

PRE-BOARD EXAMINATION, JANUARY – 2019**CLASS: XII****BUSINESS STUDIES****Time: 3 hrs.****MAX. MARKS: 80****GENERAL GUIDELINES:**

- a) Answer to questions carrying 1 mark may be from one word to one sentence.
- b) Answers to questions carrying 3 marks should not exceed 50-75 words.
- c) Answers to questions carrying 4-5 marks should not exceed 150 words.
- d) Answers to questions carrying 6 marks should not exceed 200 words.
- e) Attempt all parts of a question together.

SECTION A

- 1 “In an organization employees are happy and satisfied there is no chaos and the effect of management is noticeable.” Which characteristic of management is highlighted by this statement? 1
- 2 Shiva Ltd. Is engaged in manufacturing of washing machines. The target of organization is to manufacture 400 washing machines a day. There is an occupational specialization in the organization which promotes efficiency of employees. There is no duplication of efforts in such type of organization structure. 1
Identify the type of organization structure described above.

OR

‘A good leader does not wait for opportunities but creates them’. What quality of a good leader is highlighted by this statement?

- 3 Rahul, a worker, is given a target of assembling two computers per day. Due to his habit of doing things differently, an idea struck him which would not only reduce the assembling time of computers but would also reduce the cost of production of the computers. Rahul’s supervisor instead of appreciating him, ordered him to complete the work as per the methods and techniques decided earlier as nothing could be changed at that stage. The above para describes one of the limitation of planning function of management. Name that limitation 1

OR

Mention any two measures to improve communication effectiveness.

- 4 Name the method of training in which trainees learn on the equipment they will be using. 1

OR

‘Planning is an empty exercise without this function of management’. Mention this function.

- 5 Name the financial decision which effects the liquidity as well as profitability of a business. 1
- 6 State the meaning of ‘ product identification’ function of ‘packaging’ 1
- 7 To publish a magazine under the title ‘Grahak Jagran’ is the example of which consumer right? 1
- 8 What is ‘T + 2 Settlement’? 1

SECTION B

- 9 Why are rules considered to be plans? 3
- OR**
- Differentiate between 'method' and 'budget' as types of plans
- 10 Name and explain the concept which relate to the following. 3
- (i) Searching for prospective candidates
 - (ii) Temporary separation of employees from the employer
- 11 'Direction is least important function of management'. Do you agree with this statement? Give any two reasons in support of your answer. 3

OR

What do you mean by Insider Trading?

- 12 Sonia's grandmother, who was unwell, called her and gave her a gift packet. Sonia opened the packet and saw many crumpled share certificates inside. Her grandmother told her that they had been left behind by her late grandfather. 3
- As no trading is now done in physical form, Sonia wants to know the process by adopting which she is in a position to deal with these certificates.
- (i) Identify and state the process
 - (ii) Also give reasons to Sonia why dealings with shares in physical form had been stopped.
- 13 A pharmacy company does not provide information about the expiry date on the packet of his drug. Which consumer's right does this manufacture violates? 3

SECTION C

- 14 "Sonu Nigam" the famous playback singer always spends time for practice and adds his creativity in his singing. Like Sonu Nigam, Mr. Rajiv, manager of Headlines Ltd. uses his creativity and practice of management principles under different situations to manage the business. The employees are happy and satisfied as he every day reward employees for their punctuality and efficiency. 4
- a) Identify the nature of management highlighted above.
 - b) Name other two aspects of nature of management.
- 15 Eco-friendly products are gaining power as the consumers' awareness about environmental issues has increased over the years and they are conscious about choosing products that do not have adverse effects on the environment. They are now more conscious about the carbon emission and climate change effects, and want themselves to be seen as a green advocate among their peers. In such a scenario, it has become a challenge for the companies as they have to not only meet the needs of the consumers but also ensure that their products are safe and environment friendly. At a result, there is growing need for better and advanced technologies to works as a catalyst in this regard. 4
- a) Identify the relevant feature of business environment being discussed above.
 - b) Describe briefly any three points which highlight the importance of business environment and its understanding by managers.

OR

The court passed an order that all schools must have water purifier for the school children as

- a) Society in general is more concerned about quality of life.
- b) Innovative techniques are being developed to manufacture water purifier at competitive rates.

c) Incomes are rising and children at home are also drinking purified water. The government is also showing positive attitude towards the water purifier business. Identify four different dimensions of business environment by quoting from the above details.

