



PRE-BOARD EXAMINATION (2021-22)
TERM I – SET A

Subject: BUSINESS STUDIES

MAX. MARKS:40

Grade: XII

TIME: 90 MTS

Name:

Section:

Roll No:

General Instructions:

- *This question paper consists of 9 printed pages.*
- *The questions Paper contains*
- *All answers to be written in the answer sheet provided.*
- *Section A has 24 questions. Attempt any 20 questions.*
- *Section B has 24 questions. Attempt any 20 questions.*
- *Section C has 12 questions. Attempt any 10 questions.*
- *All questions carry equal marks.*
- *There is NO negative marking.*

I. Multiple Choice Questions:

SECTION -A

1. _____ Identified four functions of management
 - a. Fayol
 - b. Taylor
 - c. Max Weber
 - d. American Society of Mechanical Engineer
2. 'Management aims at reducing costs and increasing productivity. Which importance of Management is highlighted in the given statement?
 - a. Management helps in achieving group goals
 - b. Management increases efficiency
 - c. Management creates a dynamic organization
 - d. Management helps in achieving the personal objective
3. Rohan, a young Indian always buys packaged products. Packaging is important. According to you it helps in _____
 - a. Helps in grading
 - b. Product differentiation
 - c. Rising standard of health and sanitation
 - d. Both (b) and (c)
4. Name the process of working with and through others to effectively achieve organizational objectives by efficiently using limited resources in a changing environment.
 - a. Management
 - b. Planning
 - c. Organizing
 - d. Controlling
5. This principle of _____ resembles military organization
 - a. Unity of Direction
 - b. Order
 - c. Unity Of Command
 - d. Equity
- 6 Identify the nature of management when it is practiced as the personal application of existing knowledge to achieve the desired result.

- a. Management as a Science
 - b. Management as an art
 - c. Management as a profession
 - d. All of the above
- 7 The main task of any manager is to provide common direction (through Unity of Command and Unity of Direction) to the individual efforts in achieving the overall goal of an organization. Which importance of management is highlighted in this statement?
- a. Management helps in achieving group goals
 - b. Management helps in development of society
 - c. Management creates dynamic organization
 - d. Management increases efficiency
- 8 According to the modern marketing concept, which of the following statements is true?
- a. It refers to the group of people who do not have the ability to communicate with each other
 - b. It refers to each party should not be capable of offering something of value.
 - c. It refers to the set of actual and potential buyers for a product
 - d. It refers where each party cannot reject the other party's offer
- 9 Span of management refers to _____
- a. Number of managers
 - b. Number of subordinates under a superior
 - c. Length of term for which a manager is appointed
 - d. Number of members in top management
- 10 The act of planning is primarily an intellectual activity, as opposed to doing, because _____
- a. Mental Exercise
 - B. Provides Direction
 - c. Establishes Standards Of Controlling
 - D. Reduces Risk Of Uncertainty
- 11 Coordination acts as the binding force between departments and ensures that all action is aimed at achieving the goals of the organization. Which characteristic of management is mentioned in the given statement.
- a. Coordination integrates group efforts
 - b. Coordination ensures unity of action
 - c. Coordination is a continuous process
 - d. Coordination is an all-pervasive function
12. _____ is the step in the planning process where other managerial functions also come into the picture.
- a. Evaluating alternative courses
 - b. Implementing the plan
 - c. Selecting an alternative
 - d. Follow up action
13. Registering a trademark gives this privilege to the owner:
- a. Finance
 - b. Protection
 - c. Fame
 - d. Information
14. _____ refers to the orderly synchronizing of efforts of subordinates to provide the proper amount, timing, and quality of execution.
- a. Planning
 - b. Organizing
 - c. Coordination
 - d. Cooperation
15. is an extension of the marketing concept?
- a. Production concept
 - b. Selling concept
 - c. Product concept
 - d. Societal marketing concept
- 16 While formulating a plan, the manager is required to make certain assumptions about the future. What are these assumptions called?

