

Roll No.

--	--	--	--	--	--	--

परीक्षार्थी कोड को उत्तर-पुस्तिका के मुख-पृष्ठ पर अवश्य लिखें ।

Candidates must write the Code on the title page of the answer-book.

- Please check that this question paper contains 6 printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer – book by the candidate.
- Please check that this question paper contains 25 questions.
- Please write down the Serial Number of the question before attempting it.
- 15 minutes' time has been allotted to read this question paper.

Pre-Board-02 Examination, 2018-2019

BUSINESS STUDIES

Grade: 12**Time: 3 Hours****Date: 31.01.2019****Max. Marks: 80**

General Instructions.

- * Read questions carefully before answering them. Attempt all parts of a particular question at a place.
- * Write neatly with correct question numbers.
- * All questions are compulsory.
- * Please check that this question paper contains 25 questions.

Answer the following questions:

1. Why management principles are said to be contingent? **1**
2. Define the term Marketing management. **1**
3. The time gap between order placement and delivery of raw material required by a manufacturing unit is three months. How does it affect the working capital requirement of production unit? **1**
4. Managers at all the levels need to perform the controlling function to keep a check on the activities in their respective areas of operation. Which feature of controlling is being referred to? **1**
5. Mr. Malhrotra, the CEO of HTC Ltd. believes in empowering subordinates who can take their own decisions. He only facilitates them when required. Which style of leadership is displayed by the CEO? **1**

6. According to SEBI, an individual who has sensitive information about the company by virtue of its work cannot use it for trading in the securities for his personal gains. Which objective is SEBI trying to achieve through this? **1**
7. A company has already issued shares worth ₹1 crore. Now due to expansion plan the company is planning to issue further shares worth ₹50 lakhs. Advise the method of floatation that can be used by the company primarily and why? **1**
8. Pharmaceuticals Ltd., a company manufacturing medicines, organised a seminar on "Building up efficiency and productivity" for the lower level production team. The resource person emphasized on following points: "It is important to make an employee realise his/her potential. This results in increasing the efficiency. It is necessary for management to know what excites their workers for attainment of their desired objectives so as to induce them to act in a desired manner."
Identify the concept of management being highlighted by the resource person to increase the productivity of team members. **1**
9. Aman's grandfather is working as 'section incharge' in a government office. He always ensures that good working conditions are provided to workers and also maintain healthy relationship with employees. **3**
- (a) Identify the level at which Aman's Grandfather is working.
- (b) State three functions performed at this level.
10. Aman joins as a sales executive in an insurance company. His nature of work is to handle the companies Bank assurance channel. Arman, the team leader of that channel was very happy with his performance. However, after few months, due to some personal reasons Aman became irregular to work and was not able to meet the work related deadlines. As a result, Arman was not able to complete his team targets. **3**
- Can Arman escape himself of his accountability to the extent of work assigned to Aman? Explain by giving suitable reason.
11. Which needs are fulfilled as per Maslow's Need Hierarchy theory by providing the following incentives, identify and explain? **3**
- (a) Mr A is very happy because of safe working environment in his organisation.
- (b) Rohan is a very popular supervisor among his workers as he provides space to his employees for their personal interaction.
- (c) Armaan believes in delegation of authority to his subordinates.
12. Abhi joins Sapphire India Limited as Purchase Head. He finds that the staff in his department is very lazy. He discussed the problem with his friend Abhinav who is an expert in human resource management. Abhinav explained him that only exercising formal authorities is not always possible to get the best work done from employees. Rather he should give workers certain benefits related to their productivity levels, so that they are willing to work to their potential voluntarily. **3**
- (a) Identify the element of one of the functions of management that was lacking in the organization.

