answer to questions carrying 3 marks may be from 50 to 75 words.*
 3. *Answer to questions carrying 4-5 marks may be about 150 words*
 4. *Answer to questions carrying 6 marks may be about 200 words.*
 5. *Attempt all parts of a question together.*
1. Different techniques were developed by Taylor to facilitate principles of scientific management. One of them is 'Fatigue Study'. What is the objective of this study ? (1)
 2. Just after declaration of Lok Sabha Elections 2009 results, the Bombay stock exchange's price index (Sensex) rose by 2100 points in a day.
Identify the environmental factor which led to this rise. (1)
 3. 'Management is multi-dimensional'. Enumerate any two dimensions of management. (1)
 4. List any two principles of 'Scientific Management' formulated by Taylor for managing an organization scientifically? (1)
 5. Give meaning of the term 'Deviation' as used in the control function of management. (1)
 6. Which two steps in the process of control are concerned with compelling events to conform to the plan ? (1)
 7. State any two impacts of change of government policy on business and industry. (1)
 8. 'A good leader does not wait for opportunities but creates them.' Which quality of a good leader is highlighted by this statement. (1)
 9. Managerial activities are performed in all types of organisations in all departments and at all levels. Which management character is highlighted here? (1)
 10. Name the type of investment decision which relates to short-term and affects day to day operations of a company (1)
 11. Rajat a sales manager, achieved his sales targets one month in advance. This achievement was displayed on the notice board & a certificate for the best performance was awarded to him by the CEO of the company.
 1. Name the incentive provided to Rajat.
 2. Identify the type of incentive.
 3. List two other incentives of the type identified in part (2). (1+1+1 = 3)

12. Explain the steps involved in the process of planning. (3)
13. State any three features of a good brand name. (3)
14. Explain any three features of Business Environment. (3)
15. Despite internal sources of recruitment being economical why do companies not always use this source ? Explain any three reasons. (3)
16. "Failing to plan is planning to fail." Explain with suitable Examples. (4)
17. The employees of Manik Ltd., a software company, have formed a Dramatic group for their recreation. Name the type of organization so formed and state its three features. (4)
18. You are a mangement guru. You have been asked by a business firm to make its managers understand the importance of controlling. Give any four arguments. (4)
19. What does the abbreviation 'SEBI' stand for? Explain the term senscx. How many shares are included in the senscx? (4)
20. Define primary market. State any two methods of issuing securities in primary market. (4)
21. "Success of an organization largely depends upon its management" Explain any five reasons to justify the statement. (5)
22. In your school, you observe that books are kept in office, chalks in the library and office records in the staffroom.

How will that affect the achievement of school objectives? Which aspect of management is lacking here and Why? As a manager, what steps will you take to rectify the short comings? (5)
23. Explain the process of selection of employees in an organisation. (5)
24. State any five factors which help in determining the working capital requirements of a company. (5)
25. State any five functions of marketing from the management viewpoint. (5)
26. Explain the term Organisational Structure. Distinguish between Functional and Divisional structure on the following bases :
 - i. Formation
 - ii. Managerial development
 - iii. Responsibility
 - iv. Suitability

OR

'Delegation of Authority is necessary in all types of organizations'. Explain any four reasons in support of your answer. (6)

27. Identify the method of sales-promotion in the following cases :

- (i) A mobile company offers a discount of Rs. 1000 to clear off excess inventory.
- (ii) A customer gets Rs. 5 off on return of an empty wrapper while making a new purchase of the same product.
- (iii) A Company offers a pack of ½ kg. of sugar with the purchase of a 5 kg. bag of wheat flour.
- (iv) A company offers 40% of extra shaving cream in a pack of 500 gms.
- (v) Scratch a card and get a gold coin with the purchase of a cold drink.
- (vi) Purchase goods worth Rs. 50,000 and get a holiday package worth Rs. 10,000 free.

OR

Identify the type of products in the following cases and give one example of each type :

- (i) Purchase of goods in which buyers devote considerable time to compare quality, price and style.
 - (ii) Consumer products which are purchased frequently, immediately and with least time and efforts.
 - (iii) Consumer goods having attained brand loyalty with some specific features because of which people make more efforts in their purchase. (6)
28. 'Good and effective directing should be based upon certain principles. Explain any three principles of Directing.

OR

"Supervision is an important element of directing function'. Explain any four reasons in support of the above statement. (6)

29. The Board of Directors has asked you to design the capital structure of the company. Explain any six factors that you would consider while doing so.