- a. Evaluating alternative courses
 - b. Implementing the plan
 - c. Selecting an alternative
 - d. Developing Premises
- 17 “Providing information required by law” is a function of which component of product mix?
- a. Packaging
 - b. Branding
 - c. Labeling
 - d. Legal environment
- 18 Online platforms like Big basket and Grofers are a threat to local vendors and opportunities for new online stores for providing services online. Which dimension of the business environment is highlighted here?
- a. Political
 - b. Economic
 - c. Technological
 - d. Legal
19. Organizing is a process by which the manager
- a. Establishes order out of chaos
 - b. Removes conflict among people overwork or responsibility-sharing
 - c. Creates an environment suitable for teamwork
 - d. All of the above
- 20 In a government school chalk is used throughout the year. So, they purchase that in bulk. Recently, they placed an online order for 200 chalk boxes. The boxes were delivered to them in a corrugated box. Identify this level of packaging which facilitated the movement of the product.
- a. Primary package
 - b. Secondary packaging
 - c. Transportation packaging
 - d. None of the above
- 21 During the lockdown, a few representatives of Tata Motors Ltd. were present at a few selected railway stations for a few months. They were offering free masks (on which Tata motors were printed along with the brand symbol of Tata) to those passengers who were not equipped with masks. Those employees of Tata limited were announcing the free distribution of masks, throughout the day. A few passengers were using the masks from them as they did not bring their masks from their homes or from shops. Here is this piece of work of Tata Ltd. Is :
- a. Advertising
 - b. Personal selling
 - c. Sales promotion
 - d. Public relationship
22. Which of the following is an example of a social environment?
- a. Money supply in an economy
 - b. The constitution of the Country
 - c. Consumer Protection Act
 - d. Composition of family
23. It is defined as the framework within which managerial and operating tasks are performed.
- a. Span of management
 - b. Organisational structure
 - c. Informal organisation
 - d. None of the above
24. Assertion: Segregation work in the workforce amongst the worker will enhance the quality of the product.
Reasoning: Division of work leads to specialization
- a. Both (A) and (R) are true, and (R) is the correct explanation of (A)
 - b. Both (A) and (R) are true, and (R) is not the correct explanation of (A)
 - c. (A) is true, but (R) is false.
 - d. D. (A) is false, but (R) is true.

SECTION B

25. Just after the declaration of Lok Sabha Elections 2014 results, the BSE price index (Sensex) rose by 1000 points in a day. Identify the environmental factor which led to this rise.
- a. Political
 - b. Economic
 - c. Social
 - d. Legal

- 26 A company is manufacturing garments. The manager wants to increase profits by purchasing new high-speed machines or increasing the sale price or using waste material in manufacturing stuffed toys. He decided that 'using waste material' to increase the profit is the best solution for him. Identify the concept of management involved
- Planning
 - Staffing
 - Organizing
 - Controlling
27. Pargati refuses to buy a headphone for Rs. 2000 as she believes the at real worth of this product can never be that much. Identify the factor related to the pricing decision being discussed here.
- Cost of the product
 - Government and legal regulations
 - The utility and demand
 - Pricing by competitors
- 28 If any MNC is entering the Indian market, Indian firms should take it as a warning signal and should handle this threat and launch new products well ahead of the launch of MNC products. Which importance of the business environment is highlighted here?
- It Helps the Firm to Identify Threats and Provides Early Warning Signals
 - It Helps in Coping with Rapid Changes
 - It Enables Firm to Identify the Opportunity & Getting First-Mover Advantages
 - It Helps in Assisting in Planning and Policy Making
29. Sameer is a foreman in a factory. He directs all the members under him to follow the targets and advises them to put their efforts in the direction of the achievement of these targets. He leads, influences, and motivates the workers to perform the tasks assigned to them. He encourages the employees to do their best. Sameer was assigned a target of 1,000 units in July. For this, he and his team had to operate on double shifts. Sameer was able to achieve the production target but at a higher production cost.
- At which level of management, Sameer is working.
- Top Level
 - Operational Level
 - Middle Level
 - None of the above
- 30 Zamon Ltd. is manufacturer of electronics goods based in Pune. On one hand it deals in items like books, music instrument, videotapes etc., and on the other hand it deals in laptops and mobile phones. The company had a functional structure with separate heads for production, marketing and finance. All the functional heads were looking after the products, but at times their activities overlapped. This led to problems related to coordination and inter-departmental conflicts. To facilitate specialization Ramit, the CEO of the company decided to group books, music instrument, under 'Media' and laptops and mobile phones under 'consumer electronics'. While doing so Ramit has performed a step in the process of one of the functions of management. Identify the step
- Departmentalization
 - Assignment of Duties
 - Establishing reporting relationships
 - Identification and Division of work
- 31 Sana is the branch manager of ABC Handicrafts Pvt. Ltd. The company's objective is to promote the sales of Indian handloom and handicraft products. It sells fabrics, furnishings, ready-mades, and household items made out of traditional Indian fabrics. Sana decides quantities, variety, color, and texture of all the above items and then allocates resources for their purchase from different suppliers. She appoints a team of designers and craftspeople in the company, who developed some prints for bed covers in bright colors on silk. Although the products looked very attractive and impressive, they were relatively expensive on the front of affordability for an average customer. Sana suggested that they should keep the silk bed covers for special festive occasions and offer the cotton bed covers regularly to keep costs under control

