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SET A



**INDIAN SCHOOL MUSCAT
SECOND PRE-BOARD EXAMINATION
BUSINESS STUDIES**

CLASS: XII

Sub. Code: 054

Time Allotted: 3 Hrs.

14.04.2021

Max. Marks: 80

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answer 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 Keeping in view the changes in the consumer demands and preferences 'Tastemaker Bakery' has reduced the sugar and fat content in its products. This approach of business shows that management is 1
- (a) An intangible force
 - (b) A group activity
 - (c) A dynamic function
 - (d) A multidimensional activity

OR

Identify the feature of co-ordination being highlighted in the given statement: "Coordination is not a one-time function, it begins at the planning stage and continues till controlling."

- (a) Coordination is a continuous process
 - (b) Coordination is an all pervasive function
 - (c) Coordination ensures unity of action
 - (d) Coordination is a deliberate function
- 2 The principles of management enhance the understanding of relationship between human and material resources for the achievement of organisational goals. Identify the feature of the principles of management being described in the given statement. 1
- (a) Cause and effect relationships
 - (b) Optimum utilisation of resources and effective administration
 - (c) Formed by practice and experimentation
 - (d) Mainly behavioural

- 3 The objective of this technique of Scientific Management is to reduce a given line or a product to fixed type, sizes and characteristics. Name the technique. 1
- (a) Method Study
 - (b) Differential Piece Wage System
 - (c) Standardisation and Simplification of Work
 - (d) Division of Work
- 4 Which of the following is not a feature of planning? 1
- (a) Planning is futuristic.
 - (b) Planning is pervasive.
 - (c) Planning establishes standards for controlling.
 - (d) Planning focuses on achieving objectives.
- 5 Identify the correct sequence of steps involved in the planning process. 1
- (a) Setting objectives, Developing premises, Identifying alternative course of actions, Evaluating alternative courses
 - (b) Setting objectives, Identifying alternative course of actions, Evaluating alternative courses, Developing premises
 - (c) Evaluating alternative courses, Identifying alternative course of actions, Setting objectives, Developing premises
 - (d) Developing premises, Setting objectives, Identifying alternative course of actions, Evaluating alternative courses
- 6 Which of the following is not a benefit of planning? 1
- (a) Planning reduces overlapping and wasteful activities.
 - (b) Planning is a mental exercise.
 - (c) Planning provides directions.
 - (d) Planning reduces the risks of uncertainty.
- 7 As the span of management increases in an organisation, the number of levels of management in the organization: 1
- (a) Increases
 - (b) Decreases
 - (c) Remains unaffected
 - (d) None of these
- 8 Which of the following is not a merit of functional structure? 1
- (a) It promotes control and co-ordination within a department.
 - (b) It makes training of employees easier, as the focus is only on a limited range of skills.
 - (c) It ensures that different products get due attention.
 - (d) It leads to occupational specialisation.

- 9 When Jaskaran Singh applied for the post of Computer teacher in a school in Bhubaneswar, he was asked to prepare a power-point presentation on a particular topic during selection procedure. Identify the type of selection test being mentioned in the above lines. 1
- (a) Trade Test
 - (b) Intelligence Test
 - (c) Personality Test
 - (d) Interest Test

- 10 Match the stages of staffing in Column I with their respective definition in Column II 1

	COLUMN – I		COLUMN – II
A	Placement	i	Familiarizing employees to the rules and policies of organization.
B	Orientation	ii	Inviting people to apply for jobs.
C	Recruitment	iii	Placing the right person at the right job.

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

Read the following text and answer question No.11-13 on the basis of the same:

Roshan is the chief chef of the 'Khidmat' restaurant located in the city of Bangaluru. The place is known for its exquisite Mughlai cuisine especially mutton biryani and kababs. All the food is prepared under Roshan's purview. The various activities in the kitchen are initiated in accordance to his instructions. He is very clear and specific in issuing instructions to his subordinates in order to ensure the smooth working of the department. He personally oversees the method followed by the chefs for the preparation of each dish. He misses no opportunity to praise his subordinates for their good work. All his team members feel very happy and satisfied under his direction. He provides constant guidance to them in order to improve upon its taste and presentation and also encourages them to innovate and be more creative in their work.