OR

Every manager has to take three major decisions while performing the finance function. Explain them. (6)

30. Consumer Protection Act provides some Rights to the consumers. Explain any four rights of a consumer as per the Act.

OR

Non-Government Organizations perform several functions for the protection and promotion of interests of consumers. State any six functions performed by them. (6)

**MARKING SCHEME
BUSINESS STUDIES
SAMPLE QUESTION PAPER - II**

1. The objective of fatigue study is to determine the amount and frequency of rest interval in completing a task. (1)

2. Political Environment (1)

3. **Any two objectives from the following :**
 - i. Management of work
 - ii. Management of people
 - iii. Management of operations. (½ mark x 2 = 1)

4. **Any two of the following.** (½ x 2 = 1)
 - i. Science, not the rule of thumb
 - ii. Harmony, not discord
 - iii. Co-operation, not individualism
 - iv. Maximum, not restricted, output
 - v. Separation of planning & organizational work.

5. 'Deviation' means any variation in the actual performance from the laid down standards. (1)

6. (i) Comparison of actual performance with standards.
(ii) Taking corrective action. (½ x 2 = 1)

7. Impact of change of government policy on business and industry : (Any two)
 - (i) Increasing competition
 - (ii) More demanding customers environment.
 - (iii) Rapidly changing technological environment

- (iv) Necessity for change
 - (v) Need for developing human resource
 - (vi) Market orientation etc. ($\frac{1}{2} \times 2 = 1$)
8. Quality of a good leader : 'Initiative' (1)
9. Management is all pervasive. (1)
10. Working capital decisions or short term investment decisions. (1)
11. i. The Incentive provided to Rajat is – 'Recognition'.
- ii. The type of Incentive is – Non-financial Incentive.
- iii. Two other incentives of this type are :
- (a) Status
 - (b) Organisational Climate
 - (c) Career advancement opportunity
 - (d) Job Enrichment
 - (e) Job Security
 - (f) Employee participation
 - (g) Employee empowerment (1+1 + ($\frac{1}{2} \times 2 = 1$) = 3)
12. **The steps involved in the process of planning are :**
- i. Defining organizational objectives.
 - ii. Developing planning premises.
 - iii. Listing the alternative ways of reaching objectives.
 - iv. Evaluating each alternative with reference to the planning premises to choose the best alternative.
 - v. Formulating supportive plans.
 - vi. Putting the plans into action and their follow-up.
- ($\frac{1}{2}$ mark for each step
= $6 \times \frac{1}{2} = 3$)
13. **Feature of a good brand name : (Any three)**
- (i) It should be short, easy to pronounce, spell, recognise and remember.
 - (ii) It should suggest the product's benefits and qualities.
 - (iii) It should be distinctive.
 - (iv) It should be adaptable to packing or labelling requirement.
 - (v) It should be sufficiently versatile to accommodate new products which are added to the product line.

- (vi) It should be capable of being registered and protected legally.
- (vii) It should not get out of date very soon.

(1x3 = 3)

14. Feature of Business Environment (Any two) (3)

- (i) Totality of external forces.
- (ii) Specific and general forces
- (iii) Inter-relatedness
- (iv) Dynamic nature
- (v) Uncertainty
- (vi) Complexity
- (viii) Relativity

(½ mark for naming + ½ mark for explaining each feature) 1x3 = 3

15. **The reasons why companies do not always choose internal sources of Recruitment are (Any three)**

- i. Limited choice
- ii. Incomplete source
- iii. Lack of competition among employers
- iv. Conflict among employers
- v. Non-availability of fresh talent

(or any other correct reason)

[½ marks for naming + ½ mark for explaining each feature) 1x3 = 3]

16. **Failing to plan is planning to fail because planning : (any two with examples)**

- i. Provides directions
- ii. Reduces the risks of uncertainty
- iii. Reduces overlapping and wasteful activities.
- iv. Promotes innovation
- v. Facilitates control
- vi. Brings coordination

(or any other correct point)

(1 Mark for each reason
+ 1 mark for each example
= 2x2 = 4)

17. **The type of organisation formed by employees of Manik Ltd. is informal organisation.** (1)

Features of Informal Organisation (any three)

- (a) An informal organisation originates from within the formal organisation as a result of personal interaction among employees.
- (b) The standards of behaviour evolve from group norms rather than officially laid down rules.
- (c) Independent channels of communication without specified direction of flow of information are developed by group members.
- (d) It emerges spontaneously and is not deliberately created by the management.