She appoints a team of designers and craftspeople in the company, who developed some prints for bed covers in bright color on silk.” Which function of management is highlighted in this context?

- a. Controlling
- b. Planning
- c. Staffing
- d. Directing

32. Ravi runs a locks manufacturing factory. He manufactures locks used in houses. He wants to expand his business. For this, he wants to enter into the manufacturing of locks for cars and motorcycles. Which type of organizational structure will he choose for his factory

- a. Divisional
- b. Functional
- c. Delegation
- d. Decentralization

33. Sarah joined fashion limited as the head of the production department and realize that company was not performing well. She developed the best method using several parameters right from deciding the sequence of operations, place of men, machines, and raw materials to the delivery of the product to the customers. Identify the technique of scientific management being followed by Sara.

- a. Motion Study
- b. Fatigue study
- c. Method Study
- d. Time study

34. A company has its registered office in Delhi, manufacturing unit at Gurgaon and marketing and sales department at Faridabad. The company manufactures the Fast Moving Consumer Goods(FMCG). Which type of organizational structure should it adopt to achieve its target?

- a. Divisional
- b. Functional
- c. Delegation
- d. Decentralization

35. Match the columns to identify the importance of coordination.

Column I	Column II
A. Continuous process	(i) Managerial functions are performed by all managers all the time
B. Pervasive	(ii) Effect of management can only be felt on organization functions
C. Intangible force	(iii) Managerial activities are common to all organizations

- a. A-(i), B-(iii), C-(ii)
- b. A-(iii), B-(ii), C-(i)
- c. A-(ii), B-(iii), C-(i)
- d. A-(ii), B-(i), C-(ii)

36. On the introduction of the Goods and Services Tax Act, experts in the field of business started analyzing and forecasting its impact on various sectors and industries. Vivek, an established businessman, attended a few seminars and conferences organized by such experts to familiarize himself with this information. He wanted to use these forecasts to reduce the uncertainty in making decisions for the future in his business. He studied the Alternatives and evaluated them in the light of their feasibility and consequences. Name the step in the planning process that is being discussed in the above paragraph.

- a. Setting Objectives
- b. identifying alternative courses of action
- c. Developing Premises
- d. Evaluating alternative courses of action

37. The basic purpose of every organization is to _____ in the competitive market for a longer period, and it is possible only if the organization can cover its cost.

