



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL

MID APRIL TEST 2026-27

BUSINESS STUDIES 054

Marking Scheme

Class: XII
Date: 17/04/2026
Admission no:

Time: 1hr
Max Marks:25
Roll no:

1. 'Management has its own vocabulary of terms and concepts. Managers need to communicate with one another with the help of a common vocabulary for the better understanding of their work situation'. Which characteristics of 'Management as a science' is highlighted in the above statement? (1)

- a) Principle is based on experimentation
- b) **Systematized body of knowledge**
- c) Universal validity
- d) Personalised application

2. **Assertion (A):** Co-ordination act as a binding force between departments and ensures that all efforts are focussed towards achieving organisational goals.

Reason (R) : Specialists in an organisation usually think that they only are qualified to evaluate, judge and decide according to their professional criteria. (1)

a) Both Assertion (A) and Reason (R) are True and Reason (R) is the correct explanation of Assertion (A).

b) Both Assertion (A) and Reason (R) are True and Reason (R) is not the correct explanation of Assertion (A). Systematised body of knowledge

- c) Assertion (A) is true but Reason (R) is false.
- d) Assertion (A) is false but Reason (R) is true.

3. The CEO of Radhe Cycles Pvt. Ltd. Mr. Kumar wants to get maximum output from the employees at a competitive cost. On the other hand Ramakant an employee of the company wants to get maximum salary while working the least. The Principle of management given by Fayol being violated by Ramakant is _____ (1)

- a) Remuneration
- b) Equity
- c) Discipline
- d) Subordination of individual interest to general interest.**

4. Name the principle of Management given by Henry Fayol as referred in this picture. (1)



- a) Principle of Initiative
- b) Principle of Order**
- c) Principle of Equity
- d) Principle of Unity of command.

5. Match the technique of scientific management in Column I with their aim in Column II and choose the correct alternative: (1)

Column I	Column II
A) Fatigue Study	i) Finds out one best way of doing the job
B) Time Study	ii) Eliminates unnecessary movements in doing a job
C) Motion Study	iii) Determines Standards
D) Method Study	iv) Determines rest intervals

Options:

- a) A – iv , B – iii, C – ii, D – i
- b) A – i , B – ii, C – iii, D – iv
- c) A – iii , B – ii, C – i, D – iv
- d) A – ii , B – i, C – iii, D – iv

6. **Statement 1** : Unity of direction aims to avoid dual subordination.

Statement 2 : The Principle of Unity of direction ensures unity of action and avoids unnecessary duplication of efforts. (1)

Alternatives:

- a) **Both the statements are true**
- b) Both the statements are false
- c) Statement 1 is true and Statement 2 is false
- d) Statement 2 is true and Statement 1 is false

7. Mega Ltd manufactured water heaters. In the first year of its operations, the revenue earned by the company was just sufficient to meet its cost. To increase the revenue, the company analysed the reasons behind the fewer revenues. After analysis, the company decided: (3)

1. To reduce labour cost by shifting the manufacturing unit to the backward area where labour was available at a very low rate.
2. To start manufacturing solar water heaters and reduce the production of electric water heaters slowly.

This will not only help in covering the risks but also help in meeting other objectives.

- a) Identify and explain the objective of management discussed above.
- b) State any two values which the company wanted to communicate to society.

Ans) The objective of management referred to are:

- i) Organisational obj -
- ii) Social obj -

8. Ankur Sachdeva did his MBA from ITB University. He decided to apply his knowledge of scientific management in the fast food restaurant chain 'Coffee Bean' set up by him. This restaurant was providing burgers, fries, shakes etc, as a part of its menu. Now a days people are quality conscious, so he was using standardised raw materials, processes, methods, working conditions, machinery etc. The objective was to establish standards of excellence. By doing this he was not only able to reduce the cost but was also able to provide new varieties of burgers, fries and shakes leading to increased turnover. Ankur Sachdeva also believed that there was only one best method to maximise efficiency. As a result he developed best way of grilling burgers, cooking fries and preparing shakes. His main objective was to maximise the satisfaction of customers, which he was able to achieve. Not only to learn the best way of doing a job, but to perform their tasks efficiently, 'Coffee Bean' regularly invests in training and development programmes to equip employees with the necessary skill and knowledge. 'Coffee Bean' believed that efficient employees will produce more and earn more. This will ensure their greatest efficiency and prosperity for both company and workers. The above case highlights the use of scientific principles and techniques by 'Coffee Bean'. (4)

Explain two Scientific Principles highlighted and two techniques highlighted in the above case.

Ans) **Principles** –

- 1) Development of each and every individual to his/her greatest efficiency and prosperity.
- 2) Science not rule of thumb

Techniques –

- 1) Method study
- 2) Standardisation and simplification

9. The management of Vrinda Ltd. strongly believes that the members of an organization should work towards fulfilling the common organizational goals. This requires team work and integration of efforts of all individuals, departments and specialists. This is because all the individuals and departments depend on each other for information and resources to perform their respective activities. Managers need to reconcile differences in approach, timing, effort or interest. At the same time it should enable all its members to grow and develop. Thus, there is a need to harmonize individual goals and organizational goals. **(6)**

1. Identify the concept of management discussed above.
2. State any three features of the concept identified in (part 1).
3. Identify and explain the characteristic of management which is reflected from the above para.

Ans)

1. Coordination

2. Features of coordination:

1. Coordination integrates group efforts by unifying diverse interest.
2. Coordination ensures unity of action by acting as a binding force between departments.
3. Coordination is a continuous process as it begins at planning stage and continues till controlling.

3. Management is a group activity.

An organization is a group of different individuals who work together with team spirit and coordination to achieve the goals of the organization.

10. Radhika opens a jewellery showroom in Jaipur after completing a course in jewellery designing. She has employed eleven persons in her showroom. For greater productivity, she divides the work into small tasks and each employee is trained to perform his/her specialized job. The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority. In the earlier days of starting of the business, five of her employees were asked to put in extra hours of work. In return she had promised to give them a special incentive within a year. Therefore, after six months when the business was doing well, she awarded a cash bonus to each of these employees to honour her commitment. However, when it comes to settling the conflicts among her employees, she tends to be more biased towards her female employees.

In context of the above case:

(6)

1. Identify and explain the various principles of management that are being applied by Radhika by quoting lines from the paragraph.
2. Identify and explain the principle of management which is being violated by Radhika by quoting lines from the paragraph.
3. State any one effect of the violation of the principle of management by Radhika as identified in part (b) of the question.

Ans)

I. The various principles of management that are being applied by Radhika are listed below:

i. Principle of Division of work:

“For greater productivity, she divides the work into small tasks and each employee is trained to perform his/her specialized job.”

ii. Principle of Centralization and Decentralization:

“The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority.”

iii. Principle of Discipline:

“Therefore, after six months when the business was doing well, she awarded a each bonus to each of these employees to honour her commitment.”

II. The principle of management which is being violated by Radhika is Equity.

“However, when it comes to setting the conflicts among her employees, she tends to be more biased towards her female employees.”

III. One effect of the violation of the Principle of Equity is that it may lead to job dissatisfaction among the male workers.