|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | | | | | | | | | | | | |
| **PB1/BSQP/1222/A 24-NOV-2022** | | | | | | | | | | | | | |
| **PRE-BOARD EXAMINATION – I (2022-23)** | | | | | | | | | | | | | |
| **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 | The Topper group is looking to make a foray into manufacturing of semiconductors, and it has set up a business to seize the business opportunity and add to its prospects in the long run. The company has already pivoted into a number of new projects like electronics, 5G network equipment, as well as semiconductors. Which economic objective of management does the business seek to fulfill? | | | | | | | | | | | | 1 |
|  | a | Survival | | | | | b | | | Growth | | |  |
|  | c | Profit | | | | | d | | | Efficiency | | |  |
| 2. | “Panchayats in our country have been given more powers to decide and spend funds granted to them by the government for welfare of villagers.” Identify the principle of management highlighted in the statement. | | | | | | | | | | | | 1 |
|  | a | | Equity | | | | b | | | Centralization and decentralization | | |  |
|  | c | | Authority and responsibility | | | | d | | | Espirit de corps | | |  |
| 3 | Jay is working as a marketing manager in a company. Has been given the task of selling 100000 units of a product at the cost of ₹100 per unit within 20 days. He is able to sell all the units within the stipulated time, but had to sell last 1000 units at 20% discount in order to complete the target. In such a situation, he will be considered to be | | | | | | | | | | | | 1 |
|  | a | | | An efficient manager | | | | b | |  | | |  |
|  | c | | | Both effective and efficient manager | | | | d | | None of the above | | |  |
| 4 | Fayol, in one of his principle, insists that employees deserve fair just wages or salary. But what is just and fair is determined by multiple An effective manager factors, such as contribution of the employee, paying capacity of the employer and also prevailing wage rate for the occupation under consideration.  Identify the feature of principles of management highlighted above | | | | | | | | | | | | 1 |
|  | a | | | | Contingent | | | | b | Mainly behavioral | | |  |
|  | c | | | | Cause and effect relationship | | | | d | General guidelines | | |  |
| 5 | A public issue of equity may reduce the managements holding in the company and make it vulnerable to takeover. This factor also influences the choice between debt and equity especially in companies in which the current holding of management is on a lower side. The factor affecting the choice of capital structure is \_\_\_\_\_\_\_\_\_\_\_\_. | | | | | | | | | | | | 1 |
|  | a | Cost of debt | | | | | b | | | Cost of equity | | |  |
|  | c | Control | | | | | d | | | Risk Consideration | | |  |
| 6 | The management of Vrinda Electronics Pvt. Ltd. takes all the decisions in the company from the point of view of the customers what product will be produced, with what features and at what price shall it be sold, or where shall it be made available for sale depend on what do the customers want. If the customers want features like double door in a refrigerator or a separate provision for water cooler in it, the company produces a refrigerator with these features and prices it at a level which the customers are willing to pay. Since all marketing decisions are taken with this perspective, the average sales turnover of the company is Rs.50 crore. Identify the marketing philosophy followed by the company.​ | | | | | | | | | | | | 1 |
|  | a | | Production Concept | | | | b | | | Product Concept | | |  |
|  | c | | Selling Concept | | | | d | | | Marketing Concept | | |  |
| 7 | Match the functional foremanship in Column I with their respective explanation in column II by choosing the correct sequence.   |  |  | | --- | --- | | Column I | Column II | | (A) Disciplinarian | (i) Keeping machines and tools ready for workers | | (B) Gang Boss | (ii) Assign work to all employees | | (C) Instruction card clerk | (iii) Ensure that there is discipline at workplace | | (D) Inspector | (iv) Check whether the quality of output is good or not | | | | | | | | | | | | | 1 |
|  | a | | | (ii), (iii), (i), (iv) | | | | b | | (ii), (iv), (i), (iii) | | |  |
|  | c | | | (iv), (ii), (i), (iii) | | | | d | | (iii), (i), (ii), (iv) | | |  |
| 8 | 'G. Motors is the manufacturer of sophisticated cranes. The Production manager of the company, reported to the Chief Executive Officer, Ashish Jain that one of the machines used in manufacturing sophisticated cranes had to be replaced to compete in the market, as other competitors were using automatic machines for manufacturing cranes. After a detailed analysis, it was decided to purchase a new automatic machine having the latest technology. It was also decided to finance this machine through long term sources of finance. Ashish Jain compared various machines and decided to invest in the machine which would yield the maximum returns to its investors. Identify the financial decision taken by Ashish Jain. | | | | | | | | | | | | 1 |
