**KENDRIYA VIDYALAYA SANGATHAN**

**BHUBANESHWAR REGION**

**MODEL QUESTION PAPER - 8**

**CLASS- XII**

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

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| **Q.NO** | **QUESTION** | **MARK** |
| 1. | Under what function of management does the determining of structure of roles fall?  (a) Planning (b) Organising (c) Directing (d) Controlling | 1 |
| 2. | According to which principle of management, all similar activities for the fulfilment of  one object must be kept under one authority.  (a) Equity (b) Centralisation (c) Unity of command (d) Unity of direction | 1 |
| 3. | In all the countries there is a free-flow of goods and services under which of the  following does it come?  (a) Liberalisation (b) Privatisation (c) Liberalisation and Privatisation (d) Globalisation | 1 |
| 4. | “The basis of promotion of employees will be age.” With which policy is this statement  related?  (a) Personnel (b) Sale (c) Pricing (d) None of these | 1 |
| 5. | Which out of the following policies will you recommend?  (a) Strict (b) Lenient (c) Both (a) and (b) (d) None of these | 1 |
| 6. | Departments are established on the basis of \_\_\_\_\_\_\_\_ in functional organisation.  (a) Activities (b) Products (c) Demand (d) Market | 1 |
| 7. | In which situation the divisional structure happens to be appropriate?  (a) Where the number of major products is more than one  (b) Where the size of the organisation is quite large  (c) Both the above  (d) Where primarily only one product is sold | 1 |
| 8. | Number of sub-ordinates under a superior is called:  (a) Office environment (b) Strict control (c) Span of management (d) Scalar chain | 1 |
| 9. | To which source of recruitment the direct recruitment from educational institutions is  related?  (a) Employment Exchange (b) Campus Recruitment  (c) Management Consultants (d) Direct Recruitment | 1 |
| 10. | ‘Wrong interpretation of message’ - what type of communication barrier is it?  (a) Semantic (b) Emotional (c) Organisational (d) Personal | 1 |
| 11. | Which of the following types a deviation can be?  (a) Negative (b) Positive (c) None (Nil) (d) All the above | 1 |
| 12. | What capital out of the following should be used in case of better cash flow position?  (a) Debt Capital (b) Equity Share Capital  (c) Both of the above (d) None of these | 1 |
| 13. | Educating the investor is the \_\_\_\_\_\_\_\_ function of SEBI.  (a) Protective (b) Regulatory  (c) Both the above (d) Developmental | 1 |
| 14. | Which of the following takes advantage of the internal trading?  (a) All shareholders  (b) All Debenture holders  (c) People having secret information of the company  (d) All the employees | 1 |
| 15. | Which of the following is the method of collecting capital?  (a) Public Issue (b) Offer for Sale  (c) Private Placement (d) All the above | 1 |
| 16. | Sales promotion is helpful in making \_\_\_\_\_\_\_\_ effective.  (a) Advertisement (b) Personal selling  (c) Both the above (d) Publicity | 1 |
| 17. | Which of the following is a sales promotion activity?  (a) Rebate (b) Discount  (c) Product Combination (d) All the above | 1 |
| 18. | State true or false. ISI is the certification mark for Food products. | 1 |
| 19. | Sandeep purchased a Diesel car for Rs. 7 Lakhs from an automobile co. and found that  engine is defective. Despite many complaints the defect was not rectified. Suggest him  the appropriate authority where he can file the complaint under consumer protection  act. | 1 |
| 20 | The decision of National commission can be challenged. State true or false. | 1 |
| ***Answer 5 questions carrying 3 marks.*** | | |
| 21. | The manager of Amaira Ltd. Strongly believes that the members of the organization should work towards fulfilling the common organizational goals. This requires team work and integration of efforts of all individuals departments and specialists. This is because all the individuals and departments depend on each other for information and resources to perform their respective activities. Manager needs to reconcile differences in approach, timing, efforts and interest. At the same time it should enable all its members to grow and develop. Thus, there is a need to harmonize individual goals and organizational goals.   1. State the concept of management discussed above. 2. State any three features of the concept identified in above Para. 3. State one value referred in above Para. | 3 |
| 22. | Why principles of management are called contingent and behavioural in nature. | 3 |
