KENDRIYA VIDYALAYA SANGATHAN

BHUBANESHWAR REGION

MODEL QUESTION PAPER - 3

CLASS- XII

SUBJECT- BUSINESS STUDIES FULL MARK-80 TIME ALLOWED-3 Hrs

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| Q.NO | QUESTION | MARK |
| 1. | In one of the principle of scientific management, Taylor emphasizes that there should be equal division of work and responsibility between workers and management and management should work almost side by side with workers helping them. Identify the principle. | 1 |
| 2. | Which principle of management is being observed?  (a) Equity (b) Order (c) Unity of command (d) Unity of direction | 1 |
| 3. | The study of environment makes available \_\_\_\_\_\_\_\_ resources.  (a) Costly (b) Cheap (c) Inferior (d) Useful | 1 |
| 4. | When can the planning process be ignored?  (a) In ordinary situation (b) In case of emergency (c) Both the above (d) In no situation | 1 |
| 5. | Planning of different departments is \_\_\_\_\_\_\_\_ .  (a) Independent (b) Individual (c) Mutually dependent (d) None of these | 1 |
| 6. | Which of the following is not the disadvantage of formal organization?  (a) Lack of initiative (b) Delay in work (c) Lack of favoritism (d) Mechanical relationship | 1 |
| 7. | In which organization structure do we find “group norms”?  (a) Formal (b) Informal (c) Both (a) and (b) (d) None of these | 1 |
| 8. | Which of the following is written in the organization manual?  (a) Goods purchased (b) Goods sold  (c) Meeting of Organization (d) Authority and responsibility of different posts | 1 |
| 9. | With what responsibility is staffing related to?  (a) Social (b) Political (c) Government (d) Individual | 1 |
| 10. | In supervision there is a \_\_\_\_\_\_\_\_ relationship between the supervisor and the  subordinates.  (a) Distant (b) Close (c) Face to Face (d) Almost nothing (Nil) | 1 |
| 11. | ‘Controlling in the absence of planning is blind’ what does this statement indicate in  respect of both?  (a) Only planning is essential (b) Only controlling is essential  (c) Both are essential (d) Both are unnecessary | 1 |
| 12. | Without \_\_\_\_\_\_\_\_ no business planning can be successfully implemented.  (a) Dividend decision (b) Investment decision (c) Both of above (d) Financial planning | 1 |
| 13. | Call money or call loans are \_\_\_\_\_\_\_\_ .  (a) Fixed (b) Liquid (c) Costly (d) Cheap | 1 |
| 14. | It is necessary for an investor to obtain Certificate of Deposits for \_\_\_\_\_\_\_\_ lakh.  (a) 5 (b) 10 (c) 25 (d) 50 | 1 |
| 15. | \_\_\_\_\_\_\_\_ is a part of capital market.  (a) Call Money (b) Primary Market  (c) Secondary Market (d) Primary and Secondary Market | 1 |
| 16. | ‘Products are not purchased but sold’, with which point of view is this statement  associated?  (a) Product (b) Sale (c) Production (d) Marketing | 1 |
| 17. | The collection of utilities is known as \_\_\_\_\_\_\_\_ .  (a) Purchaser (b) Seller (c) Product (d) Market | 1 |
| 18. | State true or false. Sorting/Grading is not a function of distribution channel. | 1 |
| 19. | Answer in one word. Putting identification marks on the package is known as. | 1 |
| 20 | Consumer organization CES published the report of finding pesticides in cold drinks,  resulted in decreased sale of cold drinks, on the other hand it increased the sale of juice  and other natural fruit drinks. Identify the characteristics of business environment  mentioned above. | 1 |
| *Answer 5 questions carrying 3 marks.* | | |
| 21. | Reliance Group Head Shri Mukesh Ambani has announced the new Reliance Jio, 4G network to provide free internet access, free call and free messages to any network till the end of December. Due to this announcement of Reliance Jio other telecom companies looses around Rs. 16, 000 Crores in share market.   1. Identify the two elements of marketing mix mentioned above. 2. Explain the two elements identified in the above case.   Or  “Planning is a mental exercise”. State any two human values being emphasised here. | 3 |
| 22. | Mr. Rao along with his four colleagues Mr. Sahoo, Mr. Sharma, Mr. Behera, and Mr. Mishra sat together and developed an idea to start a new venture. They contributed capital of Rs.2 lakhs each and assembled all the necessary resources. Later on they divide the whole work into smaller jobs. Staff are allotted jobs separately and asked to take instruction from a specific person. Resources are properly utilized and the firm is able to adapt itself with environmental changes.   1. Quoting the line above identify the function of management highlighted here. 2. State the two importance of the above function underlying the line of importance. | 3 |