- a. Welfare of Society
- b. To earn Profit
- c. Survive
- d. None of the above

- 38 “Natasha started a footwear manufacturing company and has decided to identify the needs of the customers to start successful marketing of the footwears produced by it and for this, the company is doing a SWOT analysis (Strength, Weakness, Opportunity, and Threat Analysis) Which function of marketing has been highlighted in this line
- Standardization and Grading
 - Marketing planning
 - Gathering and analyzing market information.
 - Transportation
- 39 Assertion: Management is a goal-oriented process.
Reasoning: An organization has a set of basic goals which are the basic reason for its existence.
- Both A and R are true, and R is the correct explanation of A
 - Both A and R are true, but R is not the correct explanation of A
 - A is true, but R is false
 - A is false, but R is true
- 40 Mohit is the managing director of S Limited manufacturing different varieties of cheese. He has an efficient team working under him consisting of Rajan who is the Production Manager, Vineet the Marketing manager, and Asif the finance manager. They understand and interpret the policies made by Mohit to ensure that their department has adequate manpower, assign them the necessary duties, and motivate them to achieve the desired objective.
Identify another function of the level highlighted in the given case
- Oversee the efforts of the workforce
 - Integrate diverse elements and coordinate the activities of different departments according to the overall objectives of the organization.
 - Cooperate with other departments for smooth functioning of the organization
 - None of the above
- 41 Ravi was working in a mobile company. It had an assembling unit in Noida. In this assembling unit, the standard output of producing 12 units per day per worker had been set. While assembling mobile phones, he realized that by simply reorganizing the sequence of tasks more units can be assembled at a lower cost. He went to his supervisor and informed him about his discovery. The supervisor, on the contrary, instructed him to carry out work as per the method and techniques decided earlier. Identify this limitation of one of the functions of management
- Planning reduces creativity
 - Planning Leads to rigidity
 - Planning involves huge cost
 - Planning does not guarantee success
- 42 Amartya gives machines, materials, tools ready for operations by concerned workers. Whose work is described by the statement under functional foremanship?
- Gang boss
 - Route clerk
 - Repair boss
 - speed boss
- 43 Adarsh started a Refrigerator manufacturing company and currently is spending a substantial amount of money to persuade the target customers to buy its refrigerators through advertisements, personal selling, and sales promotion techniques. Which element of the marketing mix is referred to here?
- Place
 - Promotion
 - Product
 - Price.
- 44 Mohit is the managing director of S Limited manufacturing different varieties of cheese. He has an efficient team working under him consisting of Rajan who is the Production Manager, Vineet the Marketing manager, Asif the finance manager and Shibin the foreman of the factory. They

understand and interpret the policies made by Mohit to ensure that their department has adequate manpower, assign them the necessary duties, and motivate them to achieve the desired objective.

Identify another function of Shibin

- a. Oversee the efforts of the workforce
- b. Integrate diverse elements and coordinate the activities of different departments according to the overall objectives of the organization
- c. Cooperate with other departments for smooth functioning of the organization
- d. None of the above

- 45 Assertion (A) Planning enables managers to look ahead and anticipate changes to deal with uncertain events.

Reason (R) Planning involves rational decisions.

- a. Both A and R are true, and R is the correct explanation of A
- b. Both A and R are true, but R is not the correct explanation of A
- c. A is true, but R is false
- d. A is false, but R is true

- 46 The principles of management apply to a government office where there is a diary dispatch clerk whose job is to receive and send emails or documents, a data entry operator whose task is to input data on the computer, etc. the principle is also applicable to the limited company where there is separate department like production, finance, marketing, and sales department. The extent of division of work, however, may vary from case to case. identify the feature of principles of management explained here

- a. Flexible
- b. General Guidelines
- c. Form By Practice And Experimentation
- d. Universal Applicability

47. “Now they print the sign (mark) of green leaves, which is an indicator of vegan products; on the label of their products. Which function of labeling is highlighted in the above case

- a. Identification of brand
- b. Describe the products and specify its content
- c. Providing information required by law
- d. Grading of products

SECTION – C

- 48 Assertion: According to the production concept consumer favors those products which are widely available at lower prices

Reason: When a marketer decides the price for his product, he considers the cost incurred, government restrictions, prices of competitors and objective of pricing, and a few other things.

- a. Both A and R are true, and R is the correct explanation of A
- b. Both A and R are true, but R is not the correct explanation of A
- c. A is true, but R is false
- d. A is false, but R is true

Read the paragraphs carefully and answer the questions(49 to 54) that follow:

- 1) February 21, 2006-Honda motor Co limited, Tokyo Japan, announced a new organizational structure for Honda research and development Co limited, a wholly-owned subsidiary of Honda, responsible for research and development activities.
- 2) Due to recent technological advancements and continued business expansion the variety and complexity of technological components and the number of vehicles under development at Honda research and development have increased dramatically. The new structure will be launched both in response to this situation and to prepare for further expansion and growth of business in the future.

