



विद्या सर्वार्थ साधिका

ANANDALAYA
PRE-BOARD EXAMINATION
Class : XII

Subject : Business Studies (054)

Date : 18-12-2023

M.M : 80

Time : 3 Hrs.

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

1. Match the following: (1)

A	B
a. Capital structure	i. the optimal procurement as well as the usage of the finance
b. Financial management	ii. refers to the mix between owned and borrowed funds
c. Working capital decisions	iii. proportion of the debt in the overall capital
d. Financial leverage	iv. short-term investment decisions

(A) i-c, ii-a, iii-d, iv-b (B) i-c, ii-d, iii-a, iv-b (C) i-b, ii-a, iii-d, iv-c (D) i-b, ii-d, iii-a, iv-c
2. Mrudul Sen a manufacturer re-designed her existing soup making machine into a small portable machine. To sell the machine she entered into an agreement with her uncle who agreed to finance the project with a 50% share in the profits. To launch the machine, they decided to start with the direct channels of distribution. They named the venture as 'Daily Soup'. In the first year their main objective was profit maximization. They appointed 30 trained salesmen for distribution of the machines across the country. They offered incentives and awards to salesmen for achieving their self targets. (1)

Identify the marketing philosophy used by daily soup from the following:
(A) Production concept (B) Product concept (C) Selling concept (D) Marketing concept
3. Assertion (A): Management is required to remain highly cautious alert and adaptable. (1)

Reason (R): The business environment is dynamic in nature.

(A) Both A and R are true and R is the correct explanation of A
(B) Both A and R are true and R is not the correct explanation of A
(C) A Is true but R is false
(D) A is false but R is true
4. Statement 1: If the demand of a product is inelastic the firm is in a position to fix higher prices. (1)

Statement 2: In case the degree of competition is high the firm is in a position to set high prices.

(A) Both the Statements are true
(B) Both the Statements are false
(C) Statement 1 is true and Statement 2 is false
(D) Statement 2 is true and Statement 1 is false

5. Revathi's friend Raman work as a chartered accountant in H Limited. Raman in a meeting with the board of directors of the company came to know that the firm would soon be declaring a bonus issue, which would result in increase in the prices of shares. Considering this Raman advised Revathi to purchase the shares of H Limited. Revathi acted on the advice and bought the shares before time. Which function of SEBI can control such malpractices? (1)
- (A) Protective Functions (B) Regulatory Functions
(C) Development Functions (D) None of these
6. Ramesh to his Team Leader: Sir, We have achieved the target production on time but at a high cost. Suresh to her Team Leader: Madam we use the resources most efficiently but we missed the target production. Which production manager is effective as well as efficient in their working? Why? (1)
7. The new issue market is also known as _____. (1)
(A) Capital market (B) Money market (C) Primary market (D) Secondary market
8. An enterprise recently launched its new range of balloons with inbuilt lights on the occasion of Christmas and set a target of 10% return on investment. The Managing Director, Mr. Suder integrated the efforts of all three departments i.e. purchase, production and sales at different levels for achieving the target harmoniously. The product was an instant hit and they were able to achieve the target. The characteristic of coordination discussed in the above case is_____. (1)
(A) Coordination requires an ethical code of conduct (B) Coordination is multi-dimensional
(C) Coordination is a continuous process (D) Coordination is an all-pervasive function
9. Identify which of the following statements is false. (1)
(A) Marketing mix is a wider term than product mix
(B) If less time is needed to meet additional demand for the product, then a low level of inventory is needed.
(C) Advertisement is less forceful than personal selling
(D) The cost of production sets the maximum level at which the product may be sold.
10. Statement 1: Satisfaction of personal objectives is very important in an organisation
Statement 2: Employees are one of the most valuable resources for an organisation (1)
(A) Both the Statements are true
(B) Both the Statements are false
(C) Statement 1 is true and Statement 2 is false
(D) Statement 2 is true and Statement 1 is false
11. Decentralization will be more when _____. (1)
(A) more subordinates work under a manager
(B) more powers are delegated to subordinate
(C) subordinates make more important decisions
(D) subordinates are not allowed to make any decisions
12. Corrective action is a part of _____. (1)
(A) Planning (B) Organising (C) Controlling (D) Directing
13. Statement 1: Financial planning has a wider scope as compared to financial management.
Statement 2: Financial planning is the preparation of a financial blueprint for an organisation's future operations. (1)
(A) Both the Statements are true
(B) Both the Statements are false
(C) Statement 1 is true and Statement 2 is false
(D) Statement 2 is true and Statement 1 is false

