|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | | | | |
| **PB/BS/1220/A 04/01/2021** | | | | | |
| **PREBOARD EXAMINATION 2020-2021** | | | | | |
| **SUBJECT: BUSINESS STUDIES**  **GRADE: XII** | | MAX. MARKS:80TIME:3 Hrs | | | |
| **Name:** | | | **Section:** | **Roll No:** | |
| ***General Instructions:***   * This question paper contains 34 questions. * Marks are indicated against each question. * Answer should be brief and to the point. * Answers to the questions carrying 3 marks may be from 50 to 75 worlds. * Answers to the questions carrying 4 marks may be about 150 worlds. * Answers to the questions carrying 6 marks may be about 200 worlds. * Attempt all parts of the questions together. | | | | | |
| 1 | What is the term used for “obligation of a subordinate to perform assigned duty properly”?   1. Accountability 2. responsibility 3. authority 4. delegation | | | | 1 |
| 2. | Which of the following is not the component of Specific Forces of business environment?   1. Technology 2. Customers 3. Investors 4. Employees | | | | 1 |
| 3 | Which of the following is not a characteristic of coordination?   1. Coordination integrates group efforts 2. coordination is pervasive 3. coordination facilitate specialization 4. coordination is a deliberate function | | | | 1 |
| 4 | ‘ [Little](http://conradhotels3.hilton.com/en/hotels/maldives/conrad-maldives-rangali-island-MLEHICI/amenities/restaurants-ithaa.html) stars’ is a well-known restaurant for organizing parties, especially for children. However, in past 6 months its popularity has reduced considerably as a new restaurant with better ambience and facilities has opened within its vicinity. Name the related feature of business environment which has influenced the business of ‘Little Stars’ adversely.   1. Totality of external forces 2. Dynamic nature 3. Interrelatedness 4. Uncertainty | | | | 1 |
| 5 | Mr. Ramesh after completing his studies join his father's business he analyzed the business situations and applied his educational knowledge in a creative manner according to his prevalent conditions as a result the turnover off his father's business doubled in a span of six months this shows management is an   1. art 2. science 3. profession 4. all of these | | | | 1 |
| 6 | With changes in the consumption habits of people, Kishan who was running a sweet shop, shifted to chocolate business. On the eve of Diwali, he offered chocolates in attractive packages at reasonable prices. He anticipated huge demand and created a website chocolove.com for taking orders online. He got a lot of orders online and earned huge profits by selling the chocolates.  Identify the dimensions of business environment discussed in the above case.   1. Social environment 2. Technological environment 3. Both (a) and (b) 4. Neither (a) nor (b) | | | | 1 |
| 7 | Which of the following is not an element of social environment?   1. Birth and Death rate 2. Constitution of the country 3. Population Shifts 4. Life expectancy | | | | 1 |
| 8 | Which of the following is not an organizational objective?   1. earning profits 2. survival of the organization 3. growth of the organization 4. providing employment opportunities | | | | 1 |
| 9 | Which technique is used for measurement of actual performance?   1. personal observation 2. market survey 3. critical point control 4. CCTV’s footage | | | | 1 |
| 10 | Which concept states that if you try to control everything you may end up controlling nothing?   1. management by exception 2. Critical point control 3. budgetary control 4. all of these | | | | 1 |
| 11 | Which of the following is a disadvantage of functional structure?   1. difficulty in interdepartmental coordination 2. helps in increasing managerial efficiency 3. minimizes cost 4. coordination is established   **OR**  Organization structure establishes relationships between   1. Organization and environment. 2. People, work and resources. 3. Organization and society. 4. Suppliers and customers. | | | | 1 |
| 12 | |  |  | | --- | --- | | COLUMN 1 | COLUMN 2 | | 1. Product Orientation | 1. Relationship between benefits and sacrifice | | 1. Customer Value | 1. Marketing Management Philosophy | | 1. Customer Satisfaction | 1. Grading | | 1. Product mix | 1. Value based price are met or exceeded |  1. (ii),(i),(iv),(iii) 2. (i),(ii),(iii),(iv) 3. (iii),(i),(ii),(iv) 4. (ii),(iii),(i),(iv)   **OR**  Reliance broadband service was launched on 5th September 2019 providing high speed Internet packages starting at very low cost. The minimum speed of Internet provided by the company is 100 mbps 2000 mbps. After doing so many online surveys, the starting price is rupees 650 per month which is half the price of other substitutes available in the market. Besides this they are providing free connection and free routers and other related components. Besides this they provide unlimited phone calls and landline calls and speed of net will never become slow. For distribution 3 level channels was used.  On the basis of the given information about reliance broadband identify the element of marketing mix discussed above   1. Place 2. Product 3. Price 4. All of these | | | | 1 |
|  | **Read the following text and answer question No:13-16 based on the same:**  Manapuram Ltd is a large and creditworthy Company manufacturing steel for the Indian market. It now wants to cater to the Asian market and decides to invest in new hi-tech machines. Since the investment is large, it requires long-term finance. It decides to raise funds by issuing equity shares. The issue of equity shares involves huge floatation cost. To meet the expenses of floatation cost the company decides to tap the money-market. | | | |  |