- 3) The new structure will enable each associate to demonstrate a high level of initiative, with a clearer definition of roles and responsibilities and bold delegation of authority.
- 4) Moreover the new structure is designed to achieve smoother communication to help accelerate decision-making within the organization.
- 49 Identify the step of the process of management discussed here
- Controlling
 - Staffing
 - Organizing
 - Directing
- 50 From the above information identify the structure adopted by Honda Motor Co limited (Refer to para1)
- Organizational
 - Divisional
 - Functional
 - None Of These
- 51 Read para (2) and identify another suitability of the structure discussed
- It is most suitable when the size of the organization is large, has diversified activities and operations require a high degree of specialization.
 - It is suitable for those business enterprises where a large variety of products are manufactured using different productive resources
 - Both a & b
 - None of these
- 52 Read para (4) and identify another benefit of the structure discussed
- It helps in fixation of responsibility in cases of poor performance
 - Autonomous units lead to faster decision making
 - It facilitates expansion and growth
 - Prepares managers for higher positions
- 53 Identify the incorrect statement about authority
- The authority determines a superior and subordinate relationship
 - Authority originates by virtue of an individual's position
 - Authority flows from the bottom to the top
 - The concept of authority arrives from an established scalar chain
- 54 An organization is _____ when decision-making authority is retained by higher management levels whereas it is _____ when such authority is delegated to the lowest level
- Formal and informal
 - Centralized and decentralized
 - Functional and divisional
 - Successful and unsuccessful
- 55 Statement I: The scope of authority is unlimited to the extent of the work assigned.
Statement II: Responsibility is not an obligation of an employee to complete the work assigned.
- Statement I is correct and II is wrong
 - Statement I is wrong and II is correct
 - Both the statements are correct
 - Both statements are incorrect
- 56 In order to improve its competitive edge, Hindustan Unilever Ltd. has changed the packaging of its hair care product named, “Indulekha”. Those ones are now available in a consumer-friendly design, which has a nozzle attached to the lid so that at the time of usage, the consumer doesn’t need to open the cap of the bottle and has not to oil hair by hand. Now customer has just to squeeze the oil bottle in the hair for oiling, which ensures minimum wastage of oil. Name the marketing function being explained in the given lines.
- Product designing and development
 - Customer support services
 - Promotion
 - Physical distribution
- 57 Sanjay purchased a bike of Bajaj India Ltd., ‘pulsar 180 cc’ in 2020. After six months, the electric digital meter of the bike becomes dysfunctional. He informs Sandeep, his friend who also had

purchased the same bike in 2019, which unfortunately met with an accident and was a scrap. The bike was not insured, so he didn't get that repaired as the repair cost was a bit higher. Yet, the digital meter of the same looks in good condition because it remained intact in that accident. Sandeep suggested Sanjay use that digital meter of his bike. Sanjay checks the same and finds that it is in working condition and gets that fitted in his bike at slot concerned and that meter shows all relevant information in digital form. Both friends became very happy with this adventurous task of them. Which function of marketing is highlighted there?

- | | |
|-----------------------------------|--------------------|
| a. Grading | B. Standardization |
| c. Product Design And Development | D. Branding |

58 Polly limited is a well-known company making fruit juices. This company has left behind several competing companies, some of the students of management felt curious to know the secret of this company's success. They went to the company and examined the planning function of management. They found that that planning was done at all levels of management and in all departments. These students notice that people doing the planning process had a spirit of dedication. This was the secret of the company's success. Identify the feature of planning in the above event

- | | |
|--------------------------------|---------------------------|
| a. Planning is mental exercise | b. Planning is pervasive |
| c. Planning provides direction | d. Planning is futuristic |

59 A firm is manufacturing apparel and is running under heavy losses. To recover from the losses, the management thought of shifting the unit to a backward area where labor is available at a low cost. The management also asked the workers to work overtime without any additional payment and promised to increase the wages of workers after achieving its mission. Within a short period, the company started earning profits because both the management and the workers honored their commitments. From the following options, identify the principle of management described in the above para

- | | |
|---------------------|-----------------------|
| a. Discipline | b. Unity of Direction |
| c. Unity Of Command | d. Order |

60 Arun is a managing director in a company. He believes that employee's turnover should be minimized to maintain organisational efficiency. He is of the view that personnel should be selected and appointed after due and rigorous procedure and once selected they should be kept at their post for a minimum fixed tenure. From the following options, choose the management principle followed by Arun in the given case.

- | | |
|------------------------------|--|
| a. Remuneration of employees | b. Centralisation and decentralisation |
| c. Stability of personnel | d. Discipline |
