

PRE-BOARD EXAMINATION, JAN/FEB 2018
BUSINESS STUDIES (054)

Class: XII

Max. Marks: 80

Date: _____

SET B

Time: 3 Hrs

General Instructions:

1. All the questions are compulsory.
 2. Marks are indicated against each question.
-

1. Rohan, a manager, expects his subordinates to work for happiness and pleasure of being in the organisation.
Identify and explain the principle of management being overlooked. [1]
2. Define Planning. [1]
3. Himalaya Ltd. is engaged in manufacturing washing machines. The target of the organisation to manufacture 500 washing machines a day. There is an occupational specification in the organisation, which promotes efficiency of employees. There is no duplication of efforts in such type of organisation structure.
Identify the type of organisation structure described above. [1]
4. Name the concept which is concerned with designing job in such a manner that it includes greater variety of work content and requires higher level of knowledge and skill. [1]
5. Which type of financial decision decide how much of corporate profits will be distributed and how much will be retained in the business? [1]
6. Suman bought a box of cheese of a reputed brand from a local shopkeeper. On opening the box she found a piece of stone in the cheese. She reported the matter to the shopkeeper who forwarded her complaint to the concerned company. Within a week the representative of the company visited Suman's residence with an apology and as a replacement offered her a new cheese pack with four other varieties of cheese as compensation for the inconvenience to her.
State the consumer right, which Suman exercised. [1]

-
7. Name the market segment other than the capital market segment in which unsecured and short-term debt instruments are traded. [1]
8. What is the purpose of enacting the Consumer Protection Act, 1986? [1]
9. "Planning is of vital importance in the managerial process". Explain any three reasons. [3]
10. Explain briefly any three Semantic Barriers to effective communication. [3]
11. Explain the following Money Market Instruments: [3]
(a) Commercial Paper (b) Call Money (c) Commercial Bill
12. Sita, Geeta and Babita Ltd. is engaged in manufacturing machine components. The target of production is 250 units per day per worker. The company had been successfully attaining this target until two months ago. Over the last two months, it has been observed that daily production varies between 200-210 units per worker.
(a) Name the function of management and identify the step in the process of this function which helped in finding out that the actual production of a worker is less than the set target.
(b) To complete the process of the function identified in (i) and to ensure the performance as per set targets, explain what further steps a manager has to take. [3]
13. 'Grahak Shakthi', an N.G.O. organized a workshop to discuss various issues relating to consumers. During the decision, one of the members drew attention towards exploitation of consumers due to defective and unsafe products, adulteration, black marketing, hoarding etc. To this another member argued that consumers themselves are responsible as they do not raise collective voice against the exploitation. The Chairperson of the organization was of the opinion that it was also the duty of the businessman to take care of the interests of various stakeholders. Business organizations earn money by selling goods and services to consumers. So the interests of the stakeholders have to be well taken care of.
(a) State and explain three points that highlight the need for consumer protection as discussed in 'Grahak Shakthi' workshop. [3]
14. "Management seeks to achieve certain objectives which must be derived from the basic purpose of the business". In the light of the above statement, explain organisational and personal objectives of management. [4]
15. 'Packaging has acquired great significance in the marketing of goods.' Explain its functions in the light of this statement. [4]

16. Bagasia is a firm manufacturing jute bags. It uses leftover jute pieces from various jute factories to manufacture economical bags, which are supplied to various hotels in nearby towns. It employs men and women from nearby villages as workers for creating good lampshade designs. Bagasia is not able to meet its targets as the number of workers employed was less than what was required for the work. The firm decided to look for new workers and it asked the present employees to introduce candidates or recommend their friends and relatives to the firm.

(a) Identify the function of management being performed by the firm by quoting lines from the above situation.

(b) Name the concept and its source used by the firm to attract more workers.

(c) State any two values being followed by Bagasia. [4]

17. Close to 400 companies comprising of 10% of listed entities, have not shared key information, like balance sheet figures, shareholding patterns, etc., with their shareholders. These companies continue to trade on stock exchange despite failing to fulfil various conditions.

SEBI is contemplating to impose penalties on such companies.

(a) Give two reasons behind SEBI taking such actions.

(b) Name two values (as identified in part (a), which SEBI wants to convey to the society. [4]

18. Aman, Avneesh and Amrish have decided to start a business of manufacturing toys. They identified the following main activities which they have to perform:

1. Purchase of raw materials
2. Purchase of machinery
3. Production of toys
4. Arrangement of finance
5. Sale of toys
6. Identifying the areas where they can sell their toys
7. Selection of employees

In order to facilitate the work they thought that four managers should be appointed to look after 1. Production, 2. Finance, 3. Marketing and 4. Personal.

(a) Identify the functions of management involved in the above-mentioned para.

(b) Quote the lines from the above para which help you identify this function.

(c) State the step followed in the process of this function of management. [4]

19. Aero-Dynamic Limited is an engineering company making sophisticated and modern machines. India being highly cost-effective production base they are planning to put their feet in India. The company is planning to capture 50% of the market share and export to the tune of at least \$50 million in about two years of its planned operations. To achieve these targets the company requires highly trained engineers and management experts and professionals.

(a) Name any four sources of recruitment that can be used by 'Aero-Dynamic Limited' to fill up the vacancies.

(b) Also, state any one merit of each of the above identified source of recruitment. [4]

20. Differentiate between 'Formal and Informal Organisation' on the basis of meaning, leadership, Behaviour, authority, flow of communication. [5]
21. "Indian Corporate Sector has come face-to-face with several challenges due to Government policy changes." Explain. [5]
22. "An art of process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals." Identify and explain its importance. [5]
23. 'Sarah Ltd.' is a company of manufacturing cotton yarn. It has been consistently earning good profits for many years. It has been able to generate enough profits this year too. There is availability of enough cash in the company and good prospects for growth in future. It is a well-managed organisation and believes in quality, equal employment opportunities and good remuneration practice. It has many shareholders who prefer to receive a regular income from their investments.
It has taken a loan of Rs 40 lakhs from IDBI and is bound by certain restrictions on the payment of dividend according to the terms of loan agreement.
The above discussion above the company leads to various factors which decide how much of the profits should be retained and how much has to be distributed by the company.
Quoting the lines from the above discussion identify and explain any five such factors. [6]
24. (a) What is meant by promotion mix?
(b) 'Though advertising is one of the most frequently used medium of promotion of goods and services, yet it attracts lot of objections'. Explain any five objections. [6]
25. Fresh Air Electrical is a company engaged in the business of manufacturing of air conditioners. The company produces five-star BIS (Bureau of Indian Standards) rating air-conditioners, which are not only energy efficient but also pollution free. The company perceives the increase temperature of Delhi as an opportunity. In order to capture market share, the company directed its employees to work overtime. To tackle shortage of workforce, the workers of assembly department are also asked to make delivery of the air-conditioners. However, due to long working hours, the efficiency level of the employees decreased. The workers started having feeling of being exploited, as they are not duly compensated for their work. The workers are also becoming undisciplined. The spirit of teamwork, which is characterised the company previously, has begun to disappear.
(a) Identify and explain any four principles of management, which are being violated by the company. Support your answer by quoting the line from the above case.
(b) Identify two values that the company wants to communicate to the society. [6]