| 23. | Bain and company believe that professional relationships among employees are strengthening to a great extent, through informal gathering outside office campus. The Bain Cultural Group Organises Friday get-together after work, where people meet up in the office or at a nearby pub to celebrate the end of the week. The Athletic Group assembles team from Bain offices across the globe to compete in sports like soccer, volleyball and basket ball.   1. Identify and explain the advantages Bain and Company tries to get through the creation of the various Bain community Groups? 2. Name the value mentioned above. | 3 |
| 24. | The Prime Minister of India Shri. Narendra Modi Ji announced the decision of Central Government on 9th Nov. 2016, to abandon the use of Rs. 500 and Rs. 1000 note from mid-night. Although, the Government has made all necessary arrangement to make the people comfortable to get new notes through banks, post offices and RBI. Govt. has design new notes of Rs.2000 and Rs. 500 denomination using different colour and style with new size to reduce forgery notes in the economy. Due to this decision retail market of India faces low demand due to unavailability of sufficient tradable notes. On the other hand the Jewellery business has shown a tremendous increased in sale. This decision is taken to trap the black money and to bring honesty and good governance in the country. Many families postponed their family functions like marriage, thread ceremony, engagement etc. The transport as well as many factories have lower their production level which result in lower pollution level.  Identify any three components of business environment mentioned above by quoting the line. | 3 |
| 25. | The Mesiran Pvt. Ltd is running successfully under the chairmanship of Mr. Abnit Abhigyan for the last 25 years. To cope up with the advanced technology he sent all his employees on rotation to a reputed institution for training for a period of 21 days each. He also change the name of post of his employees, like clerk becomes executives and frame a Dress code of jeans and formal shirt for all employees to give a good look and to enhance confidence. All the employees are happy and satisfied with Mr. Abnit because he follows a different management style. None of the employees disobey Mr. Abnit and work united to achieve the organizational goal.   1. By Quoting the lines from the above paragraph Identify the features of management discussed above | 3 |
| *Answer 3 questions carrying 4 marks.* | | |
| 26. | Identify the type plans from the statements mentioned below and explain them.   1. A company gave its sales executives the directive that they could sell the goods on credit. 2. The General Manager asked the entire Departmental managers to prepare their annual target. 3. The company will open their own showroom to sell their product. 4. At the time of issuing stocks from the stores stocks received first will be issued first. | 4 |
| 27. | “Management Principles can be applied universally because these are general guideline and based on cause and effect relationship. Also it can be applied differently under different conditions as these are dependent upon prevailing conditions”. Identify and explain the features of management principles on the basis of above paragraph.  Or  Distinguish between time study and Motion study on any four basis. | 4 |
| 28. | Dean Johnson is a student of 10+2 (commerce) class. He listened attentively and understood the lecture on Consumer Protection Act delivered by the teacher. His teacher remarked that currently consumers enjoy several rights, in case; goods purchased by him/her are not according to quality standard. Besides this, act has also some expectations from the consumers. That during the course of his/her purchases he/she should keep certain things in mind. Briefly, provisions of the act can protect the consumer only when he/she has complied with certain fundamental things.  The very next day of this lesson, Dean purchased an Air-cooler from “Rock appliances.” He made cash payment. But he failed to get cash memo. While making use of the cooler he observed it is passing electric current and not working properly. He contacted the shopkeeper immediately and told him his problem. Shopkeeper paid no heed to his complaint. Rather he remarked that the good in question was not bought from his shop.   1. Identify and explain the right and responsibility of consumers as referred to in the above paragraph. 2. In addition to the rights and responsibility identified above write more one right and one responsibility under Consumer Protection Act. | 4 |
