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Candidates must write the Set No on the title page of the answer book.

SAHODAYA PRE-BOARD EXAMINATION-2023-24

- Please check that this question paper contains **8** printed pages.
- Set number given on the right-hand side of the question paper should be written on the title page of the answer book by the candidates.
- Check that this question paper contains **34** questions.
- Write down the Serial Number of the question in the left side of the margin before attempting it.
- 15 minutes time has been allotted to read this question paper. The question paper will be distributed 15 minutes prior to the commencement of the examination. The students will read the question paper only and will not write any answer on the answer script during this period. Students should not write anything in the question paper.

CLASS - XII**Sub: BUSINESS STUDIES (054)****Time Allowed: 3 Hours****Maximum Marks: 80****General Instructions:**

- I. This Question Paper contains 34 questions.
 - II. Marks are indicated against each question.
 - III. Answers should be brief and to the point.
 - IV. Answers to the questions carrying 3 marks may be from 50 to 75 words.
 - V. Answers to the questions carrying 4 marks may be about 150 words.
 - VI. Answers to the questions carrying 6 marks may be about 200 words.
 - VII. Attempt all parts of the questions together.
1. Anil joins his father's business of organic masalas. In order to capture a major share of the market, he decided to sell the products in small attractive packages by using the latest packaging technology. His father suggested that they hire financial consultants to estimate the amount of funds that would be required for the purpose and timings when it would be required. The concept being discussed by Anil's father, links which financial decision with the investment decision. (1)
(a) Dividend decision (c) Capital structure decision
(b) Financial planning (d) Financing decision
 2. Under which concept of marketing, greater emphasis was placed on improving the production and distribution efficiency of the firms. (1)
(a) Product concept (c) Marketing concept
(b) Production concept (d) Selling concept

3. Maruti Udyog became the leader in small car market because it was the first to recognise the need for small car. Which importance of business environment is highlighted in the above case? (1)
- (a) Helps in tapping useful resources
 (b) Helps in coping with rapid changes
 (c) Helps in improving performance
 (d) Helps to identify opportunities and getting first mover advantage
4. **Statement I-** Selling concept focuses on customer satisfaction. (1)
Statement II- Packaging and labelling are same or synonyms of each other.
- Alternatives**
- (a) Statement I is true & Statement II is false (c) Both Statements are true
 (b) Statement I is false & Statement II is true (d) Both Statements are false
5. SEBI recently called for information and issued a show cause notice to NSE and its 14 officials seeking explanation on the Preferential Access Allegations at the Exchange's Co-location facility. State the function that SEBI performed by doing so: (1)
- (a) Protective function (c) Development function
 (b) Regulatory function (d) None of these
6. A petrol pump needs to be managed as much as a hospital or a school. What managers do in India, is the same in USA, Germany or Japan. Which feature of management is being reflected in the given statement? (1)
- (a) Management is all pervasive (c) Management is goal oriented
 (b) Management is multidimensional (d) Management is a group activity
7. Which of the following statements accurately represents one of the protective functions of SEBI in real-life scenarios? (1)
- (a) It is responsible for managing government budgets and allocating funds for various developmental projects.
 (b) It ensures the safety and security of data transmitted during online trading transactions.
 (c) It promotes and regulates the insurance industry to safeguard policyholders' interests.
 (d) It monitors and regulates the securities market to protect investors and maintain market integrity.
8. Some employees have been assigned the job of measuring the output in an objective and reliable way. They are applying different techniques for achieving this aim. Some of these are personal-observation, sample-checking etc. They are also keeping the units of measurement same as that of the units in the standards. Name the step of 'Controlling process applicable in the above paragraph. (1)
- (a) Analysing deviations (c) Establishing standards
 (b) Comparing actual performance with standards. (d) Measurement of actual performance

9. Which of the following statement is incorrect about personal selling?
- (a) It is a direct face to face dialogue that involves an interactive relationship between the seller and buyer.
 - (b) It refers to short –term incentives designed to encourage the buyers to make immediate purchase of a product or service.
 - (c) It allows a sales-person to develop personal relationship with the prospective customers.
 - (d) In this it is possible to take direct feedback from the customer and adopt the presentation according to the needs of the prospects. (1)
10. ‘Management has its own vocabulary of terms and concepts. Managers need to communicate with one another with the help of a common vocabulary for the better understanding of their work situation.’
- Which characteristic of ‘Management as a science’ is highlighted in the above statement? (1)
- (a) Principles based on experimentation
 - (b) Systematized body of knowledge
 - (c) Universal validity
 - (d) Personalized application
11. In _____ type of organisational structure, there is a possible disadvantage of pursuing departmental interests at the cost of organisational interests leading to creation of functional empire. (1)
- (a) Formal organisational structure
 - (b) Functional organisational structure
 - (c) Divisional organisational structure
 - (d) Informal organisational structure
12. Which of the following point does not highlight the importance of controlling function of management? (1)
- (a) Ensuring order and discipline
 - (b) Initialising action by people in the organisation
 - (c) Making efficient use of resources
 - (d) Improving employees’ motivation
13. Match the concept of marketing in Column I with their respective definition in Column II (1)