(1 mark for each correct feature
= $1 \times 3 = 3$ marks = $[1+3] = 4$)

18. **Importance of controlling (Any four)**

- i. It helps in accomplishing organisational goals.
- ii. It enables managers to judge the accuracy of standards.
- iii. It ensures efficient use of resources.
- iv. It helps in improving employees motivation.
- v. It ensures order and discipline.

($\frac{1}{2}$ mark for naming + $\frac{1}{2}$ mark for explaining each point) $1 \times 4 = 4$)

19. **Securities and Exchange Board of India.**

- Sensex is the benchmark index of BSE. Since BSE has been the leading exchange of Indian Securities Market, the sensex is an important indicator of Indian Stock Market. Sensex includes shares of thirty companies, most actively traded in.

($1+2+1$)

20. **The market where the securities are sold for the first time is defined as Primary Market. In this market, the securities are directly issued by the company to the investors. It includes all long term financial instruments such as equity shares, debentures, bonds, preference shares etc.** (2)

Methods of issuing securities. (Any two)

- i. Offer through Prospectus
- ii. Offer for sale
- iii. Private placement
- iv. Right issue
- v. e-IPO

($\frac{1}{2}$ for naming + $\frac{1}{2}$ for explanation
 $1 \times 2 = 2, 2+2 = 4$)

21. **Success of an organisation largely depends upon its management. This can be justified with the following reasons :**

- i. It helps in achieving group goals.
- ii. It increases efficiency.
- iii. It creates a dynamic organisation
- iv. It helps in the development of society
- v. It helps in achieving individual goals.
- vi. It helps in optimum utilisation of resources.
- vii. It provides vision & foresight.

(or any other correct reason)

(1 mark for each correct reason with explanation 1 x 5 = 5)

22. – In the absence of orderliness, school objectives will not be achieved efficiently and effectively.
- The aspect of management lacking is organising/ principle of order.
- Things should be placed at appropriate places to achieve maximum efficiency within given time framework

(1+2+2)

23. Process of selection of employees in an organisation

- i. Preliminary screening.
- ii. Selection tests and interviews.
- iii. Reference and Background checks.
- iv. Selection decision.
- v. Job offer and contract of employment.

[½ mark for naming + ½ mark for explaining each step) 1x5 = 5]

24. **Factors which help in determining the working capital requirements of a company are : (Any five)**

- (i) Nature of Business
- (ii) Scale of operations
- (iii) Business cycle
- (iv) Seasonal factors
- (v) Production cycle
- (vi) Credit Allowed

- (vii) Credit Aailed
- (viii) Operating Efficiency
- (ix) Availability of Raw material
(or any other correct factor)

(½ mark for naming and ½ mark for on explaining each factor)1 x 5 = 5)

25. 1. To gather and analyse market information which is necessary to identify the needs of customers.
2. To achieve marketing objectives of the organisation, develop appropriate marketing plan.
3. To develop and design product in such a way that it attracts the target customers.
4. To achieve uniformity and consistency in the output, standardise the product and grade the products to ensure that the good belongs to a particular quality.
5. Packaging–not only provides protection to the product but also serves as a promotional tool. Labelling–helps in providing information about the product.

Meaning of organisational structure

26. “It is the system of job positions, the roles assigned to them and the authority responsibility among the various positions. (2)

Distinction between Functional and Divisional structures

Sl.	Basis	Functional	Divisional
1.	Formation	It is based upon functions	It is based upon product lines and is supported by functions
2.	Managerial Development	Difficult, as each functional manager has to report to top management	Easier autonomy as well as the chance to perform multiple functions help in managerial development
3.	Responsibility	Difficult to fix on one department	Easy to fix responsibility for performance

4.	Suitability	Suitable for medium sized firms having a single product or small number of related products	Suitable for large firms having multiple products with distinct characteristics
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(1 mark for each correct distinction

$$1 \times 4 = 4,$$

$$2 + 4 = 6)$$

OR

Delegation of authority is necessary in all types of organisations because it ensures.

- i. Effective management
- ii. Employee development
- iii. Motivation to employees
- iv. Better coordination
- v. Reduction in the work load of superiors
- vi. Organisational Growth.

(Any four with explanation)

(½ mark for naming each point + 1 for correct explanation
= 4 x 1½ = 6)

- 27
- (i) Rebate
 - (ii) Refund
 - (iii) Product - combination
 - (iv) Quantity - gift
 - (v) Instant draws and assigned gift
 - (vi) Lucky Draw

(1x6 = 6)

OR

- (i) Shopping Products (1)
Example - colour T.V., Jewellery etc.

