

Practice Paper for March 2019

CLASS: XII

Business Studies

M.M : 80

TIME : 3 Hrs.

Note: (i) Answers to questions carrying 1 mark may be from one word to one sentence , carrying 3 marks in 50 – 75 words, carrying 4 – 5 marks in about 150 words, carrying 6 marks in about 200 words. (ii) Attempt all parts of a question together.

1	Miss Sunita is associated with Fortune Ltd. She told you that her workers have good relations with her. At what level of management is she?	1
2	Distinguish between Delegation and Decentralization on the basis of scope. Or Distinguish between Authority and Responsibility on the basis of Delegation.	1
3	Which analysis would reveal whether the company is understaffed, overstaffed or optimally staffed. Or Name the method of training in which trainees learn on the equipment they will be using.	1
4	How is Packaging a silent salesman? Or Define Branding as a function of marketing.	1
5	Rohit purchased a smart phone for ₹30,000 from a mobile phone seller on his verbal commitment that the smart phone will be replaced in case of any defect, within a span of six months. The phone started creating technical issues in spite of proper maintenance and upkeep of the phone. The seller denied taking any action on the complaint made by Rohit. So, he filed a complaint in District Consumer Forum. Name the redressal agency under the Consumer protection Act where Rohit can take his case, if he is not satisfied by the decision of District Consumer Forum.	1
6	The size of Debt and Equity are affected by one of the financial decisions. State the decision involved with reference to the given statement.	1
7	It is defined as the process of influencing other people to work willingly for group objectives. Mention this element of directing.	1
8	Mr. Sohan, Financial manager of XYZ Ltd., has prepared the annual Statement of proposed expenditure to be presented in the Annual General Meeting. State the type of plan formulated by the financial manager.	1
9	State any three points of importance of Motivation as an element of a function of management. Or State the elements of communication process.	3
10	Ramesh, the owner of a Construction Company decided to start a campaign to create awareness among people for developing clean surroundings in their area. He formed a team of 10 members to list the different ways for cleaning the surroundings. One suggested to take the help of local residents, another suggested that they may involve school going children in their venture. One more suggestion was to take the help of unemployed youth. On evaluation of different ways, it was decided to take the help of local residents. a) Identify the function of management discussed above.	3

	b) List the steps highlighted in the function identified above.	
11	State any three regulatory functions of SEBI. OR Explain the Allocation function performed by Financial Market.	3
12	One of the steps in organizing process explains that jobs are allocated to the members of each department in accordance with their skills and competencies. (a) Name the step in the organizing process involved above. (b) Explain the next two steps in the process of organizing.	3
13	State with reason, whether the working capital requirements of business manufacturing the following items are big or small: (a) Room Coolers (b) Sugar (c) bread	3
14	"The court issued the order that for vehicle to be smokeless was most essential and that any one violating this order have to pay a heavy fine. Abiding by this order was necessary for the health of people. Making this strict order of the court as the base, 'Vishu Motors Limited' resolved to manufacture such vehicle by using modern technology as should not produce any smoke at all." Identify and explain any two dimensions of business environment which relate to the above mentioned case.	4
15	Giving the meaning of both these markets, explain how Primary market promotes capital formation directly but Secondary market does this work indirectly. Or Financial market is divided in to two categories on basis of maturity period of securities. Name them and differentiate between them on the basis of : (a) Liquidity (b) Expected Return (c) Safety	4
16	Manisha purchased some household goods from a "General Store' on reaching home, she found that one face cream (₹ 250) had not been billed. She became happy that, she got it without paying for. After checking the expiry date and other details, she started using it. Her face burnt due to the use of cream. a) Where should Manisha file the complaint for the face cream? Justify. b) State any three responsibilities of consumer, while purchasing any good.	4
17	Giving examples, state any four factors to be considered while deciding a brand name. Or State the information to be displayed on the bottle of a cough syrup prescribed for children.	4
18	In a popular newspaper, an article was printed under the title "Business Success Mantra: Motivation". Some portion of the article are as under:- "If an employee has a sense of fear or insecurity in his mind, that he can be removed from his job any time, he will never work wholeheartedly and his worries continue troubling him. On the other hand, if he has a feeling that his job is secure and permanent and he cannot be removed from his job easily, he will work without any worry and with an easy mind. Consequently, his efficiency increases. This is the reason why people prefer a permanent job with less salary to a temporary job with more salary". (a) Which incentive has been described in this case and identify its type. (b) Explain three more incentives of the same category.	4
19	Ranjan had misplaced his number of share certificates while shifting his house. After a long time he was able to trace his shares certificates. Now he was facing problem in selling them off. He shared his problem with one of his relatives who told him that he would now have to get his shares converted into electronic form and put it in an account.	4