14. Rajyarohan Palace is a 40-year-old established hotel in Navagarh. However, recently travellers started looking for free Wi-Fi, early checking and pet care facilities. The manager sensing the shifts in consumers' preferences, upgraded the hotel and its policies to accommodate all of these. Which feature of the business environment is highlighted in the above?
(A) Complexity (B) Dynamic nature (C) Uncertainty (D) Relativity (1)
15. 'No admission below 60%'. Which kind of plan is highlighted here?
(A) Policy (B) Rule (C) Procedure (D) Method (1)
16. Statement 1: Capital market deals with instruments with a maturity of less than 1 year.
Statement 2: Capital market instruments enjoy a higher degree of liquidity as compared to money market instruments
(A) Both the Statements are true
(B) Both the Statements are false
(C) Statement 1 is true and Statement 2 is false
(D) Statement 2 is true and Statement 1 is false (1)
17. 'Beti Bachao, Beti Padhao Yojana' started by the government of India is a part of which environment?
(A) Social (B) Economic (C) Technology (D) Political (1)
18. To protect company's image and to ensure that negative publicity is avoided the firm uses which of the following?
(A) Sales promotion (B) Public Relations (C) Advertisement (D) Personal selling (1)
19. Identify the odd one with reference to the features of management as an art.
(A) Existence of theoretical knowledge (B) Personalized application
(C) Based on practice and creativity (D) Well define body of knowledge (1)
20. An increase in the cost of production due to an increase in minimum wage rates by the government is an example of_____ .
(A) Legal environment (B) Social environment
(C) Economic environment (D) Political environment (1)
21. Write any three points of difference between Time study and Motion study on the following basis.
a) Purpose b) Development of new methods c) tool of study (3)
22. Planning and controlling are inseparable twins of Management how?
OR
Explain 'Analyzing deviations' as a step in the controlling process. (3)
23. A major banking company handed all recruiting screening and training processes for data entry/customer service representatives. Their competitor was operating most of the qualified, potential employees in their market. Recruiting was made even more difficult by the strong economy and the job seekers market. This resulted in the client having to choose from candidates who had the soft skills needed for the job, but lacked the proper hard skills and training
As an HR manager, what problems do you see in the company and how do you think they can be resolved? (3)
24. Enumerate any six regulatory functions of SEBI.
OR
Distinguish between Capital market and Money market. (3)
25. Explain psychological barriers to communication.
OR
Discuss the employee recognition programme and employee participation as non-financial incentives. (4)
26. Differentiate between internal and external sources of recruitment
OR
State and explain the two main internal sources of recruitment. (4)

27. Pranav went to a shopkeeper to buy a hair-oil. The shopkeeper forced him to buy a particular brand of hair-oil out of various available brands, irrespective of the willingness of Pranav, Which right of Pranav, as a consumer, has been violated? Name and explain the 'Right'. (4)
28. Indian equity markets are going through a phase of boom. There is a huge growth potential for innovative technologies. This has resulted in lots of new ventures vying for a market share and old enterprises trying to keep up with the pace with which changes are taking place in the economy. This technological innovation has helped even smaller businesses to compete on a global scale. Identify and explain the three factors highlighted above which affect the working capital requirements of such enterprises. (4)
29. Give organizational examples to satisfy the needs according to Maslow's need hierarchy theory. (4)
30. Chandni Limited is a company manufacturing textiles. It has a share capital of Rs.60 lacs the Earning per share in the previous year was Rs.0.50/-. For diversification, the company requires additional capital of Rs.40 lacs. The company raised funds by showing 10% debentures for the same. During the current year, the company earned a profit of Rs.8 lacs on capital employed. It paid tax @40%. (4)

State whether the shareholders gained or lost in respect of earning for share on diversification and show your calculation clearly.

31. 1. Explain any two principles of Scientific Management. (6)
- Science not rule of thumb
 - Development of each and every person to her/his greatest efficiency and prosperity
 - Harmony not discord
2. Write advantages and consequences of violation of any two of the following principles of management:
- Scalar Chain
 - Remuneration of employees
 - Centralisation and decentralisation

OR

- Give any three points of similarities between Fayol and Taylor's contribution to the knowledge of management.
 - Draw and explain in brief the structure of functional foremanship.
32. Distinguish between Single use plans and Standing plans on the basis of: (6)
- Meaning, b) Objectives, c) Period, d) Stability, e) Scope and give an example of each.

OR

Explain how planning:

- Leads to rigidity
 - Does not guarantee success
 - Involves huge costs
33. 1. What information is generally placed on the package of a food product? Designer label for one of the food products of your choice. (6)
2. You are a marketing manager of a big Hotel located at an important tourist destination, which societal concerns would be faced by you and what steps would you plan to take care of these concerns? Discuss
34. Performance of the organising function can pay you the way for a smooth transition of the Enterprise in accordance with the dynamic business environment (6)
- Organising function helps in the survival and growth of an enterprise and this function must be properly perform to complete task and meet the goal successfully
- References to the above para explain the need and importance of organising.