



## COMMON PRE-BOARD EXAMINATION: 2022-23

### Class-XII Subject: BUSINESS STUDIES (054)



Date: 17/01/2023

#### *General Instructions:*

1. This question paper contains 34 questions. All questions are compulsory.
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.

1. ABC Limited is manufacturing shoes. Their business has been doing well as their organization specifies how much work should a worker do and in what manner. It follows a rigid structure which has been deliberately planned and created by top management for the coordination of activities . But in spite of all these, there are procedural delays. Identify the type of organization highlighted here. 1

- a) Informal Organisation
- b) Functional Structure
- c) Formal Organisation
- d) Divisional Structure

2. Which of the following does not come under the dimensions of business environment? 1

- a) Economic
- b) Social
- c) Legal
- d) Emotional

3. Ravi was the Chief Executive Officer of Nath Traders. He was worried about the heavy expenditure on advertising. He asked his Finance Manager, Mohit Verma to know the views of the Sales Manager and his team regarding this expenditure . Mohit Verma was thinking of calling a meeting of the Sales Manager and his team after tea-break. But by chance at the time of tea-break, Mohit Verma met with the Sales Manager and his team in the canteen. They all discussed about this expenditure and finalized to give suggestion to reduce this expenditure. 1

Identify the type of organization which helped the Finance Manager Mohit Verma , the sales Manager and his team in finalizing the suggestion.

- a) Informal Organisation
- b) Formal Organisation
- c) Functional Structure
- d) Divisional Structure

4. Demand for reservation in jobs for minorities refers to the \_\_\_\_\_ component of general environment of business. 1

- a) Legal environment
- b) Social environment
- c) Political environment
- d) None of these

5. A petrol pump needs to be managed as much as a school or a hospital. Which feature of management is being highlighted here? 1

- a) Goal - oriented process
- b) All pervasive
- c) Continuous process
- d) Dynamic function

6. As a foreign tourist visited India, he noticed that Indian markets, tastes, trends and regulations were different from that of his country. Which feature of business environment is reflected here? 1

- a) Business environment has uncertainty
- b) Business environment is dynamic
- c) Business environment is a relative concept
- d) All of the above

7. Today's business environment is getting increasingly dynamic where changes are taking place at a fast pace. Information technology and intense global competition are just a few of the images used to describe today's business environment. All sizes and all types of enterprises are facing increasingly dynamic environment. Therefore , managers must understand and examine the environment and develop suitable courses of action. 1

Identify and state the importance of business environment from the above paragraph.

- a) It helps in improving performance
- b) It helps in coping with rapid changes
- c) It helps in assisting in planning and policy formulation
- d) It enables a firm to identify opportunities and get first mover advantage

8. Ram Murthy, a Professor of Management conducted a class on 'Management principles' and explained to his students the significance of Management Principles. In the next class, the Professor asked his students to play roles of different managers. He gave them various situations and asked them to think like managers and provide solutions to the problems given in these situations. Each student applied the principles of management to the given situation in his own personalized manner, depending upon his creativity. 1

The nature of management highlighted in the above case is:

- a) Management as a Science
- b) Management as an Art
- c) Management both as an Art as a Science
- d) Management as a Profession

9. Name the concept, which suggests that only significant deviations which go beyond the permissible limit should be brought to the notice of management. 1

- a) Management by exception
- b) Key Result Areas
- c) Organising
- d) Planning

10. Kapil and company is a large manufacturing unit. Recently the company had conducted time and motion studies and concluded that on an average, a workers could produce 300 units per day. However, it has been noticed that the average daily production per worker is in the range of 200-225 units. 1

Identify the function of management which helped in finding out that the actual production of worker is less than the set target.

- a) Staffing
- b) Coordination
- c) Controlling
- d) Organising

11. A company is very flexible in its working. It wants the proper participation of all the employees in the organization. Also, the company wants to expand and hence it uses the feature 'development of managerial talent for future'. In which aspect is it covered? 1

- a) Decentralisation
- b) Formal Organisation
- c) Authority
- d) Continuity

12. Statement I – Labelling act as a silent salesman 1

Statement II- It helps in promotion of products by attracting the attention of customers and providing required information.

