



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



PRE BOARD-I (2024-25)
BUSINESS STUDIES (054)

Class : **XII Commerce**
Date : **13/11/2024**
Name : _____

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

General Instructions:

Read the following instructions very carefully and strictly follow them:

- i. This question paper contains **34 questions**. All questions are compulsory.
- 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 in about **150 words**.
- vi. Answers to the questions carrying **6 marks** may be in about **200 words**.
- vii. **Attempt all parts of a question together.**

Questions no. 1 