

Pre Board -1 Examination – December 2019

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Series SSR / 1

Code No. 054/ 1 / 3

- Please check that this question paper contains 6 printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains 34 questions.
- Please write down the serial number of the question before attempting it.

Business Studies

Class : XII
Date : 03-12-2019

Time allowed : 3 hrs.
Max marks : 80

1. This question paper contains five sections–**A, B, C, D & E**
2. All the questions under each section should be attempted at one place.
3. All parts of the question should be attempted at one place.

SECTION-A

1. "The activities involved in managing an enterprise are common to all organizations whether economic, social or political. Which characteristics of management is highlighted by this statement? (1)
2. "The managerial principles enable refinement of management practices as well by facilitating the development of new management techniques like Just in Time, Kanban and Kaizen." Which significance of managerial principles has been highlighted in aforesaid situation?
(a) Optimum utilization of resources (b) Scientific decision making (c) Adaptation to changing environment (d) Management training ,education and research. (1)
3. _____affects the firms of an industry directly e.g. Customers, suppliers competitive firms etc.
(a) Specific forces (b) General forces (c) Economic forces (d) Political forces.(1)
4. Name the type of Plan which species the steps to carry out different activities in a chronological order. (1)
5. "Physical geographical gap no longer remain barriers for a business enterprise to serve a customer in a distant market. This has been made possible by the rapid advancement in technology and liberal trade policies by governments." Identify the aspect of economic reforms highlighted in the aforesaid statement.

- (a) Liberalization (b) Privatization. (c) Globalization (d) None of these. (1)
6. _____ is a specific statement of what should/ should not be done in certain situations.
(a) Rule (b) Policies (c) Procedure (d) Budget. (1)
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)
8. Twelve students work for the school library in the summer vacations. One afternoon they are told to unload a shipment of new releases, stock the bookshelves, one student supervises the work by grouping students, dividing the work, assigning each group their quota and developing reporting relationships among them. Which function of management is highlighted in aforesaid situation?
(a) Staffing (b) Controlling (c) Directing (d) Organizing. (1)
9. Name the process in which candidates are eliminated at every stage and a few move on to the next stage till the right type of candidate is found. (1)
10. _____ enable an assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of Organizational objectives.
(a) Workload analysis (b) Workforce analysis
(c) Work level analysis (d) Manpower analysis. (1)
11. Praneesh was a supervisor at 'Annapurna Atta' factory. The factory was producing 200 quintals of Atta everyday .His job was to make sure that the work goes on smoothly and there was no interruption in production. He was a good leader who would give orders only after consulting his subordinates and work out the policies with the acceptance of the group. Identify the leadership style being adopted by Praneesh. (1)
12. Alpha Ltd. offers to its employees to issue shares at a price which is less than the market price. Name the type of incentive offered to the employees. (1)
13. Kanu is appointed as a Factory Manager in gel –pen manufacturing company .He is given a target of producing one lakh gel-pen per month. He knew that the 'essence of managing is to achieve desired results 'but he does not know 'how to ensure that the work goes on according to plan.' Guide him by specifying the first two steps in the process so that he is able to achieve the desired results. (1)

14. _____ only completes one cycle of management process and improves planning in the next cycle.
(a) Staffing (b) controlling (c) directing (d) organizing (1)
15. Higher dividend per share is associated with
(a) High earnings, high cash flows, unstable earnings and higher growth opportunities.
(b) High earnings, high cash flows, stable earnings and high growth opportunities.
(c) High earnings, high cash flows, stable earnings and lower growth opportunities
(d) High earnings, low cash flows, stable earnings and lower growth opportunities. (1)
16. _____ are concerned with the decisions about the levels of cash, inventory and receivable.
(a) Financing decisions (b) short investment decision (c) long term investment decisions (d) dividend decisions. (1)
17. Meca Ltd. a reputed automobile manufacturer needs rupees ten crores as additional capital to expand its business. Atul Jalan , CEO of the company wanted to raise funds through equity . On the other hand, the finance manager Nimi Sahdev said that the public issue may be expensive on account of various mandatory and non- mandatory expenses. Therefore, it was decided to allot the securities to institutional investors. Name the method through which the company decided to raise additional capital. (1)
18. "Through this process of disinvestment and reinvestment savings get channelized into their most productive investment avenues". Which function of stock exchange is highlighted by this statement
(a) Safety of transaction (b) contributes to economic growth (c) spreading of equity cult (d) providing scope for Speculation. (1)
19. _____ is the process of classification of products into different groups, on the basis of some of its important characteristics such as quality, size etc. (1)
20. Manuj bought a packet of chips from a local shopkeeper and found that the ingredients given on a label were not legible. He complained about it to the company .The Company sent a written apology stating that they will make sure that the existing packets are withdrawn from the market and new packets with legible labels are soon made available. State the consumer right which Manuj exercised. (1)