| *Answer 3 questions carrying 5 marks.* | | |
| 29. | *“Ayonika Anokhi Pvt. Ltd”* is a company manufacturing plastic goods. Mr. Ram is its Marketing Manager and Mr. Shyam is its production manager. Style of working of both the manger is entirely different. Mr. Ram set such standards for different activities of his department as were quite easy to achieve. On the other hand, Mr. Shyam sets standards for different activities of his department as were very difficult to achieve. As a result, marketing department achieved its target very easily. Mr. Ram and his team were very pleased with these results. But the situation prevailing in the production department was quite contrary to it. Mr. Shyam was far behind his targets. Now he and his team were very much worried.   1. Which step of controlling process has been discussed in the above paragraph? 2. State in one word what should be the type of standard? 3. Name and explain the next steps after the process identified in the process of controlling.   Or  Controlling function is as important as planning. Both planning and controlling are interrelated and interdependent. Do you agree with this statement. Give reason in support of your answer. | 5 |
| 30. | Few years back, people were not in the habit of saving. Its main reason was lack of good opportunities for investment. Lack of saving and investment habit of the people had direct effect on the economic development of the country. As a result, pace of economic development of the country remained quite slow. When the country was grappling with the problem, a kind of market emerged that helped in establishing industries and at the same time made good opportunities for investment available. With the setting-up of such a market, people acquired the habit of affecting saving. These savings were invested. Gradually, economic development proceeded ahead. It is a kind of market that can be called as barometer of a country’s economic development. It has its own rules and bye-laws which help in its operations and also in safeguarding the interest of the investors. Moreover, it has to comply with the guidance issued by SEBI. This market operates under the supervision of a management committee.   1. Identify the market mentioned in the above paragraph. 2. Identify any two values that this market provides to the society. 3. Explain any two functions of the market identified above. | 5 |
| 31. | Employees of Surya Pvt. Ltd are not able to understand the instructions of the manager as the language and tone is not well comprehended. Identify the barriers to communication mentioned here. State and explain any other four such barriers to communication.  Or  Distinguish between a Manager and a Leader on any five basis. | 5 |
| *Answer 3 questions carrying 6 marks.* | | |
| 32. | Smita had been working as an assistant manager with “Johnson Enterprises” for last ten years. She was very popular amongst her colleagues because of her commitment and dedication towards the work. When the manager senior to her retired, all her colleagues thought that now Smita would be promoted to manager. But to everyone’s surprise the vacant post was filled by an outsider, Mrs. Rita. Smita felt demoralized and her performance started declining. She would abstain herself often and could not meet her targets.  Mrs. Rita was a good leader, who would not only instruct her subordinates but would also guide and inspire them. Rita noticed Smita’s Behaviour and felt that her performance could be improved. She started involving Smita in decision making issues related to the organization and made her a part of high level Joint Management Committee. Smita is now punctual in office and her performance started improving.   1. Identify the function of management being performed by Rita. 2. Name the element of the above function of management which helped Rita to improve Smita’s Behaviour. 3. State any four features of the element identified in (ii) above. | 6 |
| 33. | Explain how the following factors affect the financing decision.   1. State of capital market 2. Fixed operating cost 3. Control consideration 4. Cash flow position   Or  Explain any four factors that affect the requirement of working capital. | 6 |
