



COMMON PRE-BOARD EXAMINATION 2022-23

Subject: (BUSINESS STUDIES - 054)

Time Allowed: 3 Hours


Marks: 80



General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

Q.No.	Questions	Marks
1	Which of the following is not a feature of formal organisation? (a) It specifies the relationships among various job positions. (b) The standards of behaviour of employees are evolved from group norms. (c) It is deliberately designed by the top management. (d) It places less emphasis on interpersonal relationships among the employees.	1
2	Which of the following is not a benefit of demonetization in India? (a) Control over corruption (b) Counterfeiting the use of high denomination notes for illegal activities (c) Control on black money (d) More demanding customers	1
3	_____ refers to the number of subordinates that can be effectively managed by a superior.	1

	<p>(a) Organisational structure (b) Informal organisation (c) Span of management (d) None of the above</p>	
4	<p>'The increase in the demand for many Ayurvedic medicines, health products and services in the past few months, is related to the need for building immunity and an increased awareness for health care due to the spread of Corona virus'. Identify the feature of business environment being discussed above.</p> <p>(a) Specific and general forces (b) Interrelatedness (c) Relativity (d) None of the above.</p> 	1
5	<p>Ravi joined a marketing firm as a Sales manager. On his first day in the company, during the orientation program, the CEO of the company told Ravi that he will have to simultaneously perform the functions of management (planning, organizing, staffing, directing, controlling) all the time. Which characteristic of management was the CEO referring to?</p> <p>(a) Management is a continuous process (b) Management is all pervasive (c) Management is multidimensional (d) Management is goal oriented</p>	1

6	<p>In order to solve economic problem of our country, the government took several steps including control by the state of certain industries, central planning and reduced importance of the private sector. Which dimension of business environment is discussed here?</p> <p>(a) Economic environment. (b) Political environment (c) Both (a) and (b) (d) Legal environment</p>	1
7	<p>Which element of business environment is shaped by beliefs and customs of people?</p> <p>(a) Legal Environment (b) Economic Environment (c) Social Environment (d) Political Environment</p>	1
8	<p>Management of Alpha Ltd. has installed a special recycling plant to recycle the waste instead of dumping the waste in ground. It is also providing employment opportunities to local residents. Identify the objective company is fulfilling.</p> <p>(a) Personal Objective (b) Organizational Objective (c) Social Objective (d) All of the above</p>	1
9	<p>Which of the following is not an importance of controlling function?</p> <p>(a) It ensures order and discipline (b) It restricts coordination in action (c) It helps in judging accuracy of standard (d) It improves employee motivation</p>	1
10	<p>To make sure employees focus on work and follow the method of production as per plan, the management of Jai Ltd decided to install CCTV (Close Circuit Television) in the factory for monitoring the activity of workers. Identify the function of management discussed here.</p> <p>(a) Planning (b) Controlling (c) Staffing (d) Directing</p>	1

11	<p>Neha runs a factory wherein she manufactures shoes. The business has been doing well and she intended to expand by diversifying into leather bags as well as western formal wears thereby making her company a complete provider of corporate wear. This will enable her to market her business unit as the one stop for working women. Which type of structure would you recommend for her expanded organisation?</p> <p>(a) Divisional structure (b) Functional Structure (c) Lateral Organisation (d) Matrix Organisation</p>	1
12	<p>Shreya decided to start the business of selling dress materials. She did some research to find out about the preferences of prospective customers. Based on this, she prepared a detailed business plan. She then made important decisions about the features, quality, packaging labelling and branding of the dress material. Which of the following elements of Marketing Mix is being discussed here?</p> <p>(a) Product (b) Price (c) Place (d) Promotion</p>	1
13	<p>"It is a short-term, negotiable, self-liquidating instrument which is used to finance the credit sales of firms". Identify the money market instrument.</p> <p>(a) Commercial bill (b) Commercial papers (c) Call money (d) None of the above</p>	1
14	<p>Jaykant is holding hundred shares of a company. He has been given a privilege offer to subscribe to a new issue of shares of the same company in proportion of 2:1 to the number of shares already possessed by him. Identify the method of floatation being described in the above case.</p> <p>(a) Offer through prospectus (b) Offer for sale (c) Rights issue (d) Private placement</p>	1