Choose the correct option from the options given below:

- a) Statement I is true and II is false.
- b) Statement II is true and I is false
- c) Both the statements are true
- d) Both the statements are false

13. Match the various terms of Financial Markets Column – I with their respective statements in Column – II 1

	Column -I		Column- II
a)	Financial market	i	It is also known as the Stock market
b)	Primary market	ii	It is a market for creation and exchange of financial assets
c)	Secondary market	iii	It is also known as new issue market

- a) (ii), (iii),(i)                      b) (i),(iii),(ii)  
c) (iii), (ii),(i)                      d) (i),(ii),(iii)

14. \_\_\_\_\_ is a process where securities held by the investor in physical forms are cancelled and the investor gives an electronic entry so that he can hold it as an electronic balance in an account. 1
- a) Dematerialisation  
b) Insider Trading  
c) Primary market  
d) Secondary market
15. The process of classification of products into different groups on the basis of their important characteristics refers to which of the following marketing functions? 1
- a) Grading  
b) Standardisation  
c) Product designing  
d) Market planning
16. Which of the following is an objective of SEBI? 1
- a) Training of intermediaries of securities market  
b) Protecting the rights and interest of investors  
c) Promotion of fair practices and code of conduct in securities market  
d) Levying fees/charges for carrying out the purpose of the Act
17. Identify the marketing management philosophy which lays emphasis on bringing continuous improvement in the quality of the product? 1
- a) Production concept  
b) Product concept  
c) Marketing concept  
d) Societal marketing concept
18. “Marketing Planning” as a function of Marketing means to develop a plan for: 1
- a) Identifying the needs of the customer  
b) Analysing the available opportunities and threats in the organization.  
c) Increasing the level of production, promotion of product etc, and specifying the action programmes.  
d) Developing repeat purchases by the customer.
19. Maintaining good public relations help in achieving which of the following marketing objectives. 1

- a) Building awareness
- b) Building credibility
- c) Stimulates sales force
- d) All of the above

20. \_\_\_\_\_ is manipulating the market price of shares by increasing or decreasing their prices. 1

- a) Price rigging
- b) Insider trading
- c) Private placement
- d) Fluctuation

21. The management of Venus Limited 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 harmonise individual goals and organizational goals. 3

- a) Identify and explain the concept of management discussed above.
- b) State the characteristic of management which is reflected from the above paragraph.

22. Haider is working as a supervisor in a company. Due to his hard work, he is promoted to the post of Production Manager. Now the post of supervisor is vacant and no one can be transferred or promoted to this post. Name the source of recruitment the company will use to fill up this post. State any two advantages of using this source of recruitment. 3

23. Explain the first two steps in the controlling process. 3

OR

Explain how controlling helps in:

- a) Ensuring order and discipline
- b) Judging accuracy of standards

24. State the development functions of Securities and Exchange Board of India. 3

OR

State the protective functions of Securities and Exchange board of India.

25. Nisha Sethi was working as a Human Resource Manager in a famous consultancy firm, KLI Global Services. Her job included preparing job descriptions, recruitment, developing compensation and incentive plans and facilitating employee learning. They had entered into alliances with institutes to ensure continuous learning of their employees. With the jobs becoming more and more complex, KLI Global Services invested large amount of money in making the employees learn the skills necessary to complete the jobs. 4

State by giving any four points, how this investment is likely to benefit the organisation.

OR

Joining a job marks the beginning of socialization of the employee at the workplace. The employee is given a brief presentation about the company and is introduced to his superiors, subordinates and the colleagues. He is taken around the workplace and given the charge of the job for which he has been selected. This process of familiarization is very crucial and may have a lasting impact on his decision to stay and on his job performance.

