

APEEJAY COMMON PRE BOARD EXAMINATION

CLASS: XII (SESSION 2022-23)

SUBJECT: BUSINESS STUDIES (054)


TIME: 3 HOURS

MAX MARKS: 80

General Instructions:

- 1. The question paper contains 34 questions.**
- 2. Marks are indicated against each question.**
- 3. Answer 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	What is the first step in the process of organising a) Assignment of duties b) Departmentalisation c) Identification and division of work d) Establishing reporting relationship	1
2	The Uttarakhand government has developed surveillance network using latest satellite technology. Under this system, the state's mining department would be in a position to check illegal mining activities across the state. The state government is also considering the use of drones in its proposed campaign against illegal mining. Identify the related dimensions of business environment. a) Economic dimension and Legal dimension b) Social dimension and Economic dimension c) Technological dimension and Political dimension d) Political dimension and Economic dimension	1
3	Sara Ltd is a company manufacturing small electrical appliances where division of work into key areas includes production, purchase, marketing, accounts and personnel. Which of the following is an advantage of the organisation structure of Sara Ltd. a) It may lead to increase in cost b) Manager may gain power and assert independence and ignore organisation interest c) It leads to faster decision making d) Heads do not get training for top management positions	1
4	"Business environment is a complex phenomenon that is relatively easier to understand in parts but difficult to grasp in its totality". Identify the related feature of business environment discussed here.	1

	<ul style="list-style-type: none"> a) Complexity b) Totality of external forces c) Relativity d) Specific and general forces 	
5	 <p>Look at the image and highlight the feature of management depicted by the image given here.</p> <ul style="list-style-type: none"> (a) Management is goal oriented (b) Management is pervasive (c) Management is Dynamic (d) Management is a group activity 	1
6	<p>Booking of railway tickets through internet from home or office is an example of</p> <ul style="list-style-type: none"> a) Technological Environment b) Economic environment c) Political environment d) Legal environment 	1
7	<p>Today's business environment is getting increasingly dynamic where changes are taking place at a fast pace. Information technology and intense global competition are just a few of the images used to describe today's business environment. Therefore, managers must understand and examine the environment and develop suitable courses of action. Which importance of business environment is highlighted in the above statement?</p> <ul style="list-style-type: none"> a) It helps in improving performance b) It helps in assisting in planning and policy formulation c) It helps in coping with rapid changes d) It helps in tapping useful resources. 	1
8	<p>Kotak Mahindra believes in harnessing the potentials of the individuals working in their company by doing so, the company wants to achieve _____.</p> <ul style="list-style-type: none"> (a) Social objective (b) Personal objective (c) Organisational objective (d) Economic objective 	1
9	<p>The basic steps involved in process of controlling are given below. Arrange them in sequence</p> <ul style="list-style-type: none"> a) Measurement of actual performance b) Comparing actual performance with standards c) Setting performance standards d) Analysing deviation and taking corrective action <ul style="list-style-type: none"> (a) a, b, c, d (b) c, a, b, d (c) b, c, a, d (d) a, c, d, b 	1

10	Controlling function brings back the management cycle to which function (e) Directing (f) Planning (g) Organising (h) Staffing	1								
11	Demonetisation is viewed as a tax administration measure. Which of the following is the correct explanation of this statement? (a) Use of high denomination notes for illegal activities (b) Increase in cash transactions and decline in bank deposits (c) Rise in income tax collection because of increased disclosure (d) Digital transactions among new users	1								
12	Statement-I According to Marketing Concept, products are bought because of their quality and other features. Statement-II Marketing Concept aims to find out needs and requirements of customers and satisfying them in an effective manner. Choose the correct option from the options given below: (a) Statement I is true and II is false (b) Statement I is false and II is true (c) Both the statements are true (d) Both the statement are false	1								
13	Match the following different financial market- <table border="1" data-bbox="212 1060 1414 1247"> <tr> <td>a. It is a market for short term fund.</td> <td>i. Secondary Market.</td> </tr> <tr> <td>b. It is a market for medium- and long-term fund.</td> <td>ii. Primary Market</td> </tr> <tr> <td>c. It is a market for new securities.</td> <td>iii. Capital Market</td> </tr> <tr> <td>d. It is a market for resale and purchase of securities.</td> <td>iv. Money Market</td> </tr> </table> (a) a-iv, b-iii, c-ii, d-i (b) a-iii, b-iv, c-ii, d-i (c) c-iv, b-iii, c-ii, a-i (d) a-ii, b-iii, c-iv, d-i	a. It is a market for short term fund.	i. Secondary Market.	b. It is a market for medium- and long-term fund.	ii. Primary Market	c. It is a market for new securities.	iii. Capital Market	d. It is a market for resale and purchase of securities.	iv. Money Market	1
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14	It is a legally enforceable document which is issued by a stock broker within 24 hours of the execution of a trade order. (a) PAN number (b) Unique Order Code (c) Contract Note (d) Bank statement	1								
15	A marketer of colour TV, having 10 % of the current market share in the country aims to increase his market share to 20% in the next two years, He will have to develop a complete strategy covering various important aspects such as increasing the level of production,	1								