- (b) Explain the type of benefit which Abhinav has suggested to improve the performance of employees.
- (c) Also, mention the features of the element identified in part a.
- (d) Write two values displayed by Abhinav's approach.
13. Rahul a class XII student is not scoring well in his examinations. The school counsellor was asked to find out the reason. After observation it was found that Rahul is not able to retain what is taught in the class. The reason behind this is that he is not attentive or not interested when the teacher is explaining the concept in the class. **3**
- In context of the above case:
- Identify the type and name of communication barrier which adversely affecting Rahul.
 - Describe briefly one more barrier of the same type as identified in part (i) of the question.
14. 'Dhoom' is a machine manufacturing company. The company decides to enter into music system manufacturing industry. The company has a committed top management. It knows there are various challenges in the market where its decisions regarding the new industry might fail. Still the top management doesn't want to waste a lot of resources on its plans. It knows that sometimes plans take more time in making than getting implemented. However, company wants to proceed with a positive approach. It has decided to study all the aspects of its competitors, to set all its objectives and to allocate the required resources. The company did well in its previous business. At that time they took planning very seriously as they knew everything the company would do had to be based on concrete plans. The company will start its operations from the next month. **4**
- Explain the limitations of planning highlighted in the above case.
 - Identify and explain the type of plan indicated in the case by quoting the lines.
 - Also discuss the feature of planning highlighted above.
15. Sentinels Pvt. Ltd. is a well-established company with experienced specialists in providing security guard services. **4**
- The company provides such services for a large section of clients from multinational corporations to schools, hospitals, hotels, residences, embassies, ATM's etc.
- They train their employees in such a way that they adopt the working requirement of the particular organisation. The company focuses on building team work and coordination of individual effort in a common direction.
- The effect of management is noticeable in the organisation as targets are met according to plans, employees are happy and satisfied and there is no chaos.
- There is a proper chain of communication that runs through the entire organisation from top to bottom. The employees are selected and appointed after due and rigorous procedure and are given reasonable time to show the results.
- Also, there are clear and fair agreements and judicious applications of penalties within the organization.

- (i) Identify and explain any two features of management discussed above. Also quote the lines.
- (ii) On the basis of the above case, explain any two principles of management which they have adopted how they are getting affected positively or negatively comment on the same.

16. Shahida, a student of School of Rug Weaving Institute, Turkey, visited her grandparents in Kashmir for the first time. Breathtaking mountain scenery, clear lakes, lush green vegetation and magnificent forests mesmerized her. The valley is home to a rich biodiversity including a large number of bird species, many of which are unique to Kashmir. It is home to yak and sheep that are taken care by nomads. Kashmiri lifestyle is essentially slow paced and reflects religious diversity. Kashmiri's are known to enjoy their music in its various local forms, and the traditional dress of both genders is often quite colourful. Tulip, saffron, dry fruits and artistic woodwork are its hallmark. She also observed that the government was stable and all the tourist places were well guarded by the army. She found it to be an ideal place to start a unit for carpet weaving and employ local people to preserve the ethnic touch. After the devastating floods a considerable population had been rendered jobless, her unit would help to revive their economic condition which would ultimately increase the disposable income of the local people. She started scanning and screening the environment and collecting the information. 4
- a) Identify the various dimensions of business environment discussed in the paragraph and also quote the lines to support your answer.
 - b) State two values communicated by Shahida.
17. In a famous case of Krishnan Kumar Bajaj vs. Pepsico. Bajaj, a resident of Ahmedabad purchased a Lay's packet on 28th June, 2010 & sensed it being underweight. He wrote twice to the manufacturer. While the first letter got no response, in reply to the second, it offered Bajaj, gifts hamper, which he refused. Bajaj approached CERS (Consumer Education & Research Centre), who wrote to Pepsico. Company refused to accept their fault & gave unsatisfactory clarifications. 4
- i. State the consumer right which Bajaj has availed to claim for his damages?
 - ii. Which redressal forum can Bajaj approach at the first instance?
 - iii. Identify any two values which are being violated by Pepsico.
18. Mani Ltd. aims to manufacture & sell 4,500 locomotives in 2017. To achieve this target, the production department ensures timely production & sales department takes all possible steps to generate maximum revenue. Due to combined efforts of all the departments, Mani Ltd. can achieve its sales target On the basis of the given information about Mani Ltd., answer the following questions: 4
- a) Which importance of management is highlighted in above situation? Explain any two other points of significance of management..
 - b) Identify which other aspect of management is necessary to ensure achievement of sales target by Mani Ltd.
 - c) Explain any two importance of the aspect of management identified in question (b).
19. Identify the source of recruitment highlighted by the following statements: 4
- i. Under this, a close contact is maintained with the labourers and the required number of skilled workers provided at short notice.
 - ii. Companies keep a database of unsolicited applicants in their offices.