| 23. | In the year, 2017, the Central Government of India came up with a law to ban nondegradable plastic. This lead to change in consumer demand towards steel and aluminum products. Manish a dealer in plastic, faced tremendous losses as the products manufactured by him could not be sold in the market. He started manufacturing steel and aluminum products. As these products were in demand, he earned a good amount of profit which helped him to cover the losses occurred from the previous business.  a) Which features/ characteristics of business environment is reflected in the above  question.  b) Explain that/those characteristic(s) | 3 |
| 24. | What are external sources of recruitment? Name and explain two external sources of recruitment.  **Or**  ‘It refers to searching for suitable candidates for a job vacancy in an organisation and prompting them to apply for the same.’  a) Identify the process being described in the statement.  b) List the various activities which are performed in the process identified in the above question. | 3 |
| 25. | In this process of function of management the manager estimates the manpower requirement in which workload analysis and work force analysis are made then applications are invited from general public for the posts already decided. Selection tests are conducted to find out the best suited candidates for the vacant job position.   1. You are required to identify the function of management. 2. Also state the next two steps in the process mentioned above. | 3 |
| ***Answer 3 questions carrying 4 marks.*** | | |
| 26. | Radhika opens a jewelry showroom in Jaipur after completing a course in jewelry designing. She has employed eleven persons in her showroom. For greater productivity, she divides the work into small tasks and each employee is trained to perform his/her specialized job. The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority. In the earlier days of starting of the business, five of her employees were asked to put in extra hours of work. In return she had promised to give them a special incentive within a year. Therefore, after six months when the business was doing well, she awarded a cash bonus to each of these employees to honour her commitment. However, when it comes to setting the conflicts among her employees, she tends to be more biased towards her female employees.  In context of the above case:  1. Identify and explain the various principles of management that are being applied by Radhika by quoting lines from the paragraph.  2. Identify and explain the principle of management which is being violated by Radhika by quoting lines from the paragraph.  3. State any one effect of the violation of the principle of management by Radhika as identified in part (b) of the question. | 2+1+1 |
| 27. | During partition, Kundan Lal came to Mumbai from Lahore with a lot of wealth. Keeping in view his innate ability to visualize and create things, he decided to work as a junior assistant in a filmstudio. Over a period of time, as he gained experience and his work was well acclaimed, he decided to set up his own film studio. Initially he was himself looking into every aspect of the business, but as his work increased manifolds and his own productivity reduced with age, he hired Jummy as manager. Jimmy being immature in his work started giving bookings for the studio haphazardly. He would never decide anything in advance or do any kind of forecasting of events. This led to lot of confusions and conflicts. As a result, the goodwill earned by Kundan Lal over the years began to decline.  In context of the above case:  1. Identify and explain the function of management which Jimmy failed to perform by quoting lines form the paragraph.  2. Describe briefly any two features of the function of management as identified in part (a). | 4 |
| 28. | Sai is a graduate. She joined an organization, but after working for two years she left the job for her higher studies. During those days of preparation she was shopping near her house. As she had very little time for all this activity one day she went to purchase oil, the shopkeeper insisted her to purchase a particular brand of oil but she did not want that brand. On asking for some other brand, the shopkeeper refused to show it. In this situation which right of consumers is violated? And also mention other three rights of consumers.  Or  Sumit is a bank manager. One day his mother was ill. He purchased medicine as per the doctors advise. He did not ask for the cash memo. After a day he noticed some medicine reaction so he returned back to the shopkeeper and asked for the explanation, but the shopkeeper refused to give any explanation. In this situation Sumit want to file a complaint. In the above mentioned situation do you think Sumit can file a complaint against the shopkeeper? Please give your comment on the above situation. Also write the responsibilities of the consumer. | 4 |
