

**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 mark)
  
2. **Societal concept of management.** (1 mark)
  
3. **Any two objectives from the following :**
  - i. Organisational
  - ii. Social &
  - iii. Personal Objectives( $\frac{1}{2}$  mark x 2 = 1)
  
4. **Any two of the following.** ( $\frac{1}{2}$  x 2 = 1 mark)
  - 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 mark)
  
6. (i) Comparison of actual performance with standards.  
(ii) Taking corrective action. ( $\frac{1}{2}$  x 2 = 1 mark)
  
7. Shopping products are (any two) : Clothe, Television, Refrigerator, etc. ( $\frac{1}{2}$  x 2 = 1 mark)
  
8. From customer's point of view a product is a bundle of benefits. (1 mark)

9. **Management is all pervasive light face.** (1 mark)
10. **Any two of the following advantages.**
- i. It enables marketing product differentiation
  - ii. It helps in advertising and display programmes.
  - iii. It helps in charging differential pricing
  - iv. It creates ease in introduction of price. (½ x 2 = 1 mark)
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 + (½ x 2 =1) = 3 marks)
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.
- (½ mark for each step  
 = 6 x ½ = 3 marks)
13. **Personal barriers to communication are : (any three)**
- i. A superior may withhold or suppress a communication for which he has a fear of challenge to his authority.
  - ii. A superior may not attach value to the opinion of a subordinate as he lacks confidence in the competence of the subordinate.
  - iii. A subordinate may be unwilling to communicate with his superior if he

perceives that it may adversely affect his interest.

- iv. A subordinate may not communicate with his superior, if there is lack of proper incentive or motivation to communicate.

(1 mark for each correct  
barrier = 1 x 3 = 3 marks)

14. Length of production cycle affects the working capital requirement. When the production cycle is of long duration, more funds would be tied up in raw materials and inventories for a long duration and it would require more working capital to meet day-to-day operational expenses. On the other hand shorter the production cycle lesser the working capital requirements. (3 marks)

15. **Wealth maximisation is the primary objective of financial management which means maximising the market value of investment in shares of the company. It is possible only by**

- i. Ensuring availability of sufficient funds at a reasonable cost;
- ii. Ensuring effective utilisation of funds; and
- iii. Ensuring safety of funds by creating reserves, reinvesting profits etc.

16. **Failing to plan is planing 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 mark)

**Features of Informal Organisation (any three)**

- (a) An informal organization 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 =  $[1+3] = 4$  marks)

18. **The reasons why companies do not always choose Internal sources of Recruitment are : (Any four with explanation)**

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

**(or any other correct limitation)**

(1 mark for each correct limitation  
=  $1 + 4 = 4$  marks)

19. Securities and Exchange Board of India.

- Sensex is the benchmark index of BSE. Since the BSE has been the leading exchange of Indian Securities Market, the sensex has been an important indicator of Indian Stock Market. Thirty Companies actively traded in the market constitutes the sensex in Bombay Stock Exchange)

(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 marks)

**Methods of issuing securities. (Any two)**

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

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

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 marks)

22. – The aspect of management lacking is organising/ principle of order.  
 – In the absence of orderliness, school objectives will not be achieved effeciently & effectively.

Things should be placed at appropriate places to achieve maximum efficiency within given time framework

(1+2+2)

**Meaning of Budgetary control**

23. Budgetary control is a technique of controlling in which all operations are planned ahead in the form of budgets, and actual results are compared with budgetary standards and the necessary actions are taken to ensure attainment of organizational objectives. (2 marks)

**Advantages of Budgetary Control (Any three)**

- i. Budgetary control helps in attainment of organisational objectives as it focuses on specific and time bound targets.
- ii. Budgetary control motivates the employees to perform better as they are aware of the standards against which their performance will be appraised.
- iii. Budgetary control helps in optimum utilization of resources.
- iv. Budgetary control helps in achieving coordination.
- v. Budgetary control facilitates management by exception

(1 mark for each correct advantage 3 x 1 = 3 marks  
=2 + 3 = 5 marks)

24.	Sl.	Basis	Marketing	Selling
	1.	Meaning	Identifying the needs and making a conscious effort to satisfy them	Activities which are undertaken to secure sale.
	2.	Orientation	Consumer Oriented	Production oriented
	3.	Focus	Needs of the purchaser	Needs of the sellers
	4.	Scope	Has a wider scope and includes even selling.	Limited to only a part of marketing.

5.	Aim	To make profits through customer satisfaction	To make profits through sales volume
6.	Perspective	Long Term. Lays emphasis on growth and stability of business	Short term. Emphasises profit maximisation

(1 mark for each correct distinction  
1 x 5 = 5 marks)

- 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 mark)

**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	Easy to fix

4.	Suitability	department  Suitable for medium sized firms having a single product or small number of related products	responsibility for performance  Suitable for large firms having multiple products with distinct characteristics
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(1 mark for each correct distinction  
 $1 \times 4 = 4, =$   
 $2 + 4 = 6$  marks)

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 mark for correct explanation  
 $= 4 \times 1\frac{1}{2} = 6$  marks)

27 **Steps in the process of staffing**

- (i) The first step in the process of staffing is estimating the number and types of manpower required in the organization on the basis of job analysis.
- (ii) The second step is searching for prospective candidates & stimulating them to apply for jobs in the organization i.e. recruitment and choosing among them the best, i.e., selection.
- (iii) The third step is placing the selected candidates at the right jobs and introducing and familiarising them with other employees.

- (iv) The fourth step is evaluating the performance of employees through performance appraisal and organizing training programmes for enrichment of skills required to perform the job.
- (v) The fifth step is to fix up the compensation of an employee to match his contribution to the organization with his remuneration.
- (vi) The sixth step is career planning which includes all activities associated with promotion & transfer of employees. (1 x 6 = 6 marks)

**OR**

**(i) Vestibule Training :**

- \* The training which is conducted away from the actual work floor by creating the similar environment using similar equipment.
- \* It enables the trainee to acquire the know how to handle sophisticated machinery & equipment. (2 marks)

**(ii) Job Rotation :**

- \* The training which involves shifting the trainee from one department to another or from one job to another.
- \* It enables the trainee to gain a broader understanding of the different parts and functions of the organization. (2 marks)

**(iii) Apprenticeship :**

- \* Training is conducted under the guidance of a master worker.
- \* The trainee seeking to enter skilled trades undergoes this type of training before being accepted as experts. (2 marks)

(2 + 2 + 2 = 6 marks)

**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.

(½ mark for naming the principle + 1 mark for explanation  
= 4 x 1½ = 6 marks)

**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

(½ mark for  
each correct reason  
= 4 x 1½ = 6 marks)

**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 mark)

**OR**

**Three major decisions are :**

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

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

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 marks)

**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 marks)

## 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	11	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	11	1	1.5 minutes	A
8	11	1	1.5 minutes	C
9	1	1	1.5 minutes	B
10	11	1	1.5 minutes	B
11	7	3	5 minutes	C
12	4	3	5 minutes	A
13	7	3	5 minutes	A
14	9	3	5 minutes	C
15	9	3	5 minutes	B
16	4	4	6 minutes	C
17	5	4	6 minutes	B
18	6	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	8	5	8 minutes	B
24	11	5	8 minutes	A
25	11	5	8 minutes	A
26	5	6	10 minutes	B
27	6	6	10 minutes	B
28	7	6	10 minutes	B
29	9	6	10 minutes	B
30	12	6	10 minutes	C
<b>Reference for abbreviations Difficulty Level</b>				
A	Easy	30%		
B	Average	50%		
C	Difficult	20%		