- 11 'He is very clear and specific in issuing instructions to his subordinates in order to ensure the smooth working of the department.' 1
- Identify the element of Directing the above line represents.
- (a) Supervision
 - (b) Communication
 - (c) Leadership
 - (d) Motivation

- 12 'He provides constant guidance to them in order to improve upon its taste and presentation and also encourages them to innovate and be more creative in their work.' 1
- Which importance of Directing does the above line imply?
- (a) Directing helps to initiate action.
 - (b) Directing integrates employees efforts in the organization.
 - (c) Directing guides employees to fully realise their potential.
 - (d) Directing facilitates introduction of needed changes.

- 13 What type of a leader is Roshan, the chief chef of the 'Khidmat' restaurant? 1
- (a) Democratic Leader
 - (b) Autocratic Leader
 - (c) Free-rein Leader
 - (d) Laissez Faire Leader
- 14 Kapil Limited is a company dealing in ready-to-eat food products. Over the years, the earning potential of the company has gone up and it enjoys a good reputation. The Financial Manager is confident of the fact that not just the earnings of the current year, but of our future years are likely to be high. Identify the related factor of dividend decision being described in the given lines. 1
- (a) Earnings
 - (b) Stability of earnings
 - (c) Stability of dividend
 - (d) Growth prospects
- 15 As the financial leverage of a company increases, it leads to 1
- (a) A decline in the cost of funds but an increase in the financial risk
 - (b) An increase in the cost of funds but a decline in the financial risk
 - (c) Both an increase in the cost of funds and financial risk
 - (d) Both a decline in the cost of funds and financial risk

Read the following text and answer question No.16-18 on the basis of the same:

Harsh works as a manager in a software company. He opened a Demat account with a broking house in order to trade in securities with the money he received as his first performance bonus. Since then he has been very active in stock trading under the guidance of a stock broker. However, when he was hospitalised for a few days this year, his wife received several calls from his stock broker for permission to transact on Harsh's behalf. Though she told him to wait till her husband had recovered, the stock broker went ahead and executed the transactions. When Harsh got home from hospital, he discovered that the unauthorised transactions had led to a loss for him. Harsh complained to the broking house, but they claimed he had authorised the transactions. Keeping in view, the guidelines issued by the National Stock Exchange that he had read in the national newspaper Harsh demanded proof and threatened to file a complaint. Since, the broking house had no evidence that the deals had been authorised they made good the loss that Harsh had incurred due to the transactions.

- 16 'Harsh complained to the broking house, but they claimed he had authorised the transactions.' 1
- What is the Broking House acting as?
- (a) Stock Exchange
 - (b) Investor
 - (c) Depository Participant
 - (d) Issuer

- 17 'He opened a Demat account with a broking house in order to trade in securities with the money he received as his first performance bonus.' 1
What is the next step in the Trading and Settlement Process after opening a Demat Account?
(a) The broker will go online and connect to the main stock exchange
(b) The broker opens a Trading Account in the name of the investor
(c) The broker will issue a trade confirmation slip to the investor
(d) The investor then places order with the broker to buy or sell shares.
- 18 'Since, the broking house had no evidence that the deals had been authorised they made good the loss that Harsh had incurred due to the transactions.' 1
Which statutory body is responsible for protecting the interest of the investor, issuer and intermediaries?
(a) Securities and Exchange Board of India
(b) National Stock Exchange
(c) Bombay Stock Exchange
(d) Central Depository Services Limited
- 19 Guneet went to a shop and expressed her desire to buy a copper water bottle only of Prestige company. Identify the component related to branding being described in the above case. 1
(a) Trademark
(b) Generic name
(c) Brand name
(d) Brand mark

OR

- Karam Limited is offering a travel package for 15 destinations worldwide with a free insurance on the bookings for the month of December, 2019. Identify the feature of marketing being described in the above lines.
(a) Needs and wants (b) Customer value
(c) Creating a market offering (d) Exchange mechanism
- 20 Which of the following statements is not true with regard to the National Commission? 1
(a) It consists of a President and at least five other members, one of whom should be a woman.
(b) The members are appointed by the Central Government.
(c) A complaint can be made to the National Commission when the value of the goods or services in question, along with the compensation claimed, exceeds ₹1 crore.
(d) Where the aggrieved party was not satisfied with the order of the National Commission, the case can be taken to the Supreme Court of India.
- 21 As per the directions issued by the Supreme Court, the government passed an order to ban the sale of tobacco products within the area of 200 meters of all educational institutions as: 3
(a) Its consumption is injurious to health
(b) People are becoming more conscious about health and fitness. This indicates the government's attitude towards this business.

Identify the business environment under three different dimensions by quoting from the above paragraph.

22 Explain any two On the Job Methods of Training. 3

23 'Planning is certainly important as it tells us where to go, it provides direction and reduces the risk of uncertainty by preparing forecasts.'

Explain the given statement with the help of two points.

OR

'Unforeseen events and changes, rise in costs and prices, environmental changes, government interventions, legal regulations, all affect our business plans.'

Discuss any two limitations of Planning.

24 As a global leader in the consumer electronics and entertainment industries, Sony has set forth 'Road to Zero environmental plan', to achieve a zero environmental effect by the year 2050 by producing world-class products in a manner that both protects and promotes a healthy and sustainable planet. In the context of above case: 3

(a) Identify the marketing philosophy being implemented by the company.

(b) Outline the main focus and ends of the relevant marketing philosophy.

OR

As the number of people making online purchases has increased manifolds, there is a growing concern about the disposal and management of packaging waste. Every item bought is delivered with excess packaging and sometimes even non-biodegradable materials are used. In the context of above case:

(a) Name the other two levels of packaging that the marketers may be using besides the immediate package.

(b) Describe briefly any two points highlighting the functions of packaging.

25 Kapil & Co. is a large manufacturing unit. Recently the company had conducted time and motion studies and concluded that on an average, a worker 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. Name the function of management and identify the steps in the process of this function which helped in finding out that the actual production of a worker is less than the set target. 4

26 Dheeraj is working as Operations Manager in Tifco Ltd. Name the managerial level at which he is working. State any three functions he will perform as the Operations Manager in his company. 4

27 Race Tech Ltd. is one of the top IT companies in India. The company does mass recruitment each year from different colleges offering fresher level job to the final year students. This helps in recruiting the brightest and the best available talent in the educational institutions. 4

In context of the above case:

(a) Identify the source of external recruitment adopted by the company.

(b) Explain briefly any three advantages of using the external sources of recruitment.

28 Briefly explain the importance of Communication as an element of Directing. 4

OR

Identify and explain the elements of directing mentioned below:

- (a) A Managing Director declares share in the profits to the managers for their contribution to enhance profits of the company, and
- (b) A manager inspires his/her employees by playing a lead role in performing a work.

29 State four Protective Functions of SEBI. 4

OR

Explain four methods of floating new issues in the Primary Market.

30 Explain the following rights of consumers provided by Consumer Protection Act, 1986 4

- (a) Right to Safety
- (b) Right to be Heard

31 Explain 'Unity of Command', 'Discipline' and 'Scalar Chain' as Principles of Management given by Fayol. 6

32 Ishita works as a corporate event coordinator in an event management company. She has been made an overall official in-charge for organizing a painting exhibition for one of the clients of the company. For ensuring that the exhibition takes place successfully, she identifies the various activities involved and divides the whole work into various task groups like marketing committees, decoration committee and reception committee. In order to facilitate coordination within and among committees, she appoints a supervisor of each group. Each member in the group is asked to report to their respective supervisors and all the supervisors are expected to work as per Ishita's orders. In context of the above case: 6

- (a) Identify the function of management being performed by Ishita,
- (b) Describe briefly the various steps involved in the performance of the function of management as identified in part (a) of the question.

33 'Decision to invest in fixed assets must be taken very carefully as the investment is usually quite large.' In light of this statement explain four factors affecting Fixed Capital Requirements. 6

OR

Explain the factors affecting Financing Decisions.

34 'Advertising' and 'Personal selling' both are communication tools used by the marketers to promote their products. Yet they differ in their approach. Differentiate between the two by giving any six points. 6

OR

What are the factors affecting determination of the price of a product or service? Explain.

End of the Question Paper