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| **PB1/BSQP/1223/B 30-NOV-2023** | | | | | | | | | |
| **PRE-BOARD EXAMINATION- I (2023-24)** | | | | | | | | | |
| **Subject: Business Studies**  **Grade: XII** | | | Max. Marks:80Time:3 Hours | | | | | | |
| **Name:** | | | | | | **Section:** | **Roll No:** | | |
| **General instruction**s:  1. This question paper contains 34 questions.  2. Marks are indicated against each question.  3. Answers 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 | In a marketing firm, the Financial Manager pays more attention to an increase of 3% in the marketing cost as compared to a 15% increase in the courier expenses. Identify the concept being used by the manager. | | | | | | | 1 |
|  | a | Management by exception | | b | Critical point control | | |  |
|  | c | Corrective action | | d | None of the above | | |  |
| 2. | The given picture is related in which concept of Management | | | | | | | 1 |
|  | a | Importance | | b | Level | | |  |
|  | c | objective | | d | Coordination | | |  |
| 3 | According to this principle of scientific management, “Scientific management has for its foundation the firm conviction that true interest of the management and workers are one and the same; the prosperity for the employer cannot exist for a long time unless it is accompanied by prosperity for the employees and vice versa.” | | | | | | | 1 |
|  | a | Science, not rule of thumb | | b | Co-operation, not individualism | | |  |
|  | c | Harmony, not discord | | d | Development of each and every individual to his or her greatest efficiency and prosperity | | |  |
| 4 | Naturalizer Ice Cream Ltd. Is a very famous company in Bombay and has many branches in different parts of the city. They also have major expansion plans as they expect that their customers will increase in number in the next two years. Naturalizer Ice cream Ltd. Produces a variety of ice creams which are extremely popular in the city and one brand of ice cream’ Thunder’ sells the most. Thus, the company undertakes the maximum production for’ Thunder’ and it contributes to their revenue to the extent of 25% and has the largest market share. The company has undertaken different strategies to ensure that they remain the market leader in Bombay. One of the methods it follows is a differential piece wage system to differentiate between efficient and inefficient workers. It is so because the company believes that in this way inefficient workers would be encouraged to perform better and improve their productivity. This will motivate them to be at par with the efficient workers. Thus, Naturalizer ice creams Ltd. Has determined the standard time and other parameters on the basis of the work study techniques of scientific management. It has been determined that the standard output per worker per day is 10 units and those who made standard or more than standard will get₹ 50 per unit and those below will get ₹ 40 per unit. What will be the earning of a worker producing 15 units? | | | | | | | 1 |
|  | a | 600 | | b | 750 | | |  |
|  | c | 400 | | d | 500 | | |  |
| 5 | Assertion (A): Simplification putting an end to the unnecessary types, qualities, sizes etc. Reason (R): Simplification effects economy in the use of machine  In the context of the above two statements, which one of the following is correct? | | | | | | | 1 |
|  | a | A and R are true and R is the correct explanation of A | | b | A and R are true and R is not the correct explanation of A | | |  |
|  | c | A is true but R is false | | d | A is false but R is true | | |  |
| 6 | Which of the following statement is true about span of management? | | | | | | | 1 |
|  | a | It gives shape to the organisational structure | | b | It determines the levels of the management in the structure | | |  |
|  | c | Both (a) and (b) | | d | None of the above | | |  |
| 7 | Ajanta Foods Ltd. is engaged in the trading of ‘Noodles’. It has its registered office in Kolkata, manufacturing unit in Solan and marketing department at Delhi. Which type of organizational structure the company should adopt to achieve its target? | | | | | | | 1 |
|  | a | Functional Structure | | b | Divisional Structure | | |  |
|  | c | Formal Structure | | d | Informal Structure | | |  |
| 8 | DPS Sharjah gets application on and off even without declaring any vacancy. However as and when the vacancy arises, the company makes use of such applications. Name the source of recruitment used by the company. | | | | | | | 1 |
|  | a | Casual Callers | | b | Casual Workers | | |  |
|  | c | Campus Recruitment | | d | Employment Exchange | | |  |