|  | a | | | | Financing decision | | | | b | Dividend decision | | |  |
|  | c | | | | Working capital decision | | | | d | All of them | | |  |
| 9 | Kumari wanted to purchase a fuel-efficient car having the latest standards regarding minimization of pollution. She saw an advertisement offering such a car and visited the showroom of the company wherein the car was displayed. In her discussion, the Marketing manager told her that the company is providing credit facilities, maintenance services and many other effective services which are helping in bringing repeat sales and developing brand loyalty. Identify the marketing function which the Marketing manager was discussing with Kumari. | | | | | | | | | | | | 1 |
|  | a | Market Planning | | | | | b | | | Gathering and analyzing market information | | |  |
|  | c | Standardizing and grading | | | | | d | | | Customer Support Services | | |  |
| 10 | Ankur is working as a production manager in an organization. His subordinate Saurabh discussed with hi a method o production which will reduce the cost of production. But due to some domestic problems and Ankur’s mind being pre-occupied he is not in a position to understand the message. Saurabh got disappointed by this. Identify the factor which acts as a communication barrier. | | | | | | | | | | | | 1 |
|  | a | | Premature evaluation | | | | b | | | Loss by transmission and poor retention | | |  |
|  | c | | Distrust | | | | d | | | Lack of attention | | |  |
| 11 | Uranus Limited is a company dealing in metal products. The work is mainly divided into functions including production, purchase, marketing, accounts and personnel. Identify the type of organizational structure followed by the organization. | | | | | | | | | | | | 1 |
|  | **a** | | | Functional Structure | | | | b | | Divisional Structure | | |  |
|  | c | | | Delegation | | | | d | | Decentralization | | |  |
| 12 | In 2019 alone, Swiggy has launched operations in 300 towns and cities. Swiggy follows a two-step sequence while expanding to a small town. First, it provides more laborious training to restaurants and delivery partners compared to their counterparts in the city. Second, it focuses on building scale in operations and increase the restaurant’s reach to a larger base of consumers, including optimizing kitchens, resource planning among others. Identify the type of plan being described in the above lines. | | | | | | | | | | | | 1 |
|  | a | | | | Method | | | | b | Strategy | | |  |
|  | c | | | | Programme | | | | d | Procedure | | |  |
| 13 | For the following two statements, choose the correct option.  Statement I – Authoritative leadership style involves giving orders by a superior to his subordinates and expecting that his orders will be obeyed by them.  Statement II – A democratic leader takes decisions after consultation and encourages the participations of subordinates | | | | | | | | | | | | 1 |
|  | a | Statement I is correct and Statement II is wrong | | | | | b | | | Statement II is correct and Statement I is wrong | | |  |
|  | **c** | Both the Statements are correct | | | | | d | | | Both the statement are wrong | | |  |
| 14 | Many large organizations with diversified activities have recognized themselves away from the simpler and basic organizational design towards a framework which is more suited to their activities. This is particularly true of those enterprises which have more than one category of products to offer. Identify the type of organization structure highlighted above. | | | | | | | | | | | | 1 |
|  | a | | Functional Structure | | | | b | | | Divisional Structure | | |  |
|  | c | | Delegation | | | | d | | | Decentralization | | |  |
| 15 | A company wants to increase its market share from the present 10% to 25% to have a dominant position in the market by the end of the next financial year. Ms Rajni, the sales manager has been asked to prepare a proposal that will outline the options available for achieving this objective. Her report included the following options - entering new markets, expanding the product range offered to customers, using sales promotion techniques such as giving rebates, discounts or increasing the budget for advertising activities. Which step of the planning process has been performed by Ms Rajni? | | | | | | | | | | | | 1 |
|  | a | | | setting objectives | | | | b | | developing premises | | |  |
|  | c | | | identifying alternative course of action | | | | d | | evaluating alternative course of action | | |  |
| 16 | Training is provided to employees on the actual machines but away from actual work floor is known as vestibule training. It is provided where the employees are supposed to work on | | | | | | | | | | | | 1 |
|  | a | | | | Sophisticated Machinery | | | | b | Clients | | |  |
|  | c | | | | Outdated Machinery | | | | d | None of the above | | |  |