| COLUMN-I | COLUMN-II |
|----------------------|---|
| A. Product Concept | i. relates to maintaining high quality of the product. |
| B. Selling Concept | ii. relates to satisfying customer needs |
| C. Marketing Concept | iii. relates to aggressively persuading buyer to purchase the product |

Codes

- | | |
|--------------------|--------------------|
| A B C | A B C |
| (a) (i) (ii) (iii) | (c) (iii) (ii) (i) |
| (b) (ii) (i) (iii) | (d) (i) (iii) (ii) |

14. As a result of major government initiatives, more and more people are going 'green'. In order to keep in line with the trend, 'Clap away' a carpet cleaning company has advertised that they only use natural cleaners that come from renewable resources and that all their service vehicles are hybrid vehicles that use both gas and electricity. Identify one of the points related to the importance of business environment and its understanding by managers which is being highlighted in the above case. (1)
- (a) It helps in assisting in planning and policy formulation.
 (b) It helps in coping with rapid changes.
 (c) It helps in improving performance.
 (d) It enables the firm to identify opportunities and getting the first mover advantage.
15. Arrange the steps involved in Organising Process in correct sequence: (1)
- i. Assignment of duties
 ii. Departmentalisation
 iii. Establishing reporting relationships
 iv. Identification and division of work
- (a) ii, iii, i, iv (c) i, ii, iv, iii
 (b) iv, ii, i, iii (d) iv, iii, ii, i
16. **Statement-I:** Capital Market instruments are considered riskier both with respect to returns and principal repayment.
Statement-II: Capital market investment generally yields a higher return for investors. (1)
 Choose the correct option from the following
- (a) Both Statement-I and Statement-II are correct.
 (b) Both Statement-I and Statement-II are incorrect.
 (c) Statement-I is correct and Statement-II is incorrect
 (d) Statement-I is incorrect and Statement-II is correct.
17. Consider the following image.



Identify the business dimension of the business environment illustrated by the picture given above in which National Green Tribunal banned ten-year-old diesel cars to protect environment. (1)

- (a) Economic Environment (c) Technological Environment
 (b) Legal Environment (d) Political Environment

18. **ASSERTION:** Warehousing creates time utility. (1)
REASON: Warehousing tries to cover the time gap between production and consumption goods.
Alternatives:
- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 - (b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A)
 - (c) Assertion (A) is true but Reason (R) is False
 - (d) Assertion (A) is False but Reason (R) is True
19. Hiring of employees is done by: (1)
- (a) Top Level Management
 - (b) Middle Level Management
 - (c) Supervisory Level Management
 - (d) All of the above
20. The aim of demonetisation was not to _____ . (1)
- (a) curb corruption
 - (b) reduce the prices of real estate.
 - (c) withhold the accumulation of black money generated by undeclared income
 - (d) counterfeit the use of high denomination notes for illegal activities
21. Samsung Ltd. is facing a lot of problems these days. It manufactures white goods like washing machines, microwaves, refrigerators, and air conditioners. The company's margins are under pressure and the profits and market share are declining. The production department blames the marketing department for not meeting sales targets and marketing department blames production department for producing goods, which are neither of good quality nor meeting customers' expectations. The finance department blames both the production and the marketing departments for a declining return on investment and bad marketing. Identify the quality of management you think the company is lacking. Discuss any two points of importance of the concept identified. (3)
22. Explain "Critical point control" with respect to analyzing deviations, a step in the process of controlling. Give a suitable example. (3)

OR

Explain "Management by exception" with respect to analyzing deviations, a step in the process of controlling. Give a suitable example.

23. R Tech Ltd. is one of the top IT companies in India. The company does mass recruitment each year from different colleges offering fresher level job to the final year students. This helps in recruiting the brightest and the best available talent in the educational institutions. (3)
- In context of the above case:
- (a) Identify the source of external recruitment adopted by the company.
 - (b) Explain briefly any two advantages of using the external sources of recruitment.

24. “The overall objective of SEBI is to protect the interest of investors and to promote the development of, and regulate the securities market.” In light of the given statement, state any three objectives of SEBI.