| 9 | Mohan completed his formal education at Talent School and was unable to continue his higher education due to some family problems. He started accompanying his father who was a very reputed carpenter in his village. Over a period of time, Mohan has learnt different skills of this job and now he has become a very famous carpenter himself. What is the type of training that Mohan received from his father? | | | | | | | 1 |
|  | a | Apprenticeship Training | | b | Vestibule Training | | |  |
|  | c | Internship training | | d | All of the above | | |  |
| 10 | In the communication process understanding the forms of symbols or diagrams correctly is known as \_\_\_\_\_\_\_\_ | | | | | | | 1 |
|  | a | Decoding | | b | Encoding | | |  |
|  | c | Transmission | | d | Feedback | | |  |
| 11 | People’s behaviour is affected by rumours and sometimes may hamper work environment.  Name the communication used by the managers to transmit information so as to know the  reactions of his/her subordinates. | | | | | | | 1 |
|  | a | Informal communication | | b | Formal Communication | | |  |
|  | c | Vertical Communication | | d | Horizontal Communication | | |  |
| 12 | National Green Tribunal banned ten-year-old diesel cars to protect the environment. Which dimension of the Business environment has been discussed below? | | | | | | | 1 |
|  | a | Economic Environment | | b | Legal Environment | | |  |
|  | c | Technological Environment | | d | Political Environment | | |  |
| 13 | A firm extends a credit period of 5 month to its customer’s and gets a credit period of 3 months from its suppliers. Will the working capital requirement of the company be high or low? | | | | | | | 1 |
|  | a | Low working capital requirement | | b | High working capital requirement | | |  |
|  | c | No change | | d | Average change | | |  |
| 14 | The Trading procedure on Stock Exchange has been replaced by on-line screen based electronic  trading system. Further, a process where securities held by the investor in the physical form are  cancelled and the investor is given an electronic entry or number so that he/she can hold it as  an electronic balance in an account. This has increased the equity cult among the people. This  is mainly done to eliminate problems like theft, fake/forged transfers, transfer delays and paper  work associated with share certificates or debentures in physical form.  Identify the process discussed above. | | | | | | | 1 |
|  | a | Trading of securities | | b | Demutualisation of stock exchange | | |  |
|  | c | Dematerialisation of securities | | d | All of these | | |  |
| 15 | ‘In the present day market, the retailers have direct link with the suppliers who replenish their stocks as and when needed and at the same time the manufacturers follow flexible manufacturing system.’ This has been possible due to the changes in one of the dimensions of business environment. Identify the dimension. | | | | | | | 1 |
|  | a | Economic Environment | | b | Legal Environment | | |  |
|  | c | Technological Environment | | d | Political Environment | | |  |
| 16 | Identify the correct sequence of steps to be followed in the trading procedure at Stock Exchange: | | | | | | | 1 |
|  | a | Opening a trading account and Demat account, Placing an order, Settlement of order, Execution of order | | b | Settlement of order, Opening a trading account and Demat account, Placing an order, Execution of order | | |  |
|  | c | Opening a trading account and Demat account, Placing an order, Execution of order, Settlement of order | | d | Placing an order, Opening a trading account and Demat account, Execution of order, Settlement of order | | |  |
| 17 | One of the common irregularities noted by the Securities and Exchange Board of India during the inspection of a stock exchange was that it was dealing with unregistered sub-brokers. Identify the related function of Securities and Exchange Board of India: | | | | | | | 1 |
|  | a | Regulatory function | | b | Protective function | | |  |
|  | c | Developmental function | | d | Primary function | | |  |
| 18 | Samra’s father has gifted her shares of Tata Motors. The security was in physical form. He already has a bank account and does not possess any other forms of securities. He wished to sell the shares and approached a registered broker for the purpose. Mention one mandatory detail which she will have to provide to the broker: | | | | | | | 1 |
|  | a | Permanent Account Number (PAN) | | b | Trade confirmation Slip | | |  |
|  | c | Contract Note | | d | Unique order code number | | |  |