| 13 | Name and explain the money-market instrument the company can use for the above purpose.   1. Treasury bills 2. Call money 3. Commercial Paper 4. Commercial Bill | | | | 1 |
|  |  | | | |  |
| 14 | What is the duration for which the company can get funds through this instrument?   1. 1 Year 2. 15 days to 1 year 3. 15 days 4. None of these | | | | 1 |
| 15 | For long term finance the company can take it from:   1. Capital Market 2. Money Market 3. Both (a) and (b) 4. None of these | | | | 1 |
| 16 | The ratio of debt and equity in the company is called:   1. Capital structure 2. Capital budgeting 3. Financial planning 4. None of these | | | | 1 |
|  | **Read the following text and answer question No:17-20 based on the same:**  Rajkumar, a small shopkeeper in Bikaner, Rajasthan used to sell the famous ‘Raj Kachori’. It was a quick selling product for locals and foreign tourists. As the business expanded it took a new name ‘Raj ki Raj Kachori’ and registered the name with the concerned authorities. Gradually the brand offered a wide range of products to its customers like namkeen, sweets, bakery items etc. However, ‘Raj Kachori’ remained the most popular product of the brand creating maximum revenue. ‘Raj ki Raj Kachori’ 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 ‘Raj Kachori’ in the market, so much so, that people ask for ‘Raj ki Raj Kachori’ instead of ‘Raj Kachori’. ‘Raj ki Raj Kachori’ 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, PANAMA PVT.LTD for promoting the product. On the advice of PANAMA PVT.LTD, ‘Raj ki Raj Kachori’ has also worked upon managing public opinion by developing relations with the masses through sponsoring cultural and sporting events, maintenance of public parks etc. | | | |  |
| 17 | “The business expanded it took a new name ‘Raj ki Raj Kachori’ and registered the name with the concerned authorities.” With reference to the given text ‘Raj ki Raj Kachori’ is a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ giving it a legal protection against its use by anyone else.   1. Brand value 2. Trademark 3. Trait mark 4. Brand mark | | | | 1 |
| 18 | ‘Raj ki Raj Kachori’ 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. Marketing methods used 2. Objectives 3. Extent of competition in the market 4. product cost | | | | 1 |
| 19 | ‘‘Raj ki Raj Kachori’ has developed a strong distribution network in India and abroad by setting up retail outlets and reaching out to the customer through internet selling. Identify the decision related to the element of marketing mix being discussed above.   1. Storing and assorting products in order to create time utility 2. Regarding the channels or using intermediaries 3. Both a & b 4. One regarding branding, packaging, and labelling | | | | 1 |
| 20 | On the advice of PANAMA PVT.LTD, ‘Raj ki Raj Kachori’ has also worked upon managing public opinion by developing relation with the masses through sponsoring cultural and sporting events, maintenance of public parks etc. Name the department in the organization which is generally responsible for performing the above important task of managing public opinion.   1. Marketing Department 2. A separate department created in the firm for the purpose 3. An outside agency 4. Any of the above. | | | | 1 |
| 21 | Identify the level of management whose basic task is to integrate diverse elements and coordinate the activities of different departments according to the overall objectives of the Organization. State any two functions of the level of management identified. | | | | 3 |
| 22 | Karthik 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 one can be transferred or promoted to this post. Name the source of recruitment their company will use who fill up this post. State any two advantages of using this source recruitment. | | | | 3 |
| 23 | “If you try to control everything you may end up in controlling nothing”. comment.  OR  “Controlling is an Indispensable function of management. Without control the best of plans can go awry.” Do you agree. Explain any three reasons in support of your answer. | | | | 3 |
| 24 | Mr. Sunil Naidu was the Chairman of 'Texas Bank.' The bank was earning good profits. Shareholders were happy as the bank was paying regular dividends. The market price of their shares was also steadily rising. The bank was about to announce taking over of 'Veena Bank.' Mr. Sunil Naidu knew that the share price of ' Texas Bank' would rise on this announcement. Being part of the bank, he was not allowed to buy shares of the bank. He called one of his rich friends Kamat and asked him to invest Rs.5 crores in shares of his bank promising him the capital gains. As expected the share prices went up by 40% and the market price of Sunil's shares was now Rs.7 crores. He earned a profit of Rs.2 crores. He gave Rs.1 crore to Mr. Sunil Naidu and kept Rs.1 crore with himself. On regular inspection and by conducting enquiries of the brokers involved, Securities and Exchange Board of India (SEBI) was able to detect this irregularity. The SEBI imposed a heavy penalty on Mr. Sunil Naidu .  By quoting the lines from the above pare identify and state any two functions that were performed by SEBI in the above case.  **OR**  Air India is a large and creditworthy company. it wants to invest in two new Boeing planes. since the investment is large it requires long term finance. it decides to raise funds by issuing equity shares. the issue of equity shares involves huge flotation costs. to meet the expenses of flotation costs the company decides to tap the money market.   1. Name the money market instrument the company can use for the above purpose. 2. Explain any other two money market instruments. | | | | 3 |