| 34. | X ltd is setting up a new plant in India for manufacturing auto components. India is a highly cost-effective and competitive production base in this sector. Many car manufacturers source their auto components from here. X limited is planning to capture about 40% of the market share in India and also export to the tune of at least $ 5 million in about two years of its planned operations. To achieve these targets it requires a highly trained and motivated workforce. You have been retained by the company to advise it in this matter. While giving answers keep in mind the sector in which the company is operating.   1. Outline and explain the process of staffing the company should follow. 2. Which source of recruitment the company should rely upon? 3. Which method of training and development should the company initiate? Also explain the method of training.   Or  This is the method of training in which workers got their training while performing the job. Identify the method of training mentioned above. Also explain any three methods of the training methods in the identified method of training. | 6 |

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| **Q.NO** | **QUESTION** | **MARK** |
| 1. | Cooperation not individualism | 1 |
| 2. | Unity of direction | 1 |
| 3. | Useful | 1 |
| 4. | In case of emergency | 1 |
| 5. | Mutually dependent | 1 |
| 6. | Lack of favoritism | 1 |
| 7. | Informal | 1 |
| 8. | Authority and responsibility of different posts | 1 |
| 9. | Social | 1 |
| 10. | Close | 1 |
| 11. | Both are essential | 1 |
| 12. | Financial planning | 1 |
| 13. | Liquid | 1 |
| 14. | 25 | 1 |
| 15. | Primary and Secondary Market | 1 |
| 16. | Sale | 1 |
| 17. | Product | 1 |
| 18. | True | 1 |
| 19. | Labelling | 1 |
| 20 | Relative | 1 |
| ***Answer 5 questions carrying 3 marks.*** | | |
| 21. | 1. Pricing and Promotion 2. Explanation of these two elements   Or  Correct explanation of the feature. Values present here are   1. Adaptability 2. Empathy 3. Team spirit 4. Sense of judgment (any two) | 3 |
| 22. | 1. For quoting line and identifying the function, organizing 2. Any two importance of organizing function | 3 |
| 23. | Advantages of informal organization:-   1. Helpful in fulfilling social and cultural needs of employees. 2. Contributes towards the achievement of organizational goal. 3. Helps in providing various opportunities to colleagues. 4. Humanity, social relationship, unity (any other) | 3 |
| 24. | Any three.   1. The Prime minister………… mid night- Legal- one aspect 2. On the other hand……… increased in sale – economic - one aspect 3. This decision is……………. in the country – political - one aspect 4. Many families……………..engagement etc – social - one aspect 5. Govt. has ……………in the economy – technological - one aspect | 3 |
| 25. | 1. To cope up………………………………… good look- Dynamic function   All the employees……………………management style- Intangible  None of the ………………. Organizational goal- | 3 |
| ***Answer 3 questions carrying 4 marks.*** | | |
| 26. | 1. Policy 2. Budget 3. Strategy 4. Method | 4 |
| 27. | Identification and explanation of the features of management principles:-   1. Universally applicable 2. General guidelines 3. Flexible 4. Based on cause and effect relationship 5. Contingent   Or  Correct distinction between the topic on any four basis. | 4 |
| 28. | 1. Right to safety – explanation 2. Insist on cash memo- explanation 3. One right and one responsibly other than above- explanation | 4 |
| ***Answer 3 questions carrying 5 marks.*** | | |
| 29. | 1. Setting performance standard 2. Reasonable 3. Measuring of performance 4. Compare performance against standard 5. Finding out deviations   Or  Correct explanation of the relation between controlling and planning how they are interrelated and interdependent. | 5 |
| 30. | 1. Share market/ Stock Exchange 2. Saving Habits   Economic Development  Any two functions of stock exchange | 5 |
| 31. | Semantic Barriers  Any other four semantic barriers with explanation.  Or  Correct distinction between the topic on any five basis. | 5 |
| ***Answer 3 questions carrying 6 marks.*** | | |
| 32. | 1. Directing 2. Motivation 3. Any four Features of Motivation | 6 |
| 33. | Explanation of the factors mentioned in the question | 6 |
| 34. | 1. Estimating manpower requirement 2. The company can rely upon both internal and external source of recruitment. 3. Apprenticeship, Vestibule schools. Also both on the job and off the job training method can be used. Explanation   Or  On the job training. Explanation of the methods of on the job training. | 6 |