- iii. Employees appointed through the source likely to be good employees as their background is sufficiently known.
- iv. The workers appointed through this source are known as casual workers and they are paid remuneration on daily wage basis.
20. Mr Ayush purchased one LCD for ₹1.45 lakh from XYZ Electronics. The shopkeeper offered him an easy financing scheme at 0% interest i.e., 10 instalments of each. Mr. Ayush agreed for the same. After few days of Ayush found defect in picture tube of LCD. He filed his complaint to XYZ Electronics. Despite, many complaints, the defect was not rectified. **5**
- Where can he file his complaint?
 - Within what period must the complaint be filed?
 - Who can file a case under the consumer protection act?
 - Identify the technique of sales promotion accepted by Mr Ayush.
 - What remedies are available to him if the court is satisfied with the genuineness complaint?
21. "Planning and controlling go hand in hand ". In the light of this statement explain the relationship between planning and controlling. **5**
22. Avi is planning to open his restaurant in the local market. Besides offering multi cuisine delicacies he also plans to offer bakery items with low content of sugar taking into account the growing awareness of people for healthy food. **5**
- To start with he is planning to hire five salesmen to initially promote his business through door to door selling of his brand in nearby colonies. He plans to start a 'Happy Hour Meal' wherein few schemes will be offered on ordering full course meals. He also plans to advertise for his products in the local newspaper and by distributing pamphlets.
- In the context of the above case:
- Describe briefly any two factors that he should consider while deciding the price of his products.
 - Give any two differences between two elements of promotion that Avi intends to use for his business.
23. Reema is hesitant of trading on stock exchange as she thinks it involves different kinds of risk. She discussed this apprehension of hers with Heena. **6**
- Heena immediately clarified Reema's doubts by telling her about SEBI. She tells SEBI is known as the watchdog of the stock exchange. Do you agree with the statement? In support of your answer mention any five functions performed by SEBI.
24. The present earnings of a company before interest and tax are ₹10 lakhs. The company wants to increase its total capital investments by 50% through issue of 10% debentures. At present the total capital of the company is ₹50 lakhs, out of which ₹40 lakhs has been raised through equity and rest through issue of 10% debentures. The tax is levied @40%. The face value of an equity share is and that of a debenture is ₹100. **6**
- Calculate the projected EPS of the company on issuing debentures. Show your working clearly. Assuming that the ROI of the company remains unchanged.

- ii. Do you think that the company has taken right decision by choosing debt to raise further capital? Name the concept underlying this decision.

25. Pahuni is appointed as a Cultural Captain of her school. As a Cultural Captain, she has to coordinate the events happening in the school. For ensuring smooth and successful Management of the events, she decided to form three committees that were Discipline Committee, Decoration Committee and Reception Committee. She distributed the work to the in charges of the respective committees. Every Committee has a team of students. These students were asked to report to their respective in charges. The incharges, in turn were expected to work as per Pahuni's order. **6**

In the context of the above case:

- i. Identify the function of management being performed by Pahuni.
 - ii. Describe briefly the various steps involved in the performance of the function of management identified in part (i) of the question.
-