

PRE-BOARD EXAMINATION –I (NOVEMBER – 2019)**CLASS: XII****BUSINESS STUDIES****Time: 3 hrs.****MAX. MARKS: 80****General Instructions:**

- a) Attempt all Questions.
- b) Questions from 1-20 of **Section A** carries one mark.
- c) Questions from 21-25 of **Section B** carries Three mark.
- d) Questions from 26-28 of **Section C** carries four mark.
- e) Questions from 29-31 of **Section D** carries five mark.
- f) Questions from 32-34 of **Section E** carries six mark.
- g) All parts of a question should be attempted at one Place

SECTION-A

- 1 To meet the objectives of the firm the management of Angora Ltd., offered employment to physically challenged persons . Identify the organizational objective it is trying to achieve. 1
 (a) Organizational (b) Social (c) Personnel (d) Economical
- 2 Dheeraj is working as ‘Operations Manager’ in Tifco Ltd. Name the managerial level at which he is working. 1
 (a) Middle (b) Top (c) Operational (d) Production
- 3 Nikita and Savit completed the MBA and started working in a multinational company at the same level. Both are working hard and are happy with their employer. Savit had the habit of backbiting and wrong reporting about his colleagues to impress his boss. All the employees in the organization knew about it. At the time of performance appraisal the performance of Nikita was judged better than Savit. Even then their boss, Monoj decided to promote Savit stating that being a female Nikita will not be able to handle the complications of a higher post. 1
 Identify the principle of management which was not followed by this multinational company.
 (a) Remuneration (b) Order (c) Personnel (d) Equity
- 4 Study Buddy Pvt., is company dealing in stationery items. In order to establish standards of excellence and quality in materials and in the performance of men and machines, the company adheres to benchmarks during production. Moreover, its products are available in limited varieties, sizes and dimensions thereby eliminating superfluous diversity of products. Identify the technique of scientific management which has been adopted by Study Buddy Pvt. Ltd. 1
 (a) Method study (b) Standardization and Simplification
 (c) Motion Study (d) Fatigue Study

- 5 “It is common now to see CD-ROM”s, computerized information kiosks, and Internet /Word Wide Web multimedia pages highlighting the virtues of products.” Name the dimension of the business environment highlighted by this statement 1
- (a) Political (b) Economical (c) Technological (d) Social
- 6 It is the process by which government control over the industry is being loosened. Give the term to which this statement is trying to indicate. 1
- (a) Liberalization (b) Globalization (c) Privatization (d) Economic Policy
- 7 Rahul, a worker, is given a target of assembling two computers per day. Due to his habit of doing things differently, an idea struck him which would not only reduce the assembling time of computers but would also reduce the cost of production of the computers. Rahul’s supervisor instead of appreciating him, ordered him to complete the work as per the methods and techniques decided earlier as nothing could be changed at that stage. The above para describes one of the limitation of planning function of management. Name that limitation 1
- (a) Planning reduces creativity (b) Planning leads to rigidity
(c) Planning may not work in a dynamic environment (d) Planning involves huge costs
- 8 “Offering 30% jobs to women.” What type of plan is it? 1
- (a) Strategy (b) Objectives (c) Programs (d) Policy
- 9 A company has its registered office in Delhi, manufacturing unit at Guragaon & marketing & sales department at Faridabad. The company manufactures the consumer products. Which type of organization structure should it adopt to achieve its targets? 1
- (a) Functional (b) Divisional (c) Formal (d) Informal
- 10 A person buys 100 shares @ ₹ 100 per share of XYZ company. After some time the market price of shares becomes ₹ 120 per share. How much wealth shall he have in the company. 1
- (a) ₹ 12,000 (b) ₹ 8,000 (c) ₹ 10,000 (d) ₹ 10,120
- 11 Grouping of activities according to the common traits is 1
- 12 You are the personnel manager of Nitin and co. Ltd. You have been directed by the directors to appoint a chartered accountant for the company. Name the process you will follow for the same? 1
- (a) Planning Process (b) organizing Process
(c) Selection Process (d) Motivation Process
- 13 Ankur is working as a production manager in an organization. His subordinate Saurabh discussed with him a method of 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) Badly expressed message (b) Symbols with different meanings
(c) Unclear assumptions (d) Lack of attention
- 14 _____ is not a part of the three tier judicial machinery? 1
- (a) Tehsil Forum (b) District Forum
(c) State Commission (d) National Commission