| ***Answer 3 questions carrying 5 marks.*** | | |
| 29. | Rakesh joins as a Head Librarian of a newly constructed medical college in Pune. A team of four librarians is placed under him for the smooth functioning of the library. Besides, he has been assigned eight people as support service staff. On the second day of his joining, he is told to get a shipment of new books unloaded, stock the bookshelves, and then get all waste (packaging, paper etc.) disposed of within a week’s time. In order to ensure orderliness and speed in the process of setting up of the library, he makes each of the four librarians in charge of five different subjects. Keeping in mind their competence and experience he decides to give them more authority so that they can make  autonomous plans and assume the responsibility for the effective implementation of their decisions.  In context of the above case:  1. Identify and explain the concept used by Rakesh keeping in mind the competence and experience of  the other librarians.  2. Describe briefly and three advantages of using the concept as identified in part (a) of the question. | 5 |
| 30. | A.S. Ltd is a large company engaged in assembly of air-conditioners. Recently the company had conducted the Time and Motion study and concluded that on an average a worker cab assemble ten air-conditioners in a day. The target volume of the company in a day is assembling of 1, 000 units of air-conditioners. The company is providing attractive allowances to reduce labour turnover, and absenteeism. All the workers are happy. Even then the assembly of air-conditioners per day is 800 units only. To find out the reason the company compared actual performance of each worker and observed through C.C.T.V. that some of the workers were busy in gossiping.   1. Identify the function of management discussed above. 2. State the steps in the process of the function identified which are discussed in the above paragraph. 3. Mention the values present in the above paragraph.   Or  “Prakash limited” is a company manufacturing electrical goods. Smt. Renubala Rao is its managing director. By virtue of her wise direction, company has achieved great heights. A management institute one day invited her for a lecture. There she got an opportunity to dialogue with the students of management studies. She narrated to them the sgtory of her success. She told them two main things. First, the employees should know that their work is being evaluated and progress report prepared. Second, optimum use of human and physical resources should be made possible.   1. Identify the function of management discussed above. 2. Write and explain the one importance of the functions of management discussed in the above paragraph. 3. Explain any other two importance of function of management identified above in (a). 4. Write any two values discussed in above paragraph. | 5 |
| 31. | Explain the regulatory function of SEBI. (Any two)  Explain the functions of financial market.(any three)  Or  Explain the following   1. Depository 2. Depository participants 3. Dematerialization | 5 |
| ***Answer 3 questions carrying 6 marks.*** | | |
| 32. | Motivation plays a very important role in the process of achieving the organizational objectives. Satisfaction of human needs follows a hierarchy. In this context explain the Maslow need hierarchy theory.  Or  Explain the meaning and types of psychological barriers to communication. | 6 |
| 33. | What do you mean by Dividend decision? State and explain any four factors which affects dividend decision.  Or  What do you mean by capital budgeting decision? How does capital budgeting decision is important for an organisation? | 6 |
| 34. | It evaluates public attitudes, identify the policies and procedures of an organisation with the public interests to earn public understanding and acceptance. Identify the concept described here. Also explain the ways/methods and tools of the concept identified.  Or  It can be defined as a paid form of non-personal presentation and promotion of idea, goods or services by an identified sponsor. Identify the concept mentioned above. Also explain any five advantages of advertisement. | 6 |