15	<p>Heena is planning to set up a small manufacturing unit for manufacturing ecofriendly packaging material. She has decided to market her products through the conventional channel of distribution, which involves wholesalers and retailers. Identify the channel of distribution being adopted by the company.</p> <p>(a) Zero level channel (b) One level channel (c) Two level channels (d) Three level channels</p>	1
16	<p>When is a trade confirmation slip issued to the investor?</p> <p>(a) On placing an order (b) On execution of the order (c) On settlement of the order (d) None of the above</p>	1
17	<p>Read the following statements: Assertion (A) and Reason (R). Choose one of the correct alternatives given below:</p> <p>Assertion(A): Labelling acts as a silent salesman Reason (R): It helps in the promotion of products by attracting the attention of customers and providing required information.</p> <p>Alternatives: (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). (c) Assertion (A) is true but Reason (R) is False (d) Assertion (A) is False but Reason (R) is true.</p>	1
18	<p>Which of the following statement is true?</p> <p>(a) Competitor's prices and their anticipated reactions must be considered before fixing the price of the product (b) Not only the prices but the quality and the features of the competitive products must be examined, before fixing the price (c) Packaging serves as a promotion tool (d) All of the above</p>	1
19	<p>"Every time I travelled, people asked me to bring them chips, khakhra and pickles from all over the country," says Anoushka.</p>	1

	<p>Finally, she and her colleague, Sumeet, decided to make a business out of it. They launched a Facebook page, asked people what they wanted, and they came up with a list of about 100 places and tied-up with two dozen vendors to begin with. They were searching people from Jaipur who wanted spices from Kerala, people from Panipat who wanted halwa from Jammu and people from Delhi who ordered fresh tea leaves from Darjeeling. Through their business, they wished to bridge the gap between sellers and buyers. The business is now worth millions.</p> <p>Which function of marketing was performed by both friends while acquiring information about people’s choice through Facebook page?</p> <p>(a) Gathering and analyzing marketing information (b) Marketing planning (c) Branding (d) None of these.</p>											
20	<p>From the set of statements given in Column I and Column II, Choose the correct pair of statements:</p> <table><thead><tr><th>Column – A</th><th>Column – B</th></tr></thead><tbody><tr><td>A) Money Market</td><td>i) It deals with instruments with a maturity of more than one year.</td></tr><tr><td>B) Primary Market</td><td>ii) It deals with the sale and purchase of existing securities.</td></tr><tr><td>C) Capital Market</td><td>iii) It requires huge financial investment.</td></tr><tr><td>D) Secondary Market</td><td>iv) Price is determined by demand and supply of the securities</td></tr></tbody></table> <p>Options</p> <p>(a) A – i B – ii C – iii D – iv (b) A – ii B – iii C – iv D – i (c) A – iii B – i C – ii D – iv (d) D – iv B – iii C – ii D – i</p>	Column – A	Column – B	A) Money Market	i) It deals with instruments with a maturity of more than one year.	B) Primary Market	ii) It deals with the sale and purchase of existing securities.	C) Capital Market	iii) It requires huge financial investment.	D) Secondary Market	iv) Price is determined by demand and supply of the securities	1
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21	<p>Ashish Gupta was working in 'AXL Ltd.', a company manufacturing air purifiers. He found that the profits had started declining from the last six months. Profit has an implication for the survival of the firm, so he analysed the business environment to find out the reasons for this decline.</p>	3										

	<p>(a) Identify the level of management at which Ashish Gupta was working.</p> <p>(b) State two other functions being performed by Ashish Gupta</p>	
22	<p>Mr. Naresh recently completed his M.B.A. from one of the Indian Institutes of Management in Human Resource Management. He has been appointed as Human Resource Manager in a Truck Manufacturing Company. The company has 1,500 employees and has an expansion plan in hand that may require additional 500 persons for various types of jobs. Mr. Naresh has been given the complete charge of the company's Human Resource Department.</p> <p>List out the specialized activities that Mr. Naresh is supposed to perform as the Human Resource Manager of the company. (Any three points)</p>	3
23	<p>Babita Ltd. is engaged in manufacturing machine components. The target production is 250 units per day per worker. The company had been successfully attaining this target until two months ago. Over the last two months it has been observed that daily production varies between 200–210 units per worker.</p> <p>(a) Name the function of management and identify the step in the process of this function which helped in finding out that the actual production of a worker is less than the set target.</p> <p>(b) To complete the process of the function identified in (a) and to ensure the performance as per set targets, explain what further steps a manager has to take.</p> <p style="text-align: center;">OR</p> <p>Vinber Ltd set up a manufacturing unit at Bhiwadi in Himachal Pradesh to manufacture electric geysers and supply them to dealers all over the country. Their production target was 500 geysers per week. It was decided by the management that variation in production up to 10 units would be acceptable. At the end of the first week, the production was 450 geysers. The next week, production increased to 470 geysers. A week later, production was for 460 geysers. On investigation, it was found that fluctuation in production was due to irregular supply of electricity</p> <p>a. The above para discusses some of the steps in the process of one of the functions of management. State these steps.</p>	3
24	<p>Naina is working as a commerce teacher in RIMS International school Kerala. One day, she was teaching about capital market in the class. She informed that during 1980s the capital market in India witnessed a tremendous growth because of increasing participation of the</p>	3