OR

State any three protective functions of Securities and Exchange Board of India. (3)

25. Explain the concept of leadership and its various styles. (4)

OR

State any four barriers to communication which are concerned with problems and obstructions in the process of encoding and decoding the message into words or impressions.

26. State any four limitations of using internal sources of recruitment. (4)

OR

Explain the two concepts which are the part of the exercise which could reveal whether a company is understaff, overstaff or optimally staff.

27. Aditi set up a company ‘Dantik Ltd.’ to manufacture toothpastes using herbs found in her village instead of chemicals that are hazardous to health. The package of the product was eco-friendly and had details like price, quantity, ingredients, directions for use and other relevant information. It also carries the contact details like address, phone number and email id of ‘Dantik Consumer Services and Grievance Cell’. The toothpaste became very popular and she started getting orders from reputed traders.

Identify and explain any two rights of consumers discussed above. (4)

28. 'Lucky Stationery Ltd.' wants to raise funds of Rs.40,00,000 for its new project. The management is considering the following mix of debt and equity to raise this amount: (4)

| Capital Structure | Alternative | | |
|-------------------|--------------|--------------|--------------|
| | I | II | III |
| Equity | Rs.40,00,000 | Rs.30,00,000 | Rs.10,00,000 |
| Debt | Nil | Rs.10,00,000 | Rs.30,00,000 |

Other details are as follows:

| | |
|---|-------------|
| Interest Rate on Debt | 9% |
| Face value of Equity Shares | Rs.100 each |
| Tax Rate | 30% |
| Earnings before Interest and Tax (EBIT) | Rs.8,00,000 |

(a) Under which of the three alternatives will the company be able to take advantage of Trading on Equity?

(b) Does Earning Per Share always rise with increase in debt?

29. Identify the Maslow's hierarchy of needs highlighted in the following cases: (4)
- (a) Raman is looking for a job where he can earn at least Rs.10,000 to make his living going.
 - (b) Mr. Singh was promoted to the post of area sales manager to recognise his efforts in the past.
 - (c) Ritu, The principal of SJ public school hosts Diwali dinner at her place every year. She invites allemployees including the support staff for the dinner.
 - (d) Ram exports gives minimum annual rise of 10% in salary to all employees. He also ensures that the entire factory staff is insured against accidents.
30. What is meant by 'Dividend Decision'? State any three factors which affect the dividend decision of a company. (4)
31. Briefly explain any three of the following principles of Scientific Management as given by F.W. Taylor: (6)
- (a) Science not rule of thumb
 - (b) Harmony, not discord
 - (c) Cooperation, not individualism
 - (d) Development of workers to their greatest efficiency and prosperity

OR

Briefly explain any three of the following principles of management as given by Henri Fayol:

- (a) Division of work
 - (b) Subordination of individual interest to general interest
 - (c) Scalar chain
 - (d) Espirit De Corps
32. "It is difficult to manage operations without formal planning". In the light of the above statement discuss any six importance of the concept. (6)

OR

"We have often seen in a daily life as well as in business that things do not always go according to the plan". In the light of the above statement discuss any six limitations of the concept.

33. Since childhood Niru and Janak had been watching their grandmother procuring wheat from the market, washing it well, drying it and getting it converted into atta. They conducted a survey to collect data to identify whether there is demand for readymade atta and realised that with the growing number of working women, it is the need of the hour to manufacture high quality atta. They named their product 'Srijan' and set up 'Srijan Atta Factory' at Jaunpur Village. To penetrate in the market, they decided to keep the price low. For maintaining smooth flow of their product into the market and avoiding delays in delivery, it was decided to store wheat at SKM Services which had scientific processes and logistics facilitating quick delivery. They also set up an online complaint portal to take care of consumer grievances.
- By quoting the lines from the above paragraph, state three marketing functions undertaken by Niru and Janak for successful marketing of 'Srijan' atta. (6)

34. Child Corner is a company known for its consumer business of baby oil and bandages, but many people do not know that the company also runs a medical device and diagnostics business, as well as a pharmaceutical company. With more than 1,80,000 employees worldwide, the company has chosen to share decision making authority with lower levels and place it nearest to the point of action. Therefore, the response does not take time. This propagates the belief that people are competent, capable and resourceful who can get a chance to prove their abilities and enables the company in identifying those executives who have the necessary potential to become dynamic leaders, so that the checking required on decisions taken by lower levels of management is the least. This makes it possible to evaluate performance at each level and each department can be individually held accountable for their results.

By quoting the lines given above identify and briefly explain any four benefits of the concept discussed above. (6)