SECTION-B

21. Lenin is working in "Axe Ltd. a company manufacturing air purifiers. He found that the profits had started declining from the last six months. Profit has an implication on the survival of the firm, so he analyzed the business environment to find out the reason for this decline.

- (a) Identify the level of management at which Lenin was working.
(b) State two other functions being performed by Lenin. (3)
22. 'Planning is certainly important as it tells us where to go, it provides direction and reduces the risk of uncertainty by preparing forecasts.' This statement enumerates some of the points highlighting the importance of planning. State any three importance of planning not mentioned in the statement. (3)
23. Explain the merits of Informal Organization.
OR
Explain the merits of Functional structure. (3)
24. Rajesh and Nilash are managers in the same organization having different units. While discussing about the functions of management, Rajesh says "Planning is looking ahead whereas Controlling is looking back." But Nilash says, "Planning is looking back whereas controlling is looking ahead." Both are giving reasons in favour of their statements. Explain the possible reasons given by both and justify who is correct. (3)
25. Your company has setup a food processing unit in Kashmir with a production capacity of 10,000 litres of Pineapple juice per day .The Company plans to market the apple juice in tetra pack of 1,000 millilitres. Design a label for the same. (3)

SECTION-C

26. (a) Name and explain the principle of management which requires judicious application of penalties by the management.
(b) Name and explain the technique of scientific management which helps in establishing interchangeability of manufactured parts and products. (4)
27. Elder Laboratories Ltd. is a company with ultra-modern strategically placed plants. The company identifies the various types of activities to be done. For this it divides the work into various departments .The Company then gets involved in its business with a lot of Zeal. After one year of successful run the company decides to transfer the decision making authority to the lower most level of the employees. For this a major policy decision is taken. On the basis of the given information about Elder Laboratories Ltd. Answer the following questions:
(a) Identify the main function of management and its important concept highlighted in above case.(b) Explain any two significance of this function of management as well as its concept highlighted in above case. (4)
28. Explain the Responsibilities available to the Consumer.
OR
Explain any four Rights of Consumers. (4)

SECTION-D

29. 'Express Tours Ltd.' is a travel agency which books air tickets on commission basis. It takes two days for Express Tours to get the tickets from airport reservation counter and deliver the same to customers. During the last one year, there has been drastic decrease in its business as most of the customers have shifted to another travel agency, 'Shiva Tours and Travels', which provides tickets within half-an-hour through internet.
- (a) Name and explain the dimension of business environment that is being overlooked by 'Express Tours Ltd.'.
- (b) Explain another dimension of business environment other than that identified in (a) above. (5)

30. Explain the advantages and disadvantages of External source of recruitment.

OR

Explain the benefits of training to employees and to the Organization. (5)

31. 'MICO Automobiles Ltd.' is engaged in manufacturing of auto parts for car manufacturing companies. The company enjoys good creditworthiness. It now wants to expand its business by investing in new plant and machinery. For this it requires long terms finance. Arsh, the Finance Manager of the company advised the CEO of the company to raise funds by issuing equity shares. It requires huge floatation cost. To meet the expenses of floatation cost the company decided to tap the money market.
- (a) Name the money market instrument the company can use for meeting the floatation cost.
- (b) Differentiate between 'money market' and 'capital market' on any three basis. (5)

SECTION-E

32. Mrs. Rajlaxmi is working as the Human Resource Consultant in a firm manufacturing cosmetic, which is facing a problem of high employee turnover. 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 three incentives of the same type other than the one identified in (a) above. (6)

33. Explain any four marketing management philosophies.

OR

Explain the following functions of marketing:

- (a) Grading and Standardization. (b) Packaging and Labelling.
(c) Pricing of Products. (d) Physical Distribution. (6)

34. Sudha is an enterprising business woman who has been running a poultry farm for the past ten years. She has saved Four Lakhs from 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. (6)

