



BK BIRLA CENTRE FOR EDUCATION
SARALA BIRLA GROUP OF SCHOOLS
SENIOR SECONDARY CO-ED DAY CUM BOYS' RESIDENTIAL SCHOOL



PRE BOARD-II (2024-25)

BUSINESS STUDIES (054)

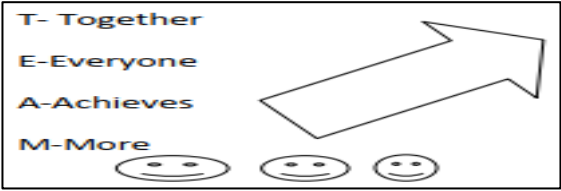
Class : **XII Commerce**
Date : **16/12/2024**
Name : _____

Duration: **3hrs.**
Max. Marks: **80**
Exam No. _____

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.

Questions no. 1 to 20 are Multiple Choice Questions (MCQs)		
1	Richa, a manager of Shekhar Automobiles Ltd.; establishes an atmosphere that encourages employees to do their best. She also creates an environment that makes them want to work. She directs through praise and criticism in such a way that it brings out the best in the employee. Identify the concept highlighted in the above para. a) Management b) Coordination c) Directing d) Organising	[1]
2	The business environment is relatively easier to understand in parts but difficult to grasp in totality. Which feature of business environment is discussed here? a) Dynamic b) Inter-related c) Complex d) Relativity	[1]
3	Which of the following is not financial decisions? a) Investment decision b) Financing decision c) Dividend decision d) Make or buy decision	[1]

4	<p>Return on investment is computed as:</p> <p>a) Total Investment× EBIT c) EBT / Total Investment</p> <p>b) EBIT / Total Investment d) EBIT× EBT</p>	[1]
5	<p>Which Principle is based on the following belief: 'If you try to control everything, you may end up controlling nothing'</p> <p>a) Management by Exception c) Both (A) and (B)</p> <p>b) Critical Point Control d) Neither (A) nor (B)</p>	[1]
6	<p>Highlight the feature of management depicted by the image given here.</p>  <p>a) Goal - oriented c) Group activity</p> <p>b) Pervasive d) Dynamic</p>	[1]
7	<p>In the _____ market, prices are determined and decided by the management of the company.</p> <p>a) Primary c) Stock</p> <p>b) Money d) Secondary</p>	[1]
8	<p>A truck manufacturing company has its registered office in delhi, manufacturing unit at Noida and marketing department is located at Ghaziabad. Which type of Organisation structure should it adopt to achieve its target?</p> <p>a) Functional structure c) Informal organisation structure</p> <p>b) Formal organisation structure d) Divisional structure</p>	[1]
9	<p>Which of the following statements is incorrect about Personal Selling?</p> <p>a) It is a direct face to face dialogue that involves an interactive relationship between the seller and buyer.</p> <p>b) It allows a sales - person to develop personal relationship with the prospective customers.</p> <p>c) It refers to short - term incentives designed to encourage the buyers to make immediate purchase of a product or service.</p> <p>d) In this it is possible to take a direct feedback from the customer and to adopt the presentation according to the needs of the prospects.</p>	[1]

10	<p>Assertion (A): External environments such as social, economical, technical and political have great influence over the management.</p> <p>Reason (R): Management is a dynamic Function.</p> <p>a) Both A and R are true and R is the correct explanation of A.</p> <p>b) Both A and R are true but R is not the correct explanation of A.</p> <p>c) A is true but R is false.</p> <p>d) A is false but R is true.</p>	[1]
11	<p>Harshit Ltd. has grown in size. It was a market leader but with changes in business environment and with the entry of MNCs, its market share is declining. To cope up with the situation CEO starts delegating some of his authority to the General Manager, who also felt himself overburdened and with the approval of CEO disperses some of his authority to various levels throughout the organization. Identify the concept of management discussed above.</p> <p>a) Delegation</p> <p>b) Organizing</p> <p>c) Decentralization</p> <p>d) Centralization</p>	[1]
12	<p>The Securities and Exchange Board of India was established by the Government of India on 12 April, _____ as an interim administrative body to promote orderly and healthy growth of securities market and for investor protection.</p> <p>a) 2000</p> <p>b) 1999</p> <p>c) 2001</p> <p>d) 1998</p>	[1]
13	<p>Statement I: In the modern marketing sense, the term market refers to the place where buyers and sellers gather to enter into transactions involving the exchange of goods and services.</p> <p>Statement II: A marketer's job in an organisation is to identify needs of the target customers and develop products and services that satisfy such needs.</p> <p>a) Both the Statements I and II are not correct.</p> <p>b) Statement II is correct and Statement I is not correct.</p> <p>c) Both the Statements I and II are correct.</p> <p>d) Statement I is correct and Statement II is not correct.</p>	[1]

14	<table border="1" data-bbox="406 149 1151 474"> <tr> <td>(i) Reduction in bank rate</td> <td>(a) Social environment</td> </tr> <tr> <td>(ii) An increasing number of working women</td> <td>(b) Legal environment</td> </tr> <tr> <td>(iii) Prohibition of alcohol advertisements</td> <td>(c) Economic environment</td> </tr> <tr> <td>(iv) On-line flight booking</td> <td>(d) Technological environment</td> </tr> </table> <p>Match the following:</p> <p>a) (i) - (b), (ii) - (d), (iii) - (a), (iv) - (c)</p> <p>b) (i) - (a), (ii) - (b), (iii) - (c), (iv) - (d)</p> <p>c) (i) - (b), (ii) - (c), (iii) - (d), (iv) - (a)</p> <p>d) (i) - (c), (ii) - (a), (iii) - (b), (iv) - (d)</p>	(i) Reduction in bank rate	(a) Social environment	(ii) An increasing number of working women	(b) Legal environment	(iii) Prohibition of alcohol advertisements	(c) Economic environment	(iv) On-line flight booking	(d) Technological environment	[1]
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15	<p>From the following, identify the channel of distribution in which goods pass from the manufacturer to the retailers who, in turn, sell them to the final users.</p> <p>a) Three level channel</p> <p>b) Two level channel</p> <p>c) One level channel</p> <p>d) Zero level channel</p>	[1]								
16	<p>Which of the following is not a protective function of stock exchange?</p> <p>a) Prohibition of fraudulent and unfair trade practices.</p> <p>b) Controlling insider trading.</p> <p>c) Regulation of takeover bids by companies.</p> <p>d) Promotion of fair practices and code of conduct in securities market.</p>	[1]								
17	<p>A leading alcohol and tobacco brand decided to enter an Indian market. In market survey, the company observed that the advertisement of alcohol beverages is prohibited and packets of cigarettes must carry the statutory warning "Cigarette smoking is injurious to health". Identify the business dimension highlighted here.</p> <p>a) Social environment</p> <p>b) Legal environment</p> <p>c) Privatisation</p> <p>d) Globalisation</p>	[1]								
18	<p>Savita was pursuing her graduation. Everyday she saw her mother working tirelessly at home after coming back from her work - place. She decided to start a tiffin service to increase her family income. To begin with she started supplying tiffin only in the neighbourhood. Everyday she detailed out the menu after consulting her mother. For informing the people about her service she designed a beautiful informative pamphlet, got it printed and started distributing it through the daily newspapers. She also</p>	[1]								

	<p>appointed two delivery boys to deliver tiffins. The business was slow to begin with but picked - up well afterwards. She was able to earn a profit of 20% of the revenue in the first month. Identify the promotional tool used by Savita to communicate to the customers about her tiffin service.</p> <p>a) Public relations b) Advertising c) Sales promotion d) Personal selling</p>	
19	<p>A new product is easy to introduce in the market by:</p> <p>a) Branding b) Labeling c) Public relations d) Personal selling</p>	[1]
20	<p>Which of the following headings does not highlight the importance of controlling function of management?</p> <p>a) Initialising action by people in the organisation b) Ensuring order and discipline c) Making efficient use of resources d) Improving employees motivation</p>	[1]
21	<p>Cortico Fabrics was started by Ashish in 2001 to sell bed sheets, towels, comforters, pillows, cushions, bath mats etc. It is now a famous name and its branches are across India. To manage the work all over India, it has eight teams - two each for North, South, East and West India. Ashish spends a considerable amount of time to develop an orderly pattern of group efforts among different teams and to secure unity of action in pursuit of a common purpose.</p> <p>To ensure suitable allocation of tasks to the various members of the teams and to see that the tasks are performed with harmony among the members, he tries to balance the different teams at different locations.</p> <p>(a) Identify the concept of management discussed in the above para. (b) Also, explain any two point of importance of the concept identified in (a) above.</p>	[3]
22	<p>[A] External sources of recruitment are better than internal sources. How? Explain by giving any three reasons in support of your answer.</p> <p style="text-align: center;">OR</p> <p>[B] Explain 'Vestibule Training' and 'Apprenticeship Programmed as methods of training.</p>	[3]
23	<p>Discuss the relationship between planning and controlling.</p>	[3]
24	<p>Explain the first three Steps involved in screen-based trading for buying and selling of securities.</p>	[3]

	OR	
	“Stock Exchange is an institution which provides a platform for purchase and sale of existing securities”. Discuss the functions of stock exchange (any three).	
25	<p>[A] Explain briefly ‘Casual callers’ and ‘Labour contractors’ as external sources of recruitment.</p> <p style="text-align: center;">OR</p> <p>[B] Identify and explain the following as steps in the process of Staffing :</p> <ol style="list-style-type: none"> i. Evaluating an employee’s current and/or past performance against certain predetermined standards. ii. Placing an employee in a position of increased responsibility usually with more pay and job satisfaction. 	[4]
26	<p>[A] The Managing Director of Verma Chemicals Pvt. Ltd. held a meeting of all the departmental managers. In the meeting, the managing director said that besides doing their current work efficiently, they also had to make themselves capable of shouldering more responsibility in future as the company is going to add an additional product to its existing product line. For the realisation of this objective he invited suggestions from all departmental heads. The Managing Director proposed a plan on the basis of the suggestions received. All the departmental heads carried out the plan.</p> <ol style="list-style-type: none"> i. Identify and give the meaning of the style of leadership referred in the above para. ii. Explain other one style of leadership. <p style="text-align: center;">OR</p> <p>[B] Explain Maslow’s need Hierarchy Theory of motivation with the help of diagram?</p>	[4]
27	<p>ALAKA is running a successful business of providing high end beauty services to the upper section of society. Her parlour boasts of innovative beauty products. She has an in house training program for new employees.</p> <p>Also, she believes in high standard of performance and shares her profits with her employees. She also gives them yearly bonus and salary hikes but still she feels that her employees are not as motivated as she wants them to be.</p> <ol style="list-style-type: none"> i Are financial incentives the only way to motivate employees? What are the non-monetary incentives? ii Explain any two non-monetary incentives which contributes to the performance of employees. 	[4]
28	Fixed capital refers to investment in long - term assets. Explain any four factors affecting the fixed capital requirements of an enterprise.	[4]
29	Harish is working as a finance manager in Kozee Softwares Ltd. He has been awarded Best employee of the year Award because of his foresightedness. He always aims at	[4]

	<p>smooth operations of all the financial activities by focusing on fund requirements and their availability in the light of financial decisions. He takes into consideration the growth, performance, investments and requirement of funds for a given period so that financial resources are not left idle and don't unnecessarily add to the cost.</p> <p>By doing all this Harish strives to achieve the two main objectives of an important concept of financial management. Identify the concept and explain its two objectives.</p>	
30	<p>Explain the following rights of a consumer as per the Consumer Protection Act, 2019:</p> <ol style="list-style-type: none"> i. Right to seek redressal ii. Right to be informed. 	[4]
31	<p>[A] Explain the following principles of management:</p> <ol style="list-style-type: none"> i. Equity ii. Authority and Responsibility iii. Stability of Personnel <p style="text-align: center;">OR</p> <p>[B] Explain the following features of principles of management:</p> <ol style="list-style-type: none"> i. Universal applicability ii. Formed by practice and experimentation iii. Flexible 	[6]
32	<p>[A] Explain the following limitations of planning function of management:</p> <ol style="list-style-type: none"> i. Planning may not work in a dynamic environment. ii. Planning leads to rigidity. iii. Planning reduces creativity. <p style="text-align: center;">OR</p> <p>[B] Explain any four points of importance of planning.</p>	[6]
33	<p>Aman Chadha started 'Bulls Eye' a company for providing cybersecurity solutions to businesses. Its objective is to prevent, detect and respond to cyber - attacks and protect critical data. He was a hardworking software engineer and an expert in cybersecurity. His reputation grew by leaps and bounds as he was not only a person of integrity but also did his work with utmost honesty and sincerity. The business started growing day by day.</p> <p>He was delighted when he was offered a big project by the Ministry of Defence. While working on the project, he found that the volume of work made it impractical for him to handle all the work by himself. He decided to expand the team. The company</p>	[6]

	<p>maintained a close liaison with a local engineering college. During a campus placement, Ishan and Vrinda were appointed to work for the new project.</p> <p>He found the new employees capable, enthusiastic and trustworthy. Aman Chadha was thus, able to focus on objectives and with the help of Ishan and Vrinda, the project was completed on time. Not only this, Aman Chadha was also able to extend his area of operations. On the other hand, Ishan and Vrinda also got opportunities to develop and exercise initiative.</p> <p>i. Identify and briefly explain the concept used by Aman Chadha in the above case which helped him in focusing on objectives.</p> <p>ii. Also, Explain any four points of importance of the concept identified in (i) above.</p>	
34	<p>Arvind is planning to start a company manufacturing room fresheners. He intends to use natural fruit extracts for adding fragrance to them. He estimates an investment of Rs. 20 crores to set up the factory. As it is difficult for him to raise the entire capital amount alone, he gives a partnership offer to his school friend, Sanjay who is an angel investor. Sanjay, after being convinced about the feasibility of the project, accepts his offer. Sanjay tells Arvind that they should also focus on other important decisions related to the product, room fresheners besides deciding about its features, variety and quality. Branding is one of the important such decision.</p> <p>In the context of above case:</p> <ol style="list-style-type: none"> 1. Name any other two important decisions related to a product. 2. Why is branding considered as an important function by the marketers? Give any one reason in support of your answer. 3. State any four features of a good brand name. 	[6]

*****ALL THE BEST*****