	<p>public. This ever-increasing investor population and market capitalisation led to a variety of malpractices on the part of the companies, brokers, merchant banker's investment consultants and others involved in the securities market. These malpractices and unfair, trading practices eroded investors' confidence and multiplied investors grievances. The government of India and stock exchanges were helpless in redressing the investors problems because of lack of proper penalty provisions in the existing legislation. In view of this the government of India decided to set up a regulatory body.</p> <p>a. Name the regulatory body which the government of India decided to set up b. Also state any two objectives of the regulatory body identified in part (a) above</p> <p style="text-align: center;">OR</p> <p>Write the difference between money market and capital market on the basis of participants, safety, instruments and expected return.</p>	
25	<p>Under this training method, it is a joint program of training in which educational institutions and business firms cooperate. Identify the type of training. Also explain three other types of training under the same category.</p> <p style="text-align: center;">OR</p> <p>A company gets applications on and off even without declaring any vacancy. However as and when the vacancy arises, the company makes use of such applications.</p> <p>a. Name the source of recruitment used by the company. b. Explain any other three sources of recruitment belonging to the category identified above.</p>	4
26	<p>Explain any four barriers to communication which are concerned with mindset of both sender and receiver of the communication, reflects in the effective communication.</p> <p style="text-align: center;">OR</p> <p>Explain any four barriers to communication which are affected by personal factors of both sender and receiver and may exert influence on effective communication.</p>	4

27	<p>Rahim was working in an enterprise on daily wages basis. It was difficult for him to fulfill the basic needs of his family. His daughter fell ill. He had no money for his daughter's treatment. To meet the expenses of her treatment, he participated in a cycle race and won the prize money. The cycle company offered him a permanent pensionable job which he happily accepted.</p> <p>(i) By quoting the lines from the above para identify the needs of Rahim that are satisfied by the offer of the cycle company.</p> <p>(ii) Also, explain two other needs of Rahim followed by above that are still to be satisfied.</p>	4
28	<p>Explain briefly any four factors that affect the working capital requirement of a company.</p> <p style="text-align: center;">OR</p> <p>Explain briefly any four factors that affect the fixed capital requirements of a company.</p>	4
29	<p>Tata International Ltd. earned a net profit of Rs. 50 crores. Ankit, the finance manager of Tata International Ltd. wants to decide how to appropriate these profits. Discuss any four factors which will help him in taking this decision.</p>	4
30	<p>Manoj bought a packet of chips from a local shopkeeper and found that the ingredients given on the label were not legible. He complained about it to the company. The company sent a written apology stating that they will make sure that existing packets are withdrawn from the market and new packets with legible labels are soon made available.</p> <p>a. State the consumer right which Manoj exercised.</p> <p>b. Explain any other three rights of a consumer.</p>	4
31	<p>Briefly explain any three of the following techniques of Scientific Management as given by F.W. Taylor:</p> <p>a. Time Study</p> <p>b. Motion Study</p> <p>c. Fatigue Study</p> <p>d. Simplification and Standardisation of work</p> <p style="text-align: center;">OR</p>	6

	<p>Briefly explain any three of the following principles of management given by Henry Fayol:</p> <ul style="list-style-type: none"> a. Unity of command b. Equity c. Remuneration d. Initiative 	
32	<p>If the project is important then more alternative should be generated and thoroughly discussed amongst the members of the organisation. Identify and explain this step in the process of planning being discussed above. Also explain the remaining steps which will have to be carried out to complete the process.</p> <p style="text-align: center;">OR</p> <p>Planning is of vital importance in the managerial process. Explain in brief any four reasons in support of your answer.</p>	6
33	<p>Jojo and Jojo is a company known for its consumer business of baby oil and bandages, but many people do not know that the company also runs a medical device and diagnostics business, as well as a pharmaceutical company. With more than 1,80,000 employees worldwide, the company has chosen to share decision making authority with lower levels and place it nearest to the point of action. So that, the response does not take time. This propagates the belief that people who are competent, capable and resourceful can get a chance to prove their abilities and enables the company in identifying those executives who have the necessary potential to become dynamic leaders, so that the checking required on decisions taken by lower levels of management is the least. This makes it possible to evaluate performance at each level and each department can be individually held accountable for their results.</p> <p>By quoting the lines, identify and briefly explain any four benefits of the concept discussed above.</p>	6
34	<p>Radhika was a student of Business Studies of class XII. Her father was a farmer who grew different varieties of rice and was well- versed about various aspects of rice cultivation. He was also selected by the government for a pilot-project on rice cultivation. As a project- work in Business Studies, she decided to study the feasibility of marketing good quality rice at a reasonable price. Her father suggested her to use internet to gather customer's views and opinions. She found that there was huge demand for packaged organic rice. She knew that there were no pre-determined specifications in case of rice because</p>	6

of which it would be difficult to achieve uniformity in the output. To differentiate the product from its competitors, she gave it in the name of 'Malabari Organic Rice' and classified it into three different varieties namely-Popular, Classic and Supreme based on the quality. She felt that these names would help her in product differentiation.

Identify, quote and explain the functions of marketing, with reference to the above paragraph.