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**MODEL QUESTION PAPER – 8 MARKING SCHEME**

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

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| **Q.NO** | **QUESTION** | **MARK** |
| 1. | Consumer association that has not been recognised | 1 |
| 2. | Unity of direction | 1 |
| 3. | Globalisation | 1 |
| 4. | Personnel | 1 |
| 5. | Both (a) and (b) | 1 |
| 6. | Activities | 1 |
| 7. | Where the number of major products is more than one | 1 |
| 8. | Span of management | 1 |
| 9. | Campus Recruitment | 1 |
| 10. | Semantic | 1 |
| 11. | All the above | 1 |
| 12. | Debt Capital | 1 |
| 13. | Developmental | 1 |
| 14. | People having secret information of the company | 1 |
| 15. | All the above | 1 |
| 16. | Both the above | 1 |
| 17. | All the above | 1 |
| 18. | False | 1 |
| 19. | District forum | 1 |
| 20 | True | 1 |
| ***Answer 5 questions carrying 3 marks.*** | | |
| 21. | 1. Coordination 2. Two Features of coordination 3. Value of Harmony between employees and management | 0.5  2  0.5 |
| 22. | Explanation of the topic why principle of management is contingent and behavioural in nature. | 3 |
| 23. | 1. There are two characteristics of business environment reflected in the above question:    1. Interrelation    2. Dynamic 2. Following is the explanation for the characteristics stated above:    1. **Interrelation**    2. **Dynamic** | 3 |
| 24. | External sources of recruitment are the ones where job vacancies are filled from sources outside the organisation. Following are the two external sources of recruitment:   1. **Employment Exchanges** 2. **Campus Recruitment**  or  1. The process which is being described is ‘recruitment’. Recruitment refers to searching for prospective candidates and convincing them to apply for job vacancies. 2. Recruitment involves the following activities:    * Identifying the sources of obtaining competent personnel    * Assessing the validity of the source    * Selecting the most suitable source    * Inviting applications from suitable candidates from the selected source | 3 |
| 25. | 1. Staffing 2. Placement and orientation 3. Training and development | 3 |
| ***Answer 3 questions carrying 4 marks.*** | | |
| 26. | The various principles of management that are being applied by Radhika are listed below:   Principle of Division of work  “For greater productivity, she divides the work into small tasks and each employee is trained to perform his/her specialized job.”   Principle of Centralization and Decentralization:  “The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority.”   Principle of Discipline:  “Therefore, after six months when the business was doing well, she awarded an each bonus to each of these employees to honour her commitment.”   The principle of management which is being violated by Radhika is Equity.  “However, when it comes to setting the conflicts among her employees, she tends to be more biased towards her female employees.”   One effect of the violation of the Principle of Equity is that it may lead to job dissatisfaction among the male workers. | 4 |
| 27. | Planning is the function of management which Jimmy failed to perform.  Planning is deciding in advance what to do, how to do, when to do and who has to do it. It is one of the basic managerial functions. Thus, it involves setting objectives and developing an appropriate course of action to achieve those objectives.  2. The two features of the planning function of management are as follows:   Planning is pervasive:   Planning involves decision-making: | 4 |
| 28. | Right to choice  Any other three rights of consumer.  Or  No sumit cannot file a complaint as he do not have a proof of purchase. Any other three responsibilities of consumer. | 4 |
| ***Answer 3 questions carrying 5 marks.*** | | |
| 29. | Rakesh has used the concept of decentralization keeping in mind the competence and experience of the other librarians.  2. The three advantages of using decentralization are as follows:   Decentralization helps to promote self-reliance and confidence amongst the subordinates:   Relief to top management:   Quick decision making: | 5 |
| 30. | 1. Controlling 2. Steps of controlling mentioned above 3. Setting performance standard 4. Measurement of actual performance 5. Comparing actual performance with standard 6. Analyzing deviation 7. Values mentioned are 8. Humanity 9. Development of employees   Or   1. Controlling 2. Importance of controlling mentioned above are 3. Improving motivation of employees 4. Making efficient use of Resources 5. Any other two importance of controlling 6. Values mentioned in the above paragraph are 7. Women Empowerment   Proper utilization of resources | 5 |
| 31. | Explanation of the topic correctly. | 5 |
| ***Answer 3 questions carrying 6 marks.*** | | |
| 32. | Explanation of Maslow Need hierarchy theory along with assumption.  Or  Meaning and types of psychological barriers to communications. | 6 |
| 33. | Meaning and factors affecting dividend decision  Meaning and importance of capital budgeting decision | 6 |
| 34. | Public relation.  Ways/methods and tools of public relation  Or  Advertising.  Advantages of advertising. | 6 |