| 25 | Mr. Sai Gopal personal manager of ‘Milind Kids-wear limited’ is busy in making some appointments for different departments of his company. By now he has completed the first 2 steps of the staffing process. The third step is underway. Name of this step is selection. He is currently engaged in employment interview. He has already interviewed applicants as is now directing them to the concerned Departmental managers for another interview. The objective behind directing them to Departmental managers is that they too satisfy themselves by conversing face to face with the applicants.   1. Identify and explain the first 2 steps of staffing processes that have since been completed. 2. Third step of selection is under completion name and explain the existing and the next 2 steps | | | | 4 |
| 26 | In the organizational context basic salary helps to satisfy the basic physiological needs of hunger, thirst, shelter, sleep etc. How are the remaining needs given by Maslow in his need hierarchy are satisfied? Explain briefly. | | | | 4 |
| 27 | Rishi Melhotra’s company ‘Nano Eye’ provided cybersecurity solution to businesses. It's objective is to prevent detect respond to cyberattacks and protect critical data. He was a hardworking software engineer and an expert in cybersecurity. His reputation grew by leaps and bounds and he was not only a person of integrity but also his did his work with at most honesty and sincerity. The business started growing day by day.  He was delighted when he was offered a big project by the Ministry of Science and Technology. While working on the project he found that the volume of work made it impractical for him to handle all the work by himself. Therefore, he decided to expand the team. The company maintained a close liaison with an engineering college in the State. During a campus placement, Parth and Pranith were appointed to work on the new project.  He found the new employees capable enthusiastic and trustworthy. Rishi Melhotra was thus able to focus on the objectives and with the help of Parth and Pranith the project was completed on time. Not only this Rishi Melhotra was also be able to extend his area of operations. On the other hand, Parth and Pranith also got opportunities to develop and exercise initiative.   1. Identify and explain briefly the concept used by Rishi Melhotra in the above case which helped him in focusing on the objectives. 2. Also explain any four points of importance of the concept identified in part (a).   **OR**  “Anmol Limited’ is a Multi-National Company. It has two divisions: plastic utensils and steel utensils. Sheetal Goyal is the head of plastic division while Sunita Ravi is the head of steel division. Sheetal is in the habit of taking all the decisions all by herself. She is of the view that her subordinates cannot take a right decision. This type of her thinking has resulted in the fall of morale of the employee of her Department. In order to boost the morale of the employee she placed a proposal before the board of directors for the increase in their salary. The board of directors acceptive it.  Sunita's nature is quite opposite to Sheetal. She has full faith in her subordinates. She takes every decision after consulting her subordinates. Consequently, the morale of her employees has gone up. It has directly influenced their performance. In order to further improve the performance of her employees she has ensured promotion to those who succeed in achieving the target fixed by her.   1. Identify the organizational structure adopted by the company. 2. Which leadership style is being followed by both the managers? Explain 3. On which motivators is the company focusing its attention. | | | | 4 |
| 28 | What is meant by financing decision? Explain any four factors which affect the financing decision of a company?  **OR**  Explain the following factors affecting the dividend decision:   1. Stability of earnings 2. Growth prospects 3. Cash Flow position 4. Tax policy | | | | 4 |
| 29 | Mr. Vaibhav Garg holds the designation of Finance Manager in "Jai Shree Trading Limited." Last year, performance of his department was as per the expectation. Currently, he is busy in preparing financial blueprint of the next five years. To begin with he tried to forecast the sales in the next five years. It is so because it is the sales on which depends the need  for fixed and working capital. Thus an estimate was made with regard to both these items. Similarly, he collected data in respect of possible profits in the coming years. In this way, one can know how much of capital will be available from within the business. The rest of the funds will be arranged from outside the business. He is also thinking about the sources of finance to be tapped outside the business.   1. Identify the financial concept as referred to in the above paragraph. 2. Write any three points of importance of the financial concept, so identified. | | | | 4 |
