



ANANDALAYA
Second Pre-Board Examination
Class XII A

Subject: BUSINESS STUDIES

Date : 06/01/2016

Marks: 80

Time: 3 Hours

General Instruction:

- (i) Questions from serial number 1 to 8 are 1 mark questions.
- (ii) Questions from serial number 9 to 13 are 3 marks questions.
- (iii) Questions from serial number 14 to 19 are 4 marks questions.
- (iv) Questions from serial number 20 to 22 are 5 marks questions.
- (v) Questions from serial number 23 to 25 are 6 marks questions.

Answer to these questions may be according to the weight of the marks

1. Name the following Principles of management:
 - (i) That prevents dual subordination and
 - (ii) That prevents overlapping of work of two divisions.
2. McDonald's made significant changes in ingredients of finger chips in India. Identify the dimension of business environment which is responsible for this step of McDonald's. 1
3. 'Indian Logistics' has its own warehousing arrangements at key locations across the country. Its warehousing services help business firms to reduce their overheads, increase efficiency and cut down distribution time. State with reason whether the working capital requirement of 'Indian Logistics' will be high or low. 1
4. What is financial leverage? How is it computed? 1
5. Name the market which facilitates the purchase and sale of existing securities. 1
6. What is meant by 'financial intermediation'? 1
7. Is marketing same as selling? Explain the reason. 1
8. Joel bought an iron of a reputed brand for Rs 1,500 but it caused an electric shock while it was being used. Joel wants to exercise his 'Right'. Identify the 'Right' under which he can be protected. 1
9. Explain 'Strategy' as one of the types of plans. 3
10. In a fashion designing unit, following are the main function- (a) Manufacturing (b) Finance (d) personnel management. How will you structure the organisation and why? Give any two reasons. 3
11. Anu, the chief manager in a company using highly sophisticated machines and equipment, wants that every employee should be fully trained before using the machines and equipments. Suggest and describe the best method of training that Anu can use for training of employees. 3
12. Eastern Ltd. Has been manufacturing breads and biscuits for many years. It has approximately 200 employees and most of them are not happy with the working environment. Because of this the labour turnover rate is very high. Therefore, the company appoints a new Human Resource Manager, Manu, to analyse the situation. Manu finds that there is no free flow of communication, and no suggestion box for the employees to voice their suggestions or grievances. The company rarely organizes a social or cultural gathering; the employees just come, finish their work and leave the organisation. 3
 - (i) Identify the communication barrier discussed above.
 - (ii) State the category of this communication barrier.
 - (iii) Explain any other communication barrier of the same category.
 - (iv)

13. Mr.Jain is a shoe manufacturer for school students, decided to maximize his profit by producing and distributing on a large scale, thereby reducing the average cost of production. 3
- Identify the marketing management philosophy adopted by Mr.Jain, and
 - Explain this philosophy on the basis of:
- Main focus
 - Means and ends
14. Identify the type or dimension of environment to which the following are related: 4
- Banks reducing interest rates on housing loans.
 - An increasing number of working women.
 - Booking of air tickets through internet.
 - Alcohol beverages are prohibited to be advertised on 'T.V. Channels.'
15. Explain 'Procedure' and 'Programme' as type of plans with a suitable example. 4
16. "Authority can be delegated but accountability cannot." Explain the statement. 4
17. In Ryan Ltd., there is no restriction on flow of communication and each and every employee is free to approach anyone for minor queries and problems. Although the flow of communication is very fast in the organisation, it has created a problem of leakage of confidential information. 4
- Name the network of formal communication used by the company.
 - Give a suitable network which can be used by the company to protect confidential information.
18. Raju found a worm crawling out of newly opened tetra pack of a juice manufactured by a reputed company, Zest Ltd. He went back to the shop keeper from which the pack was purchased who directed him to call up the customer care center. When all his efforts failed, he went to a consumer activist group to seek help. The group decided to help Raju and take measures to impose restrictions on the sale of the firm's products of the particular batch and urge customers to refrain from buying the products of the company. Zest Ltd. Lost its image in the market. The CEO gives the responsibility of recovering the lost reputation of the company to a manager. 4
- Identify the concept of marketing Management which will help the manager getting the firm out of the above crisis.
 - Also explain the role of the above identified concept by stating any two points.
19. Roy is working as a 'Plant Superintendent' in Royal Ltd. 4
- Name the managerial level at which he is working. State any four functions he will perform as 'Plant Superintendent' in this company.
20. Principles of Taylor and Fayol are mutually complementary. One believed that management should not close its ears to constructive suggestions made by the employees, while the other suggested that a good company should have an employees' suggestion system, whereby suggestions which result in substantial time or cost reduction should be rewarded. 5
- Identify and explain the principle of Taylor and Fayol referred to in the above para.
21. Nishant, director of a garment's company, is planning to manufacture bags for the utilization of waste material from one of his garment units. He has decided that this manufacturing unit will be set up in a rural area of Odisha where people have very few job opportunities and labour is available at very low rates. He has also thought of giving equal opportunities to men and women. 5
- For this, he wants four different heads for Sales, Accounts, Purchase and Production. He gives an advertisement and shortlists ten candidate per post after conducting different selection tests.

- (i) Identify and state the next three steps for choosing the best candidate put of the candidates shortlisted.
- (ii) Also identify two values, which Nishant wants to communicate to the society by setting up this manufacturing unit.
22. Kapila and Kamal & Co is a large manufacturing unit. Recently the company had conducted time and motion studies and concluded that, on an average, a worker could produce 300 units per day. However, it has been noticed that the average daily production of a worker is in the range of 200-225 units. 5
- (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 the set target.
- (b) To complete the process of the function identified in (a) and to ensure the performance as per time and motion studies, explain what further steps a manager has to take.
23. The Directors of a company want to modernise its plants and machinery by making a public issue of shares. 6 They wish to approach the stock exchange, while the Finance Manager prefers to approach a consultant for the new public issue of shares. Advise the Directors whether to approach the stock exchange or a consultant for a new public issue of shares. Given reason.
Also advise about the deferent methods which the company may adopt for the new public issue of shares.
- 24 Manish is engaged in the business of garment manufacturing. Generally he used to sell his garments in Delhi. 6 Identify the working capital requirements of Manish giving reason in support of your answer. Further, Manish wants to expand and diversify his garment business.
Explain any two factors that will affect his fixed capital requirements.
25. Explain the three- tier machinery for redressing the consumer grievances. 6

Or

How is the consumer protection Act protecting the consumers against unfair and unjust practices of the business community?