	<p>promotion of the products and marketing methods etc. Identify the function of marketing being referred to in the above case.</p> <p>(a) Product designing and development (b) Promotion (c) Market Planning (d) Pricing</p>	
16	<p>Identify the correct sequence of steps to be followed in the trading procedure at Stock Exchange</p> <p>(a) Opening a trading account and Demat account, Placing an order, Settlement of order, Execution of order (b) Settlement of order, Opening a trading account and Demat account, Placing an order, Execution of order (c) Opening a trading account and Demat account, Placing an order, Execution of order, Settlement of order (d) Placing an order, Opening a trading account and Demat account, Execution of order, Settlement of order</p>	1
17	<p>Under which concept the companies push for the betterment of the quality of their products in their efforts for marketing?</p> <p>(a) Production (b) Product (c) Selling (d) Marketing</p>	1
18	<p>Hena is planning to set up a small manufacturing unit for manufacturing eco-friendly packaging material. She has decided to market her products through the conventional channel of distribution, which involves wholesalers and retailers. Identify the channel of distribution being adopted by the company.</p> <p>(a) Zero level channel (b) One level channel (c) Two level channel (d) Three level channel</p>	1
19	<p>Within 2 years of its inception, BHAMA Limited has created a very positive reputation about itself and its products in the eyes of general public by participating extensively in various social welfare programs. Identify the component of promotion mixing described in the given lines.</p> <p>(a) Advertising (b) Personal selling (c) Public relation (d) Sales promotion</p>	1

20	<p>Financial markets help to save time, efforts and money that both buyers and sellers of financial assets would have to otherwise spend on getting information. The function of financial market referred in above para is</p> <p>(a) Facilitate price discovery (b) provide liquidity to financial assets (c) reduce the cost of transaction (d) Mobilising of saving and channelising them into most productive units</p>	1
21	<p>Alpha Beta Inc. decided to go for perfect coordination in the various aspects of the company. They focus on synchronization of all the activities of the organisation. For this they know coordination will be the key. At the stage of thinking of what is to be done throughout the year they decide to take into consideration the harmony between the goals of the organisation and those of the individual departments. When they hire employees, they pay them only after evaluating their worth in terms of how efficient they are. Finally, when the last month of production comes they, time and again check the deviation between the set targets and the actual production done.</p> <p>In the above paragraph the main focus is on coordination. However various functions of management also come into picture. You have to identify and define the three functions of management highlighted above in which coordination can be seen.</p>	3
22	<p>Ashish, the Marketing Head, Raman, the Assistant Manager and Jyoti, the Human Resource Manager of Senior Enterprises Ltd. decided to leave the company. The Chief Executive Officer of the company called Jyoti, the Human Resource Manager and requested her to fill up the vacancies before leaving the organisation. Informing that her subordinate Miss Alka Pandit was very competent and trustworthy, Jyoti suggested that if she could be moved up in the hierarchy, she would do the needful. The Chief Executive Officer agrees for the same. Miss Alka Pandit contacted Keith Recruiters who advertised for the post of marketing head for Senior Enterprises Ltd. They were able to recruit a suitable candidate for the _____ company.</p> <p>Raman's vacancy was filled up by screening the database of unsolicited applications lying in the office.</p> <p>Q-1) Name the internal/external sources of recruitment used by Senior Enterprises Ltd. to fill up the above stated vacancies.</p> <p>Q-2) Also state any one merit of each of the above identified source of recruitment.</p>	<p>3</p> <p>(1)</p> <p>(2)</p>
23	<p>Explain Critical point control with relation to analysing deviation, a step in the process of control</p> <p>OR</p> <p>Explain management by exception with respect to analysing deviation a step in the process of control. Give a suitable example</p>	3