| 30 | Mahesh bought a refrigerator worth Rs.35,000 from Gauri Electronics. In order to avoid the payment of taxes he did not take a cash memo from the dealer. Before beginning to use he did not bother to read the instruction manual. Immediately after two months the refrigerator developed some defects. Although it was in warranty period still the dealer refused to entertain his complaint. He approached a lawyer to file a case, but he also refused as Mahesh did not have the cash memo.   1. Do you think that Mahesh was a responsible consumer give reason by quoting the lines? 2. State the authority under the Consumer Protection Act, where the complaint could have been filed by Mahesh had he been a responsible consumer. 3. State any four remedies that could have been made available to an aggrieved responsible consumer. | | | | 4 |
| 31 | Rahul completed his MBA at a reputed business school in Delhi. He was impressed by the Principles and Techniques of Scientific Management developed by F.W. Taylor. On completing his MBA, he wanted to apply Scientific Management in his family's business of fast food chain of restaurants named ‘Pizza hub'. His main goal was to reduce costs with increased output. To begin with, he wanted to develop a standard method which would be followed throughout the organization. So, he investigated traditional methods through work study and unified the best practices. The standard method, i.e. the best way of doing the job was then developed taking into account all parameters right from the procurement of raw materials till the delivery of the final product to the customer. Rahul also believed that each person should not only be scientifically selected but should also be given the required training to increase efficiency. For this, he set up a Special Training Unit called in Bengaluru where the workers were given the required training to learn the best method. At the factory, the ingredients making up a Pizza were strategically placed to reduce the time taken for excess movements. The standard time and other parameters were determined on the basis of work study and Rahul rewarded the workers for meeting the standard output. Now, ‘Pizza Hub’ has standardized processes, raw material, time, machinery, product and working conditions that ensure that the food they send out to their customers has the same high standards of excellence and level of quality in every chain or franchise. The application of Scientific Management to every aspect of restaurant operations led to ‘Pizza Hub’s’ widespread success.  Quoting the lines from the above, explain the Principles and Techniques of 'Scientific Management' used by ‘Pizza Hub’. | | | | 6 |
| 32 | Sunitha a home science graduate from a reputed college has recently done a cookery course. She wished to start her own venture with a goal to provide 'health food' at reasonable price. She discussed her idea with her teacher (mentor) who encouraged her. After analyzing various options for starting her business venture, they shortlisted the option to sell readymade and 'ready to make' vegetable shakes and sattu milk shakes. Then, they both weighed the pros and cons of both the shortlisted options.   1. Name the function of management being discussed above and give any one of its characteristics. 2. Also briefly discuss any four limitations of the function discussed in the case.   **OR**  Mrs. Neeraj Dhariwal, the managing director of Parshu foods ltd. held a meeting with the sales manager in order to fix the target of sales for the following year. For this purpose, she studies the sales trend of the previous five years. She came to know that the company’s sales were increasing at the rate of 30% every year. For this she did the market survey also. From this she learnt that the biggest competing company, which was running in loss, was planning to leave this business and enter some other business. Taking it for granted that the company would definitely enter some other business, Mrs. Dhariwal doubled the target from the previous year. All the departmental managers were directed to make their respective preparations to achieve this target. The sales manager kept a close watch over the sales rate of the competing company. After some time, she felt that the competing company was not leaving its current business but was planning for improvement in it. The managing director called an urgent meeting of all the departmental managers so as to make changes in plan.  Identify and explain the different stages of planning process by quoting lines. | | | | 6 |
| 33 | Shweta works as a corporate event coordinator in an event management company. She has been 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 committee, decoration committee and reception committee. In order to facilitate coordination within and among the 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 Shweta's orders.   1. Identify and explain the function of management being performed by Shweta. 2. Describe briefly the various steps involved in the performance of the function of management as identified in part (a) of the question. | | | | 6 |
| 34 | Name the element of marketing mix which affects the revenue and profit of a firm. Explain any five factors which help in determining this element.  **OR**  ‘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 differences. | | | | 6 |

\*\*\*