| 19 | “IBF” washing machine manufacturing company is a renowned company for marketing washing machines. It performs various activities like market analysis, product designing or merchandising, packaging, warehousing, branding, pricing, promotion, and selling. The company maintains good customer relations through various follow-up activities. This helps the company in procuring repeated sales orders. Identify the features of the concept identified in part. | | | | | | | 1 |
|  | a | Needs and wants | | b | Creating a market offering | | |  |
|  | c | Exchange mechanism | | d | All of the above | | |  |
| 20 | Nowadays the market offers a lot of opportunities to the marketers as the customer income is  rising. People have developed a taste for better quality products even though they may have to  pay more. Their aspiration levels have increased. Which dimension of business environment is being referred to? | | | | | | | 1 |
|  | a | Economic Environment | | b | Legal Environment | | |  |
|  | c | Social Environment | | d | Political Environment | | |  |
| 21 | Yellow Garage stated 55% fall in its profits in the fourth quarter ended 31 March 2020, which is beyond the acceptable range 25% decided by the company. This was due to higher fuel cost and lower yield on account of present scenario. The company aims to implement cost saving measures by restructuring contracts and its business processes to meet its targets in the future. Identify and explain the steps of the function of management discussed above | | | | | | | 3 |
| 22 | Leonardo Cloth Ltd. produces only fabrics. After experiencing great success in the fabric industry, the directors of Leonardo Cloth Ltd. acquired three new manufacturing (Electronics, Mobile Phones, 58 Cement) units and began selling a variety of products in the market. They decided that each unit would be led by an individual with the ability and competence to handle responsibility.  a) Identify the organizational structure that Leonardo Cloth Ltd. employed during its exclusive focus on fabric production and specify the environment in which this structure is most suitable.  b) Identify the organizational structure that the company should follow now and specify the environment in which this structure is most suitable. | | | | | | | 3 |
| 23 | Ramdas Bikanerwala was running a famous sweet shop in Chandni Chowk in the late seventies. His sweets ranging from barfi and gulab jamuns to jalebi and rabri were famous throughout Delhi. During marriage season, he had no time to close his shop due to the excessive orders. He produced the sweets with best quality raw material and was totally against the adulteration. He was doing so well that he had to increase his scale of operations. The Government of India announced the policy of LPG. This enabled many foreign brands to enter India which gave the customers more choice by offering them international sweets and desserts. Ramdas Bikanerwala realized that the customer were no longer going to stick to their traditional sweets. To stay in the market, they now had to study and analyze the market and then decide on their new offering.Explain the advantages Ramesh Bikanerwala will get by understanding the business environment?(any 3) | | | | | | | 3 |
| 24 | Identify the Marketing Management philosophy adopted in the following cases:   1. Mansi, a shoe manufacturer for school students, decided to maximize her profit by producing and distributing at large scale and thereby reducing the average cost of production. 2. Nayana, a school bag manufacturer decided to improve the product for profit maximization and thus added a water bottle holder to the existing design. 3. Jaswinder, a dealer in school uniforms, decided to maximize his profit by using   different aggressive promotional efforts. | | | | | | | 3 |
| 25 | Explain the following:   1. Providing Manager with useful insights as significance of Principles of management 2. Flexible as the Nature of Principles of management | | | | | | | 4 |
| 26 | Samir Gupta started a telecommunication company, ‘Donira Ltd.’ to manufacture economical mobile phones for the Indian rural market with 15 employees. The company did very well in its initial years. As the product was good and marketed well, the demand of its products went up. To increase production the company decided to recruit additional employees. Samir Gupta, who was earlier taking all decisions for the company had to selectively disperse the authority. He believed that subordinates are competent, capable and resourceful and can assume responsibility for effective implementation of their decisions. This paid off and the company was not only able to increase its production but also expanded its product range.   1. Identify the concept used by Samir Gupta through which he was able to steer his company to greater heights. 2. Also explain any three points of importance of this concept.. | | | | | | | 4 |