	<p>a) Name the account which is required to be opened to deal in shares. b) With whom will he have to open this account?</p> <p>What are the problems associated with physical share certificates.</p>	
20	<p>State the technique of sales promotion used by the company in the following cases:</p> <p>(a) Purchase goods worth ₹ 90,000 and get a holiday package of ₹10,000 free. (b) A company offers 40% of extra glucose in a pack of 1 Kg. (c) A mobile company offers a discount of ₹2,000 to clear off excess inventory. (d) A company offers a pack of 1 Kg. of tea with a purchase of 5 Kgs of sugar. (e) On return of the wrapper, a customer gets ₹5 off on purchase of the same product.</p>	5
21	<p>"A manager is continuously engaged in maintaining an orderly arrangement of his group efforts so that their actions move in the same direction and common purpose of the company can be achieved."</p> <p>Which concept of management is referred here? Discuss the importance of this concept.</p> <p>Or</p> <p>"Effectiveness and efficiency are two sides of the same coin". Comment.</p>	5
22	<p>Honda cars India is facing a peculiar situation, forcing the company to halt dispatches to dealers. Half the vehicles manufactured at its Greater Noida factory were detected with spots on its paint & were thus damaged. On analysis it was found that the workers were not at fault. The spots caused were because of paint fumes from the adjoining plant.</p> <p>a) Identify the function of management discussed above. b) Explain the steps in the process of the function identified.</p>	5
23	<p>What is Functional structure? Explain its merits and demerits.</p> <p>Or</p> <p>Formal organization and Informal organization cannot be separated. Explain.</p>	6
24	<p>Zenith Ltd. is a highly reputed company and many people wanted to join this company. The employees of this organization are very happy & they discussed how they came in contact with this organization. Amar said that he was introduced by his present Sales Manager, Mr. Benu said that he had applied through the newspaper and was appointed as H.R. manager. Vaibhav said that he was neither related to any of the employees of the organization nor there was any advertisement in the newspaper. Even then he was directly called from IIM Ahmedabad from where he was about to complete his MBA.</p> <p>a) The above discussion is indicating an important process of a function of management. Name the process and function of management. b) State the sources of the process identified in (a) above</p>	6
25	<p>(A) Identify technique or principle of scientific management applicable in following statements :</p> <p>a) It is an extension of the principle of division of work and specialization to the shop floor. b) Taylor advocated separation of planning and execution functions. c) It involves a change in the attitude of workers and management towards each other. d) The true intentions of management and workers are one and the same and the prosperity of the one cannot exist without the prosperity of the other. e) It violates one of the principle given by Henry Fayol. f) In Japanese companies, If at all workers go to strike they wear a black badge but work more than normal working hours to gain the sympathy of the management.</p> <p>(B) 'Aapka Vidyalaya' believes in holistic development of students and encourages team building</p>	3+3

through mix of curricular, co-curricular activities. On its founders day a stage performance had to be put up, a committee of 10 prefects was constituted to plan different aspects of the functions. They all decided to use re- cycled paper for decoration. There was a spirit of unity & harmony and all members supported each other. With mutual trust and belongingness the programme was systematically planned & executed. Kartik, one of the prefects realized that unknowingly the group had applied one of the principles of management while planning & executing the programme. He was so inspired by the success of the function that he asked his father to apply the same principle in his business. His father replied that he was already using this principle.

- a) Identify the principle of management applied for the success of the programme.
- b) Write two consequences if that principle is violated.

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