24	<p>ABC Ltd. issued prospectus for the subscription of its shares for Rs. 500 crores in 2008. The issue was oversubscribed by 20 times. The company issued shares to all the applicants on pro-rata basis. Later SEBI inspected the prospectus and found some misleading statement about the management of the company in it. SEBI imposed a penalty of Rs. 5 crores and banned its three executive directors for dealing in securities market for three years.</p> <p>Q-1) Identify the function and its type performed by SEBI in the above case. (2)</p> <p>Q-2) State any one objective of setting SEBI (1)</p> <p>OR</p> <p>The SEBI has imposed a penalty of Rs. 7,269.5 crore on Pearls Agrotech Corporation Limited (PACL) and its four directors — Tarlochan Singh, Sukhdev Singh, Gurmeet Singh and Subrata Bhattacharya who had mobilised funds from the general public through illegal collective investment schemes in the name of purchase and development of agriculture land. While imposing the penalty, the biggest in its history, Securities and Exchange Board of India (SEBI) said the company deserved “maximum penalty” for duping the common man. Its Prevention of Fraudulent and Unfair Trade Practices Regulations provides for “severe to severe penalties” for dealing with such violations. As per SEBI norms, it can impose a penalty of Rs. 25 crore or three times of the profit made by indulging in fraudulent and unfair trade practices and in the present case, the regulator has imposed a fine equivalent to three times of the illicit gains. In the context of the above case:</p> <p>Q-1) State the objectives of setting up SEBI. (1)</p> <p>Q-2) Identify the type of function performed by SEBI by quoting lines from the paragraph. (2)</p>	3
25	<p>Anushka is doing a course in fashion designing from an institute of repute. As a part of the course, she has been asked to take on-the-job training in an export house for a fortnight in order to gain an insight about various practical aspects related to designing. Anushka, through the references from her senior, joins an export house owned by an upcoming designer, Nandita.</p> <p>In context of the above case:</p> <ol style="list-style-type: none"> 1. Name and explain the type of training which Anushka has been asked to undertake. 2. Explain briefly importance of training to organisation. <p>OR</p> <p>Name the mechanism that attempts to measure certain characteristics of individual in the process of identifying and choosing the best person out of the number of perspective candidate for the job. Explain any three of its type.</p>	4
26	<p>Define communication and Explain briefly any three semantic barriers to communication.</p> <p>OR</p> <p>Define communication and Explain briefly any three organisational barriers to communication.</p>	4
27	<p>Priyank works as a banquet manager in a hotel. He feels highly motivated at his job because the work that is assigned to him frequently involves variety of challenges. He is given more autonomy and responsibility and provided with ample opportunities for personal growth and a</p>	4

	<p>meaningful work experience.</p> <p>In context of the above case:</p> <ol style="list-style-type: none"> 1. Define the term 'motivation'. 2. What are the measures used to motivate the employees to improve performance known as? Give its classification. 3. Identify the type of non-financial incentive being offered to Priyank. 	<p>(1)</p> <p>(2)</p> <p>(1)</p>
28	<p>“Apparels” is India’s second largest manufacturer of branded Lifestyle apparel. The company now plans to diversify into personal care segment by launching perfumes, hair care and skin care products. Moreover, it is planning to open ten exclusive retail outlets in various cities across the country in next two years.</p> <p>In context of the above case:</p> <ol style="list-style-type: none"> 1. Identify the two factors affecting the fixed capital needs of the company by quoting lines from the paragraph. 2. Why is the management of fixed capital considered to be an important for a business? 	<p>4</p> <p>(2)</p> <p>(2)</p>
29	<p>Health care Ltd is a company engaged in production of organic food. Presently it sells its products through indirect channel of distribution. The company is planning to start its own showrooms and online portals. The financial manager suggested to use debt to invest in own showroom.</p> <p>Company plans to raise debt capital of of Rs 40 lakhs through loan from ICICI bank at 10% interest. The present capital base of the company is 9 Lakh equity share of Rs 10 each the rate of tax is 30%.</p> <p>Assuming expected rate of return is same as current year i.e 15%.</p> <p>Answer the following questions-</p> <ol style="list-style-type: none"> a) Do you think taking debt is justified. Give reason. b) Show your workings clearly c) Does EPS always rise with increase in debt? 	<p>4</p> <p>(1)</p> <p>(2)</p> <p>(1)</p>
30	<p>Consumer Protection Act 2019, every consumer has been given the right to be protected against goods and services which are hazardous to life and health. The legislation also enforces providing complete information about the product to the consumer and has given freedom to the consumer to purchase goods of his or her choice. However, in certain cases, an individual is not considered to be a consumer by the law and hence cannot seek remedies available under the law.</p> <ol style="list-style-type: none"> a) Identify and explain in brief the rights given to consumers in the above paragraph. b) State the conditions under which an individual is not treated as a consumer. 	<p>4</p> <p>(3)</p> <p>(1)</p>
31	<p>Identify and explain the following principles of management:</p> <ol style="list-style-type: none"> a) It requires judicious application of penalties by the management b) It emphasizes that workers should be encouraged to develop and carry out their plans for improvement in the organisation c) It envisages that each group of activity should have one head one plan 	<p>6</p>
OR		

	<p>Identify and explain the following techniques of scientific management:</p> <ol style="list-style-type: none"> Its objective is to determine the number of workers to be employed for a task It is an extension of the principle of division of work its objective is to minimise the cost of production Its objective is to minimise the cost of production 	
32	<p>Naman is a very intelligent planner. He knows the market pretty well. For last 15 years he has been leading several successful projects for his company. Company gives him responsibility to start a new project in S. America. With his experience he makes assumptions about all the possible future scenarios.</p> <p>Q-1) Which step of the planning process is the above paragraph related to? Also write down and explain next three steps.</p> <p>Q-2) What is the base material for developing these assumptions</p> <p>Q-3) If planning involves working out details for the future, why does it not ensure success</p> <p>OR</p> <p>High Voltage' – a company which manufactures microwaves is known for its flawless planning. However the top management of the company accepts that some of its plans have failed in the past as the outside business environment is unpredictable and dynamic. The company invests a huge portion of its revenue on planning related issues. Recently in a newspaper the company was blamed for preventing its employees from doing new things due to the plans which are decided by the top management. Rajesh a middle level manager in the company in a seminar said that the planning aspect of a company should be dealt cautiously. There should be specific goals and activities to reach these goals should also be properly executed. Company has many serious competitors in the market. Even they unanimously agree that without planning no other function of management can exist and it's the basic platform on which the whole structure of management is laid. When it comes to follow up of plans it becomes very important to know the standards. The success of a plan can only be checked when it is known how much of the set target has been met because it is at the stage of planning these targets are set. It's not about the past. It's for the coming time and challenges that a company formulates a plan. Rajesh knows this well. He uses his intelligent imagination and foresight while formulating the plans.</p> <ol style="list-style-type: none"> Which limitations of planning have been highlighted in the above case? Which features of planning have been indicated in the above paragraph? Explain any two Which importance of planning do you find sighted in the above case? Explain 	<p>6</p> <p>(1+3)</p> <p>(1)</p> <p>(1)</p> <p>(2)</p> <p>(2)</p> <p>(2)</p>
33	<p>Kiran Industries is a company dealing in office furniture. The company chose to diversify its operations to improve its growth potential and increase market share. As the project was important, many alternatives were generated for the purpose and were thoroughly discussed amongst the members of the organisation. After evaluating the various alternatives, Sukhvinder, the Managing Director of the company, decided that they should add 'Home Interiors and Furnishings' as a new line of business activity.</p>	6

	<ol style="list-style-type: none"> 1. Name the framework, which the diversified organisation should adopt, to enable it to cope with the emerging complexity? Give one reason in support of your answer. (2) 2. State any two limitations of this framework. (2) 3. Explain organisation as a structure. (2) 	
34	<p>Rastro Inc, is a multinational corporation that creates consumer electronics, personal computers, servers and computer software. The company also has a chain of retail stores known as Restro Stores. Despite high competition, Restro has succeeded in creating demand for its products, giving the company power over prices through product differentiation, innovative advertising and ensured brand loyalty.</p> <p>In the context of above case:</p> <ol style="list-style-type: none"> 1. What is product differentiation? Explain with example. (2) 2. Name and explain any one function of marketing that facilitates product differentiation. (1) 3. Identify the component of promotion mix being used by the company by quoting lines from the paragraph. (1) 4. Describe briefly the pricing objective pursued by the company. (2) 	6