| 17 | 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 laptop and mobile phones. The company had a functional structure with separate heads for production marketing and finance. All the function 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 videotapes etc. under ‘Media’ and laptops and mobile phones under ‘Consumer Electronics’. While doings so Ramit has performed step in the process of one of the function of management Identify the step | | | | | | | | | | | | 1 |
|  | a | | | Identification and division of work | | | | b | | Departmentalization | | |  |
|  | c | | | Assignment of duties | | | | d | | Establishing authority and responsibility relationship | | |  |
| 18 | Taj Hotels Resorts & Palaces is honored to be a part of Harvard Business School case study in which the spirit, loyalty and resilience of the employees during 26/11 terror attack has been recognized as an exemplary display of leadership. It was found that Tata group gives more weightage to the value system of the candidates while selecting them. Which type of selection test Tata group must be focusing at? | | | | | | | | | | | | 1 |
|  | a | | | | Interest Test | | | | b | Trade Test | | |  |
|  | c | | | | Personality Test | | | | d | Psychological Test | | |  |
| 19 | A plan is framed, it is implemented and is followed by another plan, and so on. Identify the feature characteristics of planning highlighted above | | | | | | | | | | | | 1 |
|  | a. | | | planning is continuous | | | | b | | planning is futuristic | | |  |
|  | c | | | planning is pervasive | | | | d | | planning involves decision making | | |  |
| 20 | \_\_\_\_\_\_\_\_\_\_ refers to an assessment of the number and type of human resources necessary for the performance of various jobs and accomplishment of organizational objectives. | | | | | | | | | | | | 1 |
|  | a | | | | Performance based direct incentive | | | | b | Workload analysis | | |  |
|  | c | | | | Training | | | | d | Selection | | |  |
| 21 | Shenoy Ltd. is facing a lot of problems these days. It manufactures electronic goods like washing machines, microwave ovens, refrigerators and air-conditioners. The company’s margins are under pressure and the profits and market share are declining. The production department blames marketing department for not meeting sales targets and marketing department blames production department for producing goods, which are not of good quality, to meet customers’ expectations. The finance department blames both production and marketing departments for declining return on investment and bad marketing.   1. What quality of management do you think the company is lacking? 2. Explain any two importance of the concept identified in (a).   **OR**  Govinda Ltd. Is a highly reputed company. Different functions are performed by different individuals in this company, who are bound together in a hierarchy of relationships. Every individual in the hierarchy is responsible for successful completion of a particular task. Mr. Gauranga is responsible for the welfare and survival of the organization. He formulates overall organizational goals and strategies for their achievement. Mr. Nityanand ensures that quality of output is maintained, wastage of materials is organization and safety standards are maintained. Mr. Sanatan assigns necessary duties and responsibilities  At What levels of management are Mr. Gauranga, Mr. Nityanand and Mr. Sanatan working in Govinda Ltd.? | | | | | | | | | | | | 3 |
| 22 | Explain “Optimum utilization of resources and effective administration” as the significance of Principles of management. | | | | | | | | | | | | 3 |
| 23 | Sadaf is the Chief Executive Officer of a reputed company. She introduced appropriate skill development programmes and a sound promotion policy for the employees of her company. To motivate and retain the best talent in the company, she designed the jobs of the managers to include greater variety of work content. Identify and explain the two incentives introduced by Sadaf to motivate the employees of her company.  **OR**  Mrs. Rajlaxmi is working as the Human Resource Cosultant in a firm manufacturing  cosmetic, which is facing a problem of high employee urnover. The CEO of the company  has invited suggestions from her for retaining the talented employees & reducing the  employee turnover. Mrs. Rajlaxmi 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.  (a) Identify the incentive and explain its type, which has been suggested by Mrs. Rajlaxmi to  the CEO of the company.  (b) Also explain any two other incentives of the same type. | | | | | | | | | | | | 3 |