| 27 | Ms. Neeta recently completed her Post-Graduate Diploma in Human Resource Management. A few months from now a large steel manufacturing company appointed her as its Human Resource Manager. As of now, the company employs 800 persons and has an expansion plan in hand which may require another 200 persons for various types of additional requirements. Ms. Neeta has been given complete charge of the company’s Human Resource Department.  (a) State any two functions she must be performing.  (b) What problems do you foresee in her job? What steps is she going to take to perform her job efficiently? | | | | | | | 4 |
| 28 | From time to time, an organization provides employees with a hike in their salary and different allowances. It also offered the top and middle-level managers some facilities like housing and medical. In spite of this, the employees often felt low and dejected. The Human Resource Manager tried to identify the reason and he found that the employee turnover was high in the organization. The employees were fired from the job for even petty reasons. This had created a fear in their minds. Also, they were not given sufficient opportunities to interact with each other and the top-level management did not entertain any suggestions from the employees.  (a) Which incentives were offered by the organization? State its types by referring to the lines.  (b) Which incentives, do they still need to offer to motivate the employees? Quote the lines to  justify its types. | | | | | | | 4 |
| 29 | Epsun limited is in the business of manufacturing and exporting transformers. It has a share capital of Rs. 80 lacs at the face value of Rs100 each. Company is considering a major expansion of its production facilities and wants to raise Rs 60 lacs. The finance manager of the company Mr. Dinkar has recommended that the company can raise funds of the same amount by issuing 8 % debentures. Given that earnings per share of the company after the expansion is Rs 35 and tax rate is 30%, did Mr. Prabhakar give a justified recommendation? Show the working. | | | | | | | 4 |
| 30 | Market ‘A’ involves the sale of securities by the new companies or further issue of securities by the existing companies to the investors, whereas Market ‘B’ involves the purchase and sale of existing securities.  Identify the Market ‘A’ and Market ‘B’ highlighted here and differentiate between the two on  any five basis. | | | | | | | 4 |
| 31 | Explain the following terms:   1. Product Cost in terms of Factors affecting Price determination 2. Government and legal regulation in terms of Factors affecting Price determination 3. Inventory control in terms of components of Physical distribution | | | | | | | 6 |
| 32 | Golden Sands Hospitality Ltd, operates eight hotel properties in Maharashtra, Rajasthan, Goa, and Himachal Pradesh. The company is planning to book rooms for third parties through a unique room chartering business model at strategically identified cultural and religious tourist destinations on a bulk basis in 47 cities and let out to tourists during peak seasons. The ‘asset light’ business model will enhance company profitability. To implement this plan, the financial manager prepared a blueprint to raise an amount of Rs 35 crore through the issue of debentures as the cost of debt is much lower than ROI.  a) Identify the concept of financial management adopted by the finance manager  b) State the significance of the above-identified concept for the company to enhance the company’s profitability. | | | | | | | 6 |
| 33 | Explain Maslow's need base theory and the assumptions with the help of a diagram. | | | | | | | 6 |
| 34 | Miss Joyful is a senior manager in a chocolate factory. She has the administrative qualities of a good manager and all the qualities of a leader her. She is running the whole business successfully. She divides the work among her coworkers based on their respective capabilities and interests. Not only does she hand over the work to them, but also gives them the authority to make decisions. She pays full attention to making them capable enough to participate in the realization of the objectives of business. In her company people of several religions and castes are working. Even then she has succeeded in uniting them in a group. She knows that the success of her company depends on the level of production. This is the reason that Miss Joyful is keeping a special watch over this department of hers on which the survival of the company in the market depends for a long time. Identify and explain the characteristics of management described here in the paragraph by quoting the relevant lines.​ | | | | | | | 6 |

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