- 16 Explain briefly the steps in the process of Organizing. 4
- 17 Mr. Rajiv is the owner of “Laxmi Dairy”. He is producing various milk products. He always tests various ways of producing different products and chooses the best and most economical way of production. He is also very particular about fixing a place for everything and he makes sure that all the employees are given a fixed place so that there is no wastage of time and delay in production. 4
- a) Which technique of scientific management is applied by Mr. Rajiv?
 - b) Which principle of Henry Fayol is followed by him?

OR

Davinder is a class twelfth commerce student in a reputed school in Punjab. Satinder is his elder brother who is doing his Masters in Hospital administration from Delhi after completing his B.Sc. course. During vacations when Satinder comes home, Davinder shows him the business studies project that he is preparing on the topic “Principles of Management”. Satinder tells him that these principles are also a part of MBA course curriculum at the beginner’s level as they form the core of management in practice. But he finds these principle different from those of pure science.

In context of the above case:

- a) Outline the concept of principles of management.
- b) Why does Satinder find the principle of management different from those of pure science?
- c) Why do the principles of management form the core of management in practice?

Explain by giving any two points highlighting the importance of principles of management

- 18 “Shudh Hava Ltd.” is engaged in manufacturing of air conditioners and desert coolers. The company offers a wide range of products to meet the requirements of people from varied income groups. Recently the company has developed a new product, an air purifier that improves the quality of air by filtering out all allergens and microbes. The company introduced the product on two variants namely “Nano Tech” and “Nano Tech Premium”. In order to persuade people to buy the product it is offering easy payment options in equal monthly installments for different time periods. Moreover, every buyer will be offered “scratch a card” option to win instant gifts like decorative items, T-shirts etc. The company is also planning to organize competitive events based on skill and luck in various malls in different cities. 4
- In the context of above case:
- 1. Name and explain the “type of promotion strategy” adopted by the company to boost the sales of air purifiers.
 - 2. Also, identify the various techniques of this promotional strategy being used by the company by quoting liens from the paragraph.
 - 3. “The company offers a wide range of products to meet the requirements of people from varied income group.” Name the relevant consumer right being promoted by the company.

- 19 What is meant by financial market? Explain the functions of financial market. 4

SECTION D

20 What is meant by Co-ordination? State it's any four features. 5

OR

State any five functions performed by the manager who is working at the middle level Management.

21 Rajiv is working as Personal Manager in a company. The specialty of the company is that financial position of all the employees is good. The employees working here are honest punctual and hardworking. The CEO of the company asked him to suggest a method of motivation. The CEO asked him to suggest a method which is happily accepted by all the employees. Rajiv spoke to many employees in this connection. Some employees suggested give more importance to individual autonomy, another suggested good performance should be appreciated another group suggested to award, certificate, trophies to recognize the good performance. Mr. Rajiv mixed all and suggested a method of motivation to CEO. The CEO happily accepted that and it was immediately implemented. Within few days the company's growth rate appeared to have become fast. 5

Identify the functions of management indicate in the above paragraph.

Which motivation methods were suggested by different group of employees?

Which motivation method combines all the above stated and was suggested by personal manager?

22 "Planning and Controlling are inseparable twins of management". How? 5

SECTION E

23 The management of Vrinda Ltd. strongly believes that the members of an organization should work towards fulfilling the common organizational goals. This requires team work and integration of efforts of all individuals, departments and specialists. This is because all the individuals and departments depend on each other for information and resources to perform their respective activities. Managers need to reconcile differences in approach, timing, effort or interest. At the same time it should enable all its members to grow and develop. Thus, there is a need to harmonize individual goals and organizational goals. 6

a. Identify the concept of management discussed above.

b. State any three features of the concept identified in (a).

Identify and explain the characteristic of management which is reflected from the above para.

OR

A company's earnings before interest and tax is Rs.7 lac. It pays 10% interest on its debt. Total investment of company is Rs.50 lac.

a) Advise company whenever it should include debt or equity to raise its capital.

b) Name the concept related to this.

c) Will be company's decision to raise funds from debt or equity will change if company's EBIT becomes 3 lac.

24 Explain any four methods of flotation of new issue in the 'Primary Market'. 6

25 Explain in brief any six responsibilities of consumers to safeguard their interest. 6