| 24 | “Shan Spices Ltd.” are the manufacturer of different food specific spices like Rajma Masala, Chole Masala, Aloo Paratha Masala etc. Mr. Raghav, the owner of the company has created different departments for purchase, production, marketing, finance and human resource. There are thirty employees working in the organization. Planning is of paramount importance to the company as Mr. Raghav believes that effective planning leads to achievement of organizational objectives. So in order to make employees focus on objectives, he issued instructions that during working hours only official matters will be discussed. He made certain rules and code of conduct for the employees to follow, according to which employees are not allowed to visit and talk to the employees of other departments except for official work. He emphasized on work performance which resulted in smooth functioning of the organization.   1. Identify and state the type of organization mentioned in the above para. 2. State two feature of the concept identified in part (a) as mentioned in the above para. | | | | | | | | | | | | 3 |
| 25 | Ram Murty, 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 to these situations. Each student applied the principles of management to the given situation in his own personalized manner, depending upon his creativity.  Identify the nature of management highlighted in the above case and explain its features. | | | | | | | | | | | | 4 |
| 26 | Neeraj is selected for the post of software developer in an IT Company. On the first day of his joining Mehul, his project manager tells Neeraj that during the course of his work he will come across many such opportunities which may tempt him to misuse his powers for individual or family’s benefit at the cost of larger general interest of the company. In such situations, he should rather exhibit exemplary behaviour as it will raise his stature in the eyes of the company. Also, for interacting with anyone in the company on official matters, he should adopt the formal chain of authority and communication.  In context of the above case:  Identify and explain the various principles of management that Mehul is advising Neeraj to follow while doing his job.  **OR**  Hritik is desirous of setting up a small factory to manufacture different kinds of  eco-friendly packaging materials. He proposes to adopt to logical approach to his business  rather than hit and trial method, as he knows that this can result in tremendous saving of  human energy as well as wastage of time and materials. He plans to adopt paternalistic  style of management in practice in order to avoid any kind of class-conflict that may emerge  between him and the workers. Moreover, he plans to seek the opinion of his workers before  taking any important decisions and also offers incentives to them for providing valuable  suggestions for the business.  In context of the above case:  Identify and explain any two principle of scientific management that Hritik plans to  apply in his business. | | | | | | | | | | | | 4 |
| 27 | JTM Ltd. launched ‘Buddyline’, an exercise book and comprehensive stationery brand name comprising of ball pens, gel pens and geometry boxes after identifying the target market and understanding the needs and wants of the consumers of that market. All their products were of good quality and eco-friendly but expensive. They wanted to distinguish their products from that of their competitors. They spent lot of efforts, time and money in creating the brand name, as they knew that without a brand name, they can only create awareness for the generic products and can never be sure of the sale of their products. The effort paid off and the demand for the products started growing. The customers liked the brand and became habitual to it.  They did not mind paying a higher price. Over a period of time, it became a status symbol to buy ‘Buddyline’ brand because of its quality. The consumers felt pride in using them.  (i) Identify and explain the marketing management philosophy followed by JTM Ltd.  (ii) Explain the advantages of branding to the marketers highlighted in the above case.  **OR**  “Every time I travelled, people asked me to bring them chips, khakra and pickles from all over the country,” says Anoushka. Finally, she and her colleague, Sumeet, decided to make out of it. They launched a face book bags, asked people what they wanted, and they came up with a list of about 100 places and tried up with two dozen vendors to begin with. They were servicing people from Jaipur who wanted spices from Kerala, people form Panipat who wanted halwa from Jammu and people from Delhi who ordered for fresh tea leaves form Darjeeling. Through their business they wished to bridge the gap between sellers and buyers. The business is now worth millions. Explain any two important activities that Anoushka and Sumeet will have to be involved in for making the goods available to the customers at the right place, in the right quantity and at the right time | | | | | | | | | | | | 4 |
| 28 | In ‘Chak de India’ movie, Shahrukh Khan becomes the coach of the girls’ hockey team. He knows that he has to prepare the girls for the international hockey matches and bring the world cup after the winning. For this he prepares a long- term plan and finds the ways how to beat the competitors. He coaches the girls to play in different ways like defensive, offensive, etc. At the outsets of a match he explains who will open the match, and how the ball will be passed by one player to another step by step. Identify four types of plans that are highlight in the above case, quoting the lines from it | | | | | | | | | | | | 4 |