(½x2 = 1)

(1+1 = 2)

(ii) Convenience Products (1)

Example - Salt, soap, tooth paste etc.

$(\frac{1}{2} \times 2 = 1)$

$(1+1 = 2)$

(iii) Speciality Products (1)

Examples - Antique work, Painting etc.

$(\frac{1}{2} \times 2 = 1)$

$(1+1 = 2)$

$(2+2+2=6)$

28 **Principles of Directing are (Any four) :**

- i. Maximum individual contribution
- ii. Harmony of objectives
- iii. Unity of Command
- iv. Appropriateness of direction technique
- v. Managerial communication
- vi. Use of informal organisation
- vii. Leadership
- viii. Follow up.

$(\frac{1}{2}$ mark for naming the principle + 1 mark for explanation
 $= 4 \times 1\frac{1}{2} = 6)$

OR

Supervision is an important element of directing function as it ensures :

- i. Issuing instructions
- ii. Facilitating Control
- iii. Optimal utilisation of resources
- iv. Maintenance of discipline
- v. Improvement in communication
- vi. Improvement in motivation
- vii. Timely feedback

$(\frac{1}{2}$ mark for each correct reason
 $= 4 \times 1\frac{1}{2} = 6)$

29. **Factors affecting capital structure (any six) are :**

- i. Cash flow position.
- ii. Interest coverage ratio.
- iii. Debt service coverage ratio.
- iv. Return on investment
- v. Cost of Debt
- vi. Tax rate
- vii. Cost of equity
- viii. Floatation cost
- ix. Risk consideration
- x. Flexibility
- xi. Control

(½ mark for naming & ½ mark
for explanation 1x6 = 6)

OR

Three major decisions are :

- i. Investment Decision
- ii. Financing Decision
- iii. Dividend Decision

(½ mark for naming
& 1½ marks for
explanation 2 x 3 = 6)

30. **Rights (Any four)**

- i. Right to safety
- ii. Right to be informed
- iii. Right to choose
- iv. Right to be heard
- v. Right to seek redressal
- vi. Right to consumer education

(½ mark for naming
& 1 mark for explanation
1½ x 4 = 6)

OR

Any six from the following :

- i. Organising training programmes, seminars & workshops to educate general public about consumer rights.

- ii. Publishing periodicals and other publications to impart knowledge about consumer problems, legal reporting, reliefs available and other matters of interest.
- iii. Carrying out comparative testing of consumer products in accredited laboratories to test relative qualities of competing brands and publishing the test results for the benefit of consumers.
- iv. Encouraging consumers to strongly protest and take action against unscrupulous, exploitative and unfair trade practices of sellers.
- v. Providing legal assistance to consumers by way of providing aid, legal advice, etc. in seeking legal remedy.
- vi. Filing complaints with appropriate consumer courts on behalf of the consumers.
- vii. Taking an initiative in filing cases in consumer courts in the interest of the general public, not for any individual.

(1 mark for each
correct function

1 x 6 = 6)

SAMPLE QUESTION PAPER II

Sub : Business Studies

Class : XII

Question Wise Analysis

S. No. of Question	Unit/Ch. Number	Marks Allotted	Estimated Time	Estimated Difficulty level
1	2	1	1.5 minutes	B
2	3	1	1.5 minutes	A
3	1	1	1.5 minutes	A
4	2	1	1.5 minutes	A
5	8	1	1.5 minutes	B
6	8	1	1.5 minutes	B
7	3	1	1.5 minutes	A
8	7	1	1.5 minutes	C
9	1	1	1.5 minutes	B
10	9	1	1.5 minutes	B
11	7	3	5 minutes	C
12	4	3	5 minutes	A
13	11	3	5 minutes	A
14	3	3	5 minutes	C
15	6	3	5 minutes	B
16	4	4	6 minutes	C
17	5	4	6 minutes	B
18	8	4	6 minutes	C
19	10	4	6 minutes	B
20	10	4	6 minutes	A
21	1	5	8 minutes	B
22	2	5	8 minutes	C
23	6	5	8 minutes	B
24	9	5	8 minutes	A
25	11	5	8 minutes	A
26	5	6	10 minutes	B
27	11	6	10 minutes	B
28	7	6	10 minutes	B
29	9	6	10 minutes	B
30	12	6	10 minutes	C
Reference for abbreviations Difficulty Level				
A	Easy	30%		
B	Average	50%		
C	Difficult	20%		