- 15 Tata International Ltd. earned a net profit of Rs. 50 crores. Ankit the finance manager of Tata International Ltd. wants to decide how to appropriate these profits. Identify the decision that Ankit will have to take 1
- (a) Dividend (b) Financial (c) Investment (d) Financing
- 16 _____ is objection to advertisement. 1
- (a) Undermines social values (b) Decrease in price
(c) Knowledge on various products (d) Improvement in Quality of Product
- 17 Ravi has 200 shares of Reliance Industries. Reliance came out with a fresh issue of shares and offers Ravi to subscribe for new shares. He was given option to buy 1 share for every two shares held by him. Name the method of issuing financial instrument. 1
- (a) Through Prospectus (b) Right Issue (c) Bid offer (d) Private Placement
- 18 Shreemaya Hotel in Indore was facing problem of low demand for its rooms due to off season. The Managing Director (MD) of the hotel, Mrs. Sakina was very worried. She called upon the Marketing Manager, Mr. Kapoor for his advice. He suggested, that the hotel should announce an offer of 3 days and 2 Nights hotel stay package with free breakfast and one day religious visit to Omkarehswar and Mahakaleshwar Temples. The MD liked the suggestion very much. Identify the promotional tool, which can be used by the hotel through which large number of prospective pilgrimage tourists, all over the country and also abroad, can be reached, informed and persuaded to use the incentive. 1
- (a) Sales Promotion (b) Publicity (c) Advertisement (d) Personnel Selling
- 19 Companies with a higher growth pattern are likely to: 1
- (a) Pay lower dividends (b) Pay higher dividends
(c) Dividends are not affected by growth considerations (d) None of the above
- 20 Financial leverage is called favourable if: 1
- (a) Return on Investment is lower than the cost of debt
(b) ROI is higher than the cost of debt
(c) Debt is easily available
(d) If the degree of existing financial leverage is low

SECTION-B

- 21 'No action in an organization is initiated without directing'. In the light of this statement explain any three points of importance of directing. 3
- 22 Differentiate between formal and informal communication on the basis of: 3
- i. Authority
 - ii. Origin
 - iii. Direction of flow of communication

OR

Differentiate between Authority and Accountability on the basis of:

- i. Delegation
- ii. Origin
- iii. Flow

- 23 Naveen, the Financial Manager of an air travel consultancy approached a Brokerage House to trade in securities. He opened a D-mat account with the Brokerage House. Since then he has been very active in stock trading under the guidance of the broker. However, subsequently his broker slowly started trading on securities on behalf of Naveen without his consent. Naveen approached the broker and complained for the same; and warned that if it is repeated he will file a complaint as per the SEBI's guidelines. 3

In the context of the above case:

- i. What is a D-mat account?
 - ii. Who is acting as Depository Participant for Naveen
 - iii. Name any one function performed by SEBI to protect the interest of the investor.
- 24 Explain any three factors to be considered for taking a dividend decision. 3

OR

State and explain any three factors affecting working capital requirements.

- 25 A domestic automobile company had monopoly market for small cars in India. The company was performing well with 10% increase in sales every year. Encouraged by this, the Managing Director kept a target of 15% increase in sales for the next year. But at the same year a foreign company entered in Indian market with their small cars with a reduced price, and because of it the company couldn't achieve its target. 3
- i. Identify and explain the limitation of one of the functions of management because of which the company couldn't achieve the target.
 - ii. Explain any other two limitations of the same function.

SECTION-C

- 26 Narrate any four factors determining the Price of a product. 4

OR

Describe various channels of Distribution with examples.

- 27 Rupesh, an MBA degree holder happened to stay for few weeks in a village of Bhagalpur, Bihar. During his stay, Rupesh found that the people of the village are suffering the exploitation from local merchants, who were practicing unscrupulous and exploitative trade practices. After looking at the suffering of the people he decided to set up an Organisation to protect and promote the interest of consumers of the town. 4

Can he complaint a file against local merchants? If yes, to whom can he approach? State the redressal machinery.

- 28 Discuss Maslow's Need Hierarchy theory of motivation. 4

OR

Differentiate between capital market and money market on the basis of:

- i. Safety
- ii. Participants
- iii. Instruments
- iv. Liquidity