| 29 | Identify the concept that refers to systematic effort to delegate to the lowest level of authority except that which can be exercised at central points. State and explain any 4 importance of this concept.  **OR**  Identify the concept where the authority merely means the granting of authority to  subordinates to operate within prescribed limits. State and explain any 4 importance of the concept. | | | | | | | | | | | | 4 |
| 30 | The directors of a manufacturing company are thinking of issuing Rs. 20 crores worth additional debentures for expansion of their production capacity. This will lead to an increase in debt equity ratio from 2:1 to 3:1. What are the risks involved in it? Explain any three factors other than risk do you think the directors should keep in view. | | | | | | | | | | | | 4 |
| 31 | Leadership is the process of influencing people to make them work enthusiastically towards the achievement of group goals, through different leaders have different leadership styles. With references to this, explain the different leadership styles. | | | | | | | | | | | | 6 |
| 32 | There were two vacancies for the post of Assistant Manager in ‘Gyan Electrics Private  Ltd.’. Parth the Human Resources Manager identified one suitable candidate Vishwas from within the organization and promoted him to the post of Assistant Manager. For another post, the Manager Parth took help of a placement agency and selected Saleem. After six months, Parth observed that Vishwas’s performance was much better than Saleem’s performance though ‘Vishwas’ was less qualified than Saleem. Hence, Parth decided that in future he will not make any appointment with the help of an outside source.  Explain any four reasons on the basis of which Parth would have taken the above decision | | | | | | | | | | | | 6 |
| 33 | Rasika Ltd. is a company which produces a variety of juices. A profitable business opportunity is seen by it in the field of producing soft drinks. The marketing manager of the company, Piyush Rustogi has to take several decisions, to achieve marketing success, such as: whether the drink will be packed in glass bottles or plastic cans; what will be the name (brand name) of the drink; at what price it will be sold, i.e at par with the price at which other competitive brands are sold or below it or above it; what distribution network will be used to make the product available, e.g. hotels, restaurants, groceries shop etc. Whether the new soft drink will be promoted by putting up advertisements in newspaper or magazine or on radio or television; or say if newspaper, whether in a local newspaper or a national daily; whether in a paper of regional language or an English daily, etc.  Explain by quoting the lines from the above para the combination of variables chosen by the marketing manager of the company to prepare a new brand of soft drinks. | | | | | | | | | | | | 6 |
| 34 | Sudha is an enterprising businesswoman who has been running a poultry farm for the past ten years. She has saved Rs. Four Lakhs for her business. She shared with her family her desire to utilize this money to expand her business. Her family members gave her different suggestions like buying new machinery to replace the existing one, acquiring altogether new equipment’s with latest technology, opening a new branch of the poultry farm in another city and so on. Since these decisions are crucial for her business, involve a huge amount of money and are irreversible except at a huge cost Sudha wants to analyze all aspects of the decisions, before taking any final decision (i) Identify and explain the financial decision to be taken by Sudha (ii) Also, explain briefly the factors that will affect this decision.  **OR**  Well-being Ltd. is a company engaged in production of organic foods. Presently, it sells its products through indirect channels of distribution. But, considering the sudden surge in the demand for organic products, the company yis now inclined to start its online portal for direct marketing. The financial managers of the company area planning to use debt in order to take advantage of trading on equity. In order to finance its expansion plans, it is planning to raise a debt capital of Rs. 40 lakhs through a loan @ 10% from an industrial bank. The present capital base of the company comprises of Rs. 9 lakh equity shares of Rs. 10 each. The rate of tax is 30%. In the context of the above case: 1. What are the two conditions necessary for taking advantage of trading on equity? 2. Assuming the expected rate of return on investment to be same as it was for the current year i.e. 15%, do you think the financial managers will be able to meet their goal. Show your workings clearly. | | | | | | | | | | | | 6 |

\*\*\*