- a) Identify the function of management being performed by the firm in the above situation.
- b) Identify and explain the two concepts of the function of management highlighted in the above lines.

26. Raj started a workshop in Surat to supplement his father's jewellery business in Delhi. He is used to speaking in English but the local skilled workers understand only Hindi and Gujarati. Hence, he started facing problems in the work due to miscommunications between him and the workers. As a result, he is not able to get the jewellery designs made in the desired manner and getting them redesigned turns out to be very expensive. 4

- a) Identify the type of communication barrier being referred to in the above paragraph.
- b) Suggest any three measures by which he can improve his communication effectiveness.

OR

Sanjana is working in a company on permanent basis. As per the job agreement she had to work for 8 hours a day and was free to work overtime. Sanjana worked overtime. Due to overtime she fell ill and had to take leave from her work. No one showed concern and enquired about her health. She realized that she was fulfilling only some of her needs while some other needs still remained to be fulfilled.

- a) Identify the needs of Sanjana discussed in the above paragraph, by quoting the lines.
- b) Also explain two other needs of Sanjana followed by the above needs, which still remained to be satisfied.

27. Laxmi is working as the Human Resource Consultant in a firm manufacturing cosmetic, which is facing a problem of high employee turnover. The CEO of the company has invited suggestions from her for retaining the talented employees and reducing the employee turnover. Laxmi recommends that the good employees be rewarded in a way that it creates a feeling of ownership among the employees and at the same time makes them contribute towards the growth of the organization. 4

- a) Identify the incentive and explain its type, which has been suggested by Laxmi to the CEO of the company.
- b) Also explain any two other incentives of the same type.

28. Explain the following as factors affecting dividend decisions: 4
- a) Stability of dividends
  - b) Growth opportunities
  - c) Cash flow position
  - d) Taxation policy

29. Explain any four factors which affect the choice of capital structure of a company. 4

30. Beny Limited is a beauty brand famous for its organic beauty products for men and women. The company uses organic plant extract to product its products which are non – allergic and beneficial for every type of skin. The product is made available in different packs and sizes. The label of the product contains full information about the ingredients, batch number, date of manufacture and expiry price etc. The company has set its customer care cell to handle all sort of queries of its customer. 4

List any two consumer rights taken care of by the company by quoting the lines from the passage.

31. Briefly explain any three of the following principles of Scientific Management as given by F.W. Taylor. 6
- a) Harmony , Not Discord
  - b) Co-operation not Individualism
  - c) Development of Each and Every person to his or her greatest efficiency and prosperity
  - d) Science not Rule of Thumb

OR

Briefly explain any three of the following principles of management given by Henry Fayol:

- a) Division of work
  - b) Scalar chain
  - c) Stability of Personnel
  - d) Espirit De Corps
32. “ Planning is not the remedy of all the deficiencies of the business”. In the light of the statement, discuss any four limitations of planning. 6

OR

Explain the first four steps involved in the process of planning.

33. Keerthi is a bright young management trainee. After six months of testing by her organization she is given charge of her office as an assistant manager. She starts her job with a lot of enthusiasm but realizes that it will not be possible for her to continue without sharing her tasks. She keeps a secretary who takes orders from her. This has reduced her burden of work and has helped her to focus on priority assignments. 6

Identify the concept of management discussed in the above case. Also state any five importance of this concept.

34. Rupali intends to start an enterprise that produces chocolates. Initially, in order to assess the taste and preferences of the people about the chocolates, she used social media and online surveys. Thereafter, she prepared a detailed SWOT analysis of her enterprise to devise a strategy that will give her an edge over the competitors. Based on her analysis of the market, she decided to launch sesame and jaggery based chocolates under the brand name “Desi Delight”. She has decided to fix up the price of chocolates relatively at lower level in the beginning and later on as the demand picks up, she may revise the prices. 6

In the context of above case:

- a) Identify the elements of marketing mix being taken into consideration by Rupali.
- b) Explain briefly the functions of marketing highlighted here.