

2/31

Roll Number		
-------------	--	--

SET A



INDIAN SCHOOL MUSCAT
FINAL EXAMINATION
BUSINESS STUDIES

CLASS: XII

Sub. Code: 054

Time Allotted: 3 Hrs.

01.02.2021

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 If Unity of command prevents dual subordination, then the unity of direction prevents ----- 1
 - a) Autonomy
 - b) Overlapping of activities
 - c) Misuse of authority
 - d) All of the above
 - 2 Grouping of activities on the basis of function is a part of: 1
 - a) Decentralized organization
 - b) Divisional organization
 - c) Functional organization
 - d) Centralized organization
 - 3 With regard to setting the Objective in the process of planning, One among the following is not an important condition. Identify it. 1
 - a) Managers must contribute ideas and participate in the objective setting process.
 - b) Objectives should be stated clearly for all departments, units and employees.
 - c) Objectives would not to percolate down to each unit and employees at all levels
 - d) Objectives may be set for the entire organization and each department
 - 4 The process a manager follows in dividing the work assigned to him so that he performs that part which only he because of his unique organizational placement, can perform effectively and so that he can get others to help with what remains. This process is called : 1
 - a) Span of management
 - b) Delegation
 - c) Decentralization
 - d) None of these

- 5 If workers is going on strike and making unreasonable demands on the management, even in the presence of open communication system is violation of particular scientific principle. Identify it. 1
- Harmony not discord
 - Discipline
 - Cooperation not Individualism
 - Unity of command
- 6 Identify the steps in the process of planning which highlights the importance of the managerial function 'Organizing'. 1
- Identifying alternative courses of action
 - Follow up action
 - Setting up of objectives
 - Implementing the plan
- 7 Match the following based on the importance of management. 1
- | | |
|--|---|
| A. Through motivation and leadership the management helps individuals to develop team spirit, cooperation and commitment to group success | (i) Management helps in the development of society |
| B. Management helps people adapt to these changes so that the organization is able to maintain its competitive edge. | (ii) Management helps in achieving personal objectives: |
| C. Management helps to provide good quality products and services, creates employment opportunities, adopts new techno-logy for the greater good of the people | (iii) Management creates a dynamic organization |
- A - (ii) B - (iii) C - (i)
 - A - (i) B - (iii) C - (ii)
 - A - (iii) B - (ii) C - (i)
 - A - (ii) B - (i) C - (iii)
- 8 Planning is known as ----- as it is related to thinking before doing. 1
- Futuristic
 - Mental Exercise
 - Flexible
 - Scientific principle

Read the following text and answer question no. 9- 12on the basis of the same:

Pluto Utensils is a very old manufacturing company. Recently it was found by the management that the employees who were working in the organization were lethargic with limited skills. When a proper analysis of job positions and their occupants was done it was found that many of them were not working at places suitable to them and some of them work many years are still efficient in their field. The management has planned to promote some of the good performing workers to the as supervisors in their respective wings and fired the staff who are very lethargic. In order to recruit the new employees, the HR manager is asked to recruit the employees from the data of who

have applied for the job. Also decides to have different types of good quality tests at the stage of selection. In order to motivate the employees, the HR management decides to offer extra payment for additional work along with gratuity and provident fund. More over recently promoted supervisor's asked to provide training to the newly appointed employees.

- 9 Identify the type of external recruitment the HR manager asked to follow : 1
 - a) Advertisement
 - b) Placement agencies
 - c) Casual callers
 - d) Recommendation from employees
- 10 By offering gratuity and provident fund the management of Plutonic trying to satisfy one of the hierarchy of need suggested by Maslow. Name It. 1
- 11 What kind of test the HR team can use to test the employees emotions and reactions to the circumstances? 1
 - a) Personality test
 - b) Aptitude test
 - c) Trade test
 - d) Intelligent test
- 12 Financial incentive linked with extra payment for extra work is ----- (Bonus / productivity linked wage) 1
- 13 A business is considered as unlevered when : 1
 - a) There is no use of debt in capital structure.
 - b) There is low business risk
 - c) There is favourable financial leverage.
 - d) There is low financial risk but high business risk
- 14 In the process of communication, receiver's response to the message is called : 1
 - a) Decoding
 - b) Encoding
 - c) Feed back
 - d) Noise
- 15 The companies are required to ensure that the dividends does not violate the terms of the loan agreement. This statement highlights one of the factor influences the dividend decision of the company. Identify the factor. 1
 - a) Stability of earning
 - b) Stock market condition
 - c) Legal constraints
 - d) Contractual constraints

- 16 As a responsible consumer file a complaint in appropriate forum in case of short coming in the quality of goods purchased or service availed. This responsibility enables him to exercise one of the rights of the consumer .Name It. 1
- a) Right to seek redressal
 - b) Right to consumer education
 - c) Right to be Heard
 - d) Right to safety
- 17 Jain Ltd. has sold 1 lakh equity shares of 10 each at 12 per share to an investment banker, who offered them to the public at 20 each. Identify the method of floatation. 1
- a) Offer through prospects
 - b) Offer for sale
 - c) e-IPO
 - d) Private placement

Read the following text and answer question no.18-20 on the basis of the same: 1

Yamuna Prasad, a small shopkeeper in Bikaner, Rajasthan used to sell the famous 'Bhujia-Sev'. It was a quick selling product for locals and foreign tourists. His second generation expanded the business and got 'Yamuna Ki Bhujia' registered with concerned authorities. Gradually the brand offered a wide range of products to its customers like namkeen, sweets, bakery items etc. However, 'Bhujia-Sev' remained the most popular product of the brand creating maximum revenue. 'Yamuna Ki Bhujia' offered its products at competitive prices even while offering customer services like gift packaging and free home delivery to become a household name. Now it has virtually become a synonym for bhujia-sev in the market, so much so, that people ask for 'Yamuna Ki Bhujia' instead of bhujia-sev. 'Yamuna Ki Bhujia' has developed a strong distribution network in India and abroad by setting up retail outlets and reaching out to the customer through internet selling. Promotion of the brand had always been low profile, till the increase in competition pushed it to hire the services of a professional advertising agency, VIGYAPAN PVT. LTD. for promoting the product. On the advice of VIGYAPAN PVT. LTD., 'Yamuna Ki Bhujia' has also worked upon managing public opinion by developing relations with the masses through sponsoring cultural and sporting events, maintenance of public parks etc. 'His second generation expanded the business and got 'Yamuna Ki Bhujia' registered with concerned authorities.'

- 18 With reference to the given text 'Yamuna ki Bhujia' is a _____ giving it a legal protection against its use by anyone else. (Brand mark / Trade mark)
- 19 'Yamuna Ki Bhujia' offered its products at competitive prices even while offering customer services like gift packaging and free home delivery to become a household name. Identify the factor affecting the element of marketing mix being discussed above: 1
- a) Extent of competition in the market
 - b) Objective
 - c) Marketing methods used
 - d) Product cost

20 Yamuna Ki Bhujia' focusses on the Development of products or services for satisfying needs of the target market and long term welfare of the society Hence their marketing philosophy is ----- (Marketing / societal) 1

21 Reema and Reena after finishing their graduation under vocational stream decided to start their own travel agency which will book Rail Tickets and Air Tickets on commission basis. They also thought of providing tickets within ten minutes through the use of internet. They discussed the idea with their Professor Mr. Mishra who liked the idea and suggested them to first analyse the business environment which consists of investors', competitors and other forces like social, political etc. that may affect their business directly or indirectly. He further told them about the technological improvements and shifts in consumer preferences that were taking place and hence they should be aware of the environmental trends and changes which may hinder their business performance. He emphasized on making plans keeping in mind the threat posed by the competitors, so that they can deal with the situation effectively. This alignment of business operations with the business environment will result in better performance. 3

Name and explain component of business environment consists of Investor and competitor.

22 What are planning premises? Why do we say that planning is futuristic? 3

OR

Define planning. Why do we say that planning involves decision making?

23. The Research & Development department of Healthy Production Ltd. has decided to diversify from manufacturing health drinks to cereals made from millets. They are well aware of the fact that the company will have to communicate to the people the benefits of eating millets. For this purpose, they plan to sponsor various events like marathons and encourage people to switch to healthy eating through newsletters. 3

a) Identify and briefly explain the promotional tool being discussed above.

b) Also explain any two other promotional tool that can be used by the company, apart from the one discussed above.

24 Briefly discuss the need and two merits of Casual callers as an external source of recruitment. 3

OR

Discuss the importance of Direct recruitment for an organization. State two draw backs of it.

25 Write any four responsibilities of consumer as per the consumer protection act of 1986 4

26 Anirudh was working in 'Mia 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 analyzed the business environment to find out the reasons for this decline. 4

(a) Identify the level of management at which Anirudh was working.

(b) State three other functions being performed by Anirudh.

OR

Hima Computers Ltd. is a leading company in IT services. The CEO of the company attributes the success of the Company to its managerial team spirit, which have helped to handle rapid changes in technologies and to transform threats into opportunities. Like any other business enterprise profits are important for survival and growth of Hima Computers Ltd. The management of the company believes that a satisfied employee creates a satisfied customer; who in turn creates profits that lead to satisfied shareholders.

Identify and explain the objectives of the company discussed in the above para. Also quote the lines for the identified objectives.

- 27 Using an illustration explain the nature of autocratic leader in an organization. 4

OR

Discuss the need for free reign leadership style in organization using a diagram.

- 28 Meera's grandmother who, was unwell, called her and gave her a gift packet. Meera opened the packet and saw many crumpled share certificates inside. Her grandmother told her that they had been left behind by her late grandfather. 4

As no trading is now done in physical form, Meera wants to know the process by adopting which she is in a position to deal with these certificates.

(a) Give two reasons to Meera why dealing with shares in physical form has been stopped.

(b) Explain the process of settlement in stock exchange market.

- 29 Banwari Lal is a cloth merchant in Karol Bagh. His grandsons are requesting him to let them diversify the business into bridal wear. Banwari Lal has agreed but on the condition that they will follow the function of management he has always followed, which helps an organization in keeping track of the progress of activities and ensures that the activities conform to the standards set in advance so that the organizational goals are achieved. 4

(a) Name and define the function of management which Banwari Lal is asking his grandsons to follow.

(b) List any two reasons why it is considered an indispensable function of management.

- 30 'In an interview with a leading news channel, Mr. Rakesh Kwatra, CEO of 'Get My Job' has suggested that the Companies which want more and more people to apply for jobs in their organization should make the process for applying for jobs easier and candidate friendly.' 4

Name and explain the next two steps which follow the step, in the process of the function of management being discussed above

- 31 Your company has setup a food processing unit in Kashmir with a production capacity of 10,000 litres of apple juice per day. The company plans to market the apple juice in tetra pack of 100 milli litres. Design a label for the same. Also state any three functions of labelling. 6

- 32 Example Pvt. Ltd. is an organization which is governed by people who are egoistic and consider themselves as the most intelligent. All the suggestions made by the workers are not even attended 6

which has resulted in many strikes during last couple of months. The result is lack of productivity. However recent reports from the organization say that there is a training module going on for the employees so that their individual development can take place to the maximum. Some training modules are thought of being implemented. This may take the organization out of its current bad performance. This training module which is now to be followed at the main branch will be later given a uniform format and will be applied to all branches of the organization. .

(a) Identify and explain the principle of management which is violated initially and the principle of scientific management which is followed later on.

(b) Which concept of scientific management is discussed in the last part of the above case?

33 Describe how the following factor affect the Financing decision of a company :

6

- a) Cash flow of the company
- b) Control consideration
- c) State of capital market

34 “Put simply, decentralization refers to delegation of authority throughout all the levels of the organization.” In the light of the above statement give the meaning of and difference between Delegation of authority and decentralization.

6

OR

Delegation is the entrustment of responsibility and authority to another and the creation of accountability of performance. In the light of this statement identify and explain the elements of delegation.

End of the Question Paper