

ROLL NO.-----

**Kendriya Vidyalaya , Ajmer**  
**Second Pre Board Examination 2009-10**  
**Subject: Business Studies**  
**Class-12<sup>th</sup>**

Time allowed: 3 hours

M.M. 100

**General Instructions:**

- (i) Answers to question carrying 1 mark may be form one word to one sentence.
  - (ii) Answers to question carrying 3 marks may be form 50-75 words.
  - (iii) Answers to question carrying 4-5 marks may be about 150 words.
  - (iv) Answers to question carrying 6 marks may be about 200 words.
  - (v) Answers all parts of a question together.
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- Q.1 Cooperation, not Individualism is an extension of which principle of scientific management.  
1
- Q.2 What is the main objective of method study?  
1
- Q.3 Which sector of the Indian economy was given greater importance after independence?  
1
- Q.4 What is the last step of planning process?  
1
- Q.5 "No smoking in the factory". This statement is related to which type of plans?  
1
- Q.6 Name the two important tests used for selection of employees.  
1
- Q.7 Differentiate between Training and Development on the basis of **Duration**. 1
- Q.8 "Controlling helps in achieving goals". Explain. 1
- Q.9 To which Commission the complaint should be made if the value of the goods or service in question, alongwith the compensation claimed, exceeds Rs. 20 lakhs but does not exceed Rs. 1 crore? 1
- Q.10 Which mark is issued under The Bureau of Indian Standards Act, 1986?  
1
- Q.11 Why is Management an Inexact Science or Social Science? 3
- Q.12 Explain the factors affecting capital budgeting decision.  
3
- Q.13 How the control of existing shareholders affects? How this situation can be avoided?  
3
- Q.14 Write any three objectives of SEBI. 3
- Q.15 State the three features of personal selling. 3
- Q.16 " Success of an organization largely depends upon its management". Explain any four reasons to justify the above statement. 4

- Q.17 Write the various features of Industrial policy, 1991. 4
- Q.18 What do you mean by Delegation? Explain the elements of delegation. 4
- Q.19 Explain any four financial incentives. 4
- Q.20 Explain any four Acts passed by the governments of India which help in protection of consumer's interest. 4
- Q.21 What did Henri Fayol mean by "Unity of Command"? How does it differ from "Unity of Direction"? 5
- Q.22 Does Planning have limitations? Explain any five limitations? 5
- Q.23 Explain the importance of control to a business enterprise. 5
- Q.24 Distinguish between Capital market and Money market on the basis of: 5
- (i) Participants
  - (ii) Instruments traded
  - (iii) Liquidity
  - (iv) Expected return
  - (vi) Safety
- Q.25 Explain briefly the various marketing functions performed by a modern business enterprise. 5
- Q.26 Discuss the Importance of Decentralisation. 6
- OR
- Distinguish between Formal and Informal Organisation.
- Q.27 Explain the advantages and disadvantages of external sources of recruitment. 6
- OR
- Explain the steps involved in selection process.
- Q.28 Describe the different elements of communication. 6
- OR
- To be a successful leader, one must possess some qualities. State any six such qualities of a leader.
- Q.29 What is meant by working capital? How is it calculated? Discuss four important determinants of working capital requirements. 6
- OR
- What is meant by capital structure of a company? Describe the factors that determine the capital structure of a company.
- Q.30 The aim of 'Marketing' and 'Selling' is to maximize profit. Yet they differ in their approach. Differentiate between the two by giving any six differences. 6
- OR
- 'Advertising encourages sale of inferior products' and 'Advertising confuses rather than helps'. Do you agree? Give reasons in support of your answer.

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**MARKING SCHEME**

**M.M.100**

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|------|---|--|
| Q.1  | Harmony, not discord.   | 1  |
| Q.2  | Find out the best way of doing the job.   | 1  |
| Q.3  | Public sector   | 1  |
| Q.4  | Follow up action  | 1  |
| Q.5  | Is related with rule.   | 1  |
| Q.6  | (i) Intelligence test, (ii) Aptitude test.  | $\frac{1}{2} + \frac{1}{2} = 1$  |
| Q.7  | Duration of training is <b>short</b> and duration of development is <b>wide</b> .   | <b>1</b>   |
| Q.8  | It compares standards with actual performance, finds deviations and takes corrective actions in order to achieve goals.   | 1  |
| Q.9  | State commission.   | 1  |
| Q.10 | ISI mark.   | 1  |
| Q.11 | Management is not an exact science like physics and chemistry. Management deals with human beings. The behavior of human beings cannot be exactly predicted. The principles of management are flexible and can be used in different situations with modification. Therefore, management is a social science.  | 3  |
| Q.12 | Factors affecting capital budgeting decision are:<br>(i) cash flows of the project (ii) The rate of return (iii) The investment criteria involved   | . 1/2 mark for Naming and 1/2 marks on correct explanation=1 marks each point. 3 |
| Q.13 | If the funds are raised by issuing equity share holders, it affects the control of existing shareholders. As number of equity shares is increased, the number of owner's controlling the company is also increased. This situation is not acceptable to the existing shareholders. On the other hand when the funds are raised through debt capital there will be no effect on the control of the company because debentureholders have no control on the affairs of the company. | 3  |
| Q.14 | Objectives of SEBI are:<br>(i) To protect the rights and interests of investors.<br>(ii) To prevent malpractices.<br>(iii) To develop and regulate a code of conduct.<br>(iv) To promote the development of security.   | 1 marks for each X 3 3   |
| Q.15 | Main features of personal selling are as under:<br>(i) Personal form (ii) development of Relationship (iii) Quick solution of queries.  | 1/2 marks for naming and 1/2 marks for explanation. 1 marks each X3 = 3          |
| Q.16 | The following reasons have made the management important:<br>(i) Management helps in achieving group goals<br>(ii) Management increases Efficiency<br>(iii) Management creates a Dynamic Organisation<br>(iv) Management helps in achieving personal objectives<br>(v) Management helps in the Development of Society   | 1/2 marks for naming and 1/2 marks on explanation 1 marks each X4= 4             |

- Q.17 1 marks for each features X 4= 4
- Q.18 1 marks for meaning of delegation + 1/2 marks for three elements naming( Authority , Responsibility, Accountability ) and on correct explanation 1 marks X 3 = 4
- Q.19 ½ marks for naming and 1 marks on correct explanation. 1 X 4 = 4
- Q.20 ½ marks for naming and ½ marks on dictation 1 X 4 = 4
- Q.21 2 marks for mean and 3 marks for difference between unity of command and unity of direction = 5
- Q.22 (i) planning leads to Rigidity,(ii) Planning may not work in Dynamic environment ,(iii) Planning reduces Creativity,(iv) Planning involves Huge costs,(v) Planning is a Time-consuming process,(vi) Planning does not guarantee Success. ½ marks for naming and ½ on correct explanation 1X5=5
- Q.23 ½ marks for naming and 1 marks of each correct points with explanation 1X 5= 5
- Q.24 1 marks for each difference. 1 X 5 = 5
- Q.25 ½ marks for naming and 1 marks on explanation. 1 X 5 = 5
- Q.26 ½ marks for naming and 1 marks on explanation. 1 X 6 = 6  
OR  
1 marks for each correct difference 1x 6 = 6
- Q.27 ½ marks for naming and 1 marks on explanation. 1 X 6 = 6  
OR  
½ marks for naming and 1 marks on explanation. 1 X 6 = 6
- Q.28 ½ marks for naming and 1 marks on explanation. 1 X 6 = 6  
OR  
½ marks for naming and 1 marks on explanation. 1 X 6 = 6
- Q.29 1 marks for meaning  
1 marks for working capital computation  
½ marks for naming and 1 marks for explanation. 1 + 1 + 4= 6  
OR  
1 marks for meaning and 1 marks for each point naming and explanation = 6
- Q.30 1 marks for each correct differences. 1 X 6 = 6  
OR  
3 marks for Encourages sale of Inferior products  
3 marks for Confuses the Buyers 3 + 3 = 6

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