

Question Paper Design

Subject: Business Studies (319)

Class: XII

Maximum Mark: 100

Time- 3 hrs

1. Weightage by Objectives

Objective	Marks	No. of Questions	% of total mark
Knowledge	25	11	25
Understanding	45	12	45
Application	30	07	30
	100	30	

2. Weightage by types of Question

Types of Question	Marks	No.	Total marks	Estimated time a candidate is expected to take
Objective type	01	04	04	05
Very Short Answer	02	10	20	30
Short Answer	04	10	40	60
Long Answer	06	06	36	70
		30	100	165+15* =180

3. Weightage by Contents

Modules	Marks
i. Business Around Us	16
ii. Business Organisations	18
iii. Business Management	16
iv. Business Finance	15
v. Marketing	20
Any one of the following	
vi. Self-employment in Business	15
vii. Wage Employment in Business	
	100

* 15 minutes for reading of question paper and revision of answer

Sample Question Paper

Business Studies Senior Secondary Course (319)

Time: 3 Hours

Maximum Marks : 100

Note : The question paper is divided into two sections – A and B. Attempt all questions of section- A and from section- B attempt questions of only one Module of your choice. Figures in right hand margin indicate marks.

1. Name the partner who shares the profits of the business without being liable for the losses. 1
2. A private limited company having 65 members is manufacturing steel furniture at Hyderabad. Is this statement true? Give reason in support of your answer. 1
3. Which facility allows a current account holder to withdraw more amount than his deposit? 1
4. What is meant by the term 'Profession'? 2
5. Gopal receives instruction from two senior officers of his department. Name the principle of management which is violated in this case. Explain this principle in brief. 2
6. Mention any two objectives of issuing 'Prospectus' by a company. 2
7. Explain 'limited liability' as one of the characteristics of joint stock company. 2
8. Give the meaning of 'Esprit de Corps'. 2
9. A small boy of your neighbourhood died due to drowning in a swimming pool. His father wants claim a compensation of Rs. 7 lakhs. Suggest to him as to where he should file a complaint and why? 2
10. List any four qualities of a good salesperson. 2
11. Distinguish between Marketing and Selling on the basis of (a) Focus, and (b) Starting point. 2
12. Suppose you are working as a manger in a private limited company. You want to give a proposal to the CEO of the company to give housekeeping work to some outside agencies. Identify this way of getting work done. Give any three suitable argument in favour of your proposal. 4

13. State any four specialised mail services provided by the Post Offices for the convenience of public.	4
14. Distinguish between Private limited company and Public limited company by giving any four points of distinction.	4
15. Mukesh has recently joined as the subordinate of Mr. Mathur in J.K. Watch Company. During his induction into the company, Mr. Mathur explained to him about all the activities and processes that Mukesh will be involved in. He understood and agreed upon all the functions except one. He feels that controlling is an unnecessary and wasteful activity and the company can perform very well without it. What arguments should Mr. Mathur give to Mukesh to bring out to him the importance of controlling as a function of management?	4
16. Distinguish between delegation and decentralisation.	4
17. State any four factors affecting dividend decision of a company.	4
18. Describe the role of Securities Exchange Board of India in regulating capital market.	4
19. State any four functions performed by channels of distribution.	4
20. Explain any four difficulties faced in external trade.	4
21. Describe any four benefits of e-commerce.	6
22. What is meant by Memorandum of Association? Explain any four clauses of Memorandum of Association.	6
23. Briefly explain the various steps generally followed in the selection procedure of employees.	6
24. Mr. Rabin wants to invest Rs. One lakhs in the securities market by purchasing equity shares. But he does not know any thing about equity shares. You are requested to present a brief picture of equity shares from investors' point of view.	6
25. Bimal gets a job as a trainee in Coca-cola, a multinational company and finds that it spends crores of rupees on advertisement of its products. He asks you as to why so much of money is being wasted on advertisement. Suggest to him by giving any six points, why this is not a waste.	6

Option – I

Self-employment in Business

26. Name the agency that may help you in getting a suitable job in a company.	1
27. State the role of National Small Industries Corporation limited in providing support to small business.	2
28. Give any two circumstances in which an agent is held personally liable.	2
29. Explain any four points of importance of small business in India.	4

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30. Your friend wants to start his career as a property agent. But he does not know anything about the functions of the property agents. Explain to him any six such functions that he will have to perform. 6

Option - II

Wage Employment in Business

26. Name the machine that makes impression of postage stamp on the envelope. 1
27. Mention any four sources from which you can get information about job vacancies. 2
28. Explain the advantages of establishing an office in its own building. 2
29. Distinguish between wage employment and self-employment on the basis of any four points of distinction. 4
30. You have recently been appointed as office manager in a company. You want to introduce machines in the office for the smooth functioning of various activities. But the owners do not agree with you. Suggest any six points in favour of your argument. 6



Marking Scheme

Business Studies Senior Secondary Course (319)

Q. No.	Value Points	Distribution of Mark	Total Marks
1.	Partner in Profits.	1	1
2.	No. The total number of members of private limited company cannot exceed 50.	$\frac{1}{2} + \frac{1}{2}$	1
3.	Overdraft facility	1	1
4.	The economic activity that involve rendering of personal service of specialised and expert nature based on professional training and skill and require the observance of certain rules and regulations is termed as profession.	2	2
5.	Unity of Command. A subordinate should work under the supervision of one superior only from whom he/she gets instructions and to whom he/she is accountable. It avoids confusion in authority and instructions.	$\frac{1}{2}$ 1½	2
6.	(a) To inform the public about the company; and (b) To induce people to invest in the shares or debentures of the company.	1x2	2
7.	The liability of the members of the joint stock company is limited to the extent of the face value of the shares they held. Incase of loss they may not get any thing from their investment but in no case the company can ask them to compensate the loss.	2	2
8.	Esprit de Corps means team spirit. Managers should infuse the spirit of team work and cooperation among the employees. It helps in developing an atmosphere of mutual trust and a sense of unity.	2	2
9.	The father of that boy should file the complaint in the District Consumer Forum. Because the value of the compensation claim is less than Rs. 20 lakhs.	1x2	2
10.	The qualities of a good salesperson are: (a) Good personality (b) Good behaviour		

- (c) Ability to communicate
- (d) Ability to persuade ½x4 2
- 11.
- | Marketing | Selling |
|---|--|
| Its focus is on earning profit through maximisation of customers' satisfaction. | Its focus is on earning profit through maximisation of sales |
| It starts with research on consumer needs, wants, preference, likes, dislike etc. | It starts after the production process is over. |
- 1x2 2
12. Outsourcing of services 1
- (a) It helps better utilisation of its resources as the management can focus its attention on select activities and attain higher efficiency.
- (b) It helps the organisation to get an expert and specialised service at competitive prices.
- (c) It provides an opportunity to the organisation to concentrate on areas in which it has core competency or strength. 1x3 4
13. Following specialised mail services with complete statement.
- (a) Certificate of Posting
- (b) Registered Post
- (c) Insured Post
- (d) Speed Post 1x4 4
- 14.
- | | Private Limited Company | Public Limited Company |
|---------------------------|-------------------------------------|--|
| Minimum number of members | 2 | 7 |
| Maximum number of members | 50 | Not fixed |
| Minimum paid up capital | One lakh | Five lakh |
| Commencement of business | Immediately after the incorporation | Certificate for starting or commencement of business is required |
- 1x4 4
- 15.
- (a) Helps in achieving the targets;
- (b) Helps in taking corrective action on time;
- (c) Helps in monitoring and improving employees performance;

	(d) Helps in achieving better coordination;	1x4	4
16.	<p>(a) While delegation is the process of assigning responsibility and authority and thereby creating accountability; decentralisation is the ultimate outcome of planned delegation.</p> <p>(b) Delegation of authority takes place between the manager and his subordinates while decentralisation involves the entire organisation, and is between top management and divisions/departments.</p> <p>(c) Delegation is done to speed up the work and is essential in trace; while decentralisation is optional and is usually done in large-scale organisations.</p> <p>(d) In case of delegation the responsibility and authority delegated may be withdrawn by the delegator; which is not so easy in case of decentralisation.</p>	1x4	4
17.	<p>Brief statement of the following.</p> <p>(a) Financial needs of the company</p> <p>(b) Liquidity requirement</p> <p>(c) Access to capital market</p> <p>(d) Expectations of shareholders</p>	1x4	4
18.	<p>SEBI</p> <p>(a) regulates the business in stock exchanges and any other securities market;</p> <p>(b) regulates the working of various intermediaries and mutual funds;</p> <p>(c) promotes and regulates self regulatory organisations;</p> <p>(d) promotes investors education and training of intermediaries;</p>	1x4	4
19.	<p>The channels of distribution performs the following functions;</p> <p>(a) It helps in establishing a regular contact with the customers and provides them the necessary information relating to the goods.</p> <p>(b) It provides the facility for inspection of goods by the consumers at convenient points to make their choice.</p> <p>(c) It facilitates the transfer of ownership as well as the delivery of goods.</p> <p>(d) It helps in financing by giving credit facility.</p>	1x4	4
20.	<p>Brief explanation of the following.</p> <p>(a) Distance</p> <p>(b) Greater risk</p>		

	(c) Difficulties of transport and communication		
	(d) Restrictions	1x4	4
21.	Benefits of e-commerce		
	(a) Improved Customers Service		
	(b) Shortened Transaction Time		
	(c) Cost Saving and Low Prices		
	(d) Enlarge Business and Profits		
	Description of the above points.	1½x4	6
22.	Memorandum of Association is called the charter of the company. It contains the fundamental conditions upon which the company is allowed to be incorporated or registered. It defines the limitations of the powers of the company. The purpose of memorandum is to enable the shareholders, creditors and those who deal with the company to know what is its permitted range of activities or operations.	2	
	Brief explanation of the following clauses.		
	(a) Name Clause		
	(b) Situation Clause		
	(c) Objects Clause		
	(d) Liability Clause	1x4	6
23.	Brief explanation of the following:		
	(a) Screening the applications		
	(b) Holding tests		
	(c) Selection interview		
	(d) Checking references		
	(e) Medical examination of the candidates		
	(f) Issue of appointment letter	1x6	6
24.	Any three merits and	1x3	
	three demerits of equity shares from investors' point of view may be described.	1x3	6
25.	The following objective of advertising with brief explanation.		
	(a) Introduction of new product		
	(b) Increase in sale		

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- (c) Maintaining existing buyers
 - (d) Create and enhance goodwill of the firm
 - (e) Dealer support
 - (f) Create and enhance brand image
- 1x6 6

Option – I

Self-employment in Business

- | | | | |
|-----|--|-----|---|
| 26. | Placement agency | 1 | 1 |
| 27. | The National Small Industries Corporation Ltd. (NSIC) was set up in the year 1955 to promote, aid and foster the growth of small industries in India. It provides machinery to small-scale industries, helps in export marketing, development and upgradation of technology and implementation of modernisation programme. | 2 | 2 |
| 28. | The agent is personally held liable when the agent | | |
| | (a) works outside the limit of his rights. | | |
| | (b) earns personal profit by fraudulent means. | 1x2 | 2 |
| 29. | The importance of small business in India are: | | |
| | (a) The small business enterprises are capable of generating immediate and large-scale employment opportunities in our country. | | |
| | (b) The cost of production is low due to use of local resources and less establishment and running cost. | | |
| | (c). The small industries help in effective mobilisation of the untapped resources of the country. | | |
| | (d) Small industries promote balanced regional development of the country. | 1x4 | 4 |
| 30. | The following functions are to be performed: | | |
| | a) Procure information relating to properties available for sale or on rent in the area of operation. | | |
| | (b) Keep record of details of such properties including name(s) of owner(s), name(s) of occupier, location, size or area, facilities available nearby, whether freehold or leasehold, price or rent expected by the owner(s). | | |
| | (c) Check the title deeds in respect of the properties on sale. | | |
| | (d) Record the rent expected, advance payment, or security deposit desired, and other terms and conditions which owner(s) of properties have in view for renting. | | |

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- (e) Communicate to the public through posters, handbills or newspaper advertisements the nature of properties which are available for purchase or renting.
- (f) Provide necessary information to the intending buyers or tenants about the properties suited to their requirements. 1x6 6

Option - II
Wage Employment in Business

26. Franking machine 1 1
27. The sources of information about job vacancies are:
- (a) Employment Exchanges
- (b) Placement Agencies
- (c) Newspapers and Magazines
- (d) Internet 1/2x4 2
28. The advantages of establishing an office in its own building are:
- (a) The building can be planned and designed to meet the particular needs of the organisation.
- (b) It provides a permanent address and location.
- (c) An owned building enhances the prestige of the enterprise.
- (d) The building owned by the organisation can be named after its name. 2 2
29.

Wage Employment	Self-employment
The status of the individual is that of an employee.	The status of the individual is that of an owner and employer.
The individual works for another.	The individual works for self.
Income is in the form of salary or wage.	Income is in the form of profit.
Earning is limited. It is mostly pre-determined and fixed having regular increments.	The scope of earning is unlimited. It depends upon the capability and contribution of the individual.

 1x4 4
30. The points in favour of office mechanisation are:
- (a) Saving of time
- (b) Saving of labour
- (c) Increasing accuracy
- (d) Reduction of monotony
- (e) Reduction of chances of fraud
- (f) Improving quality of work
- Brief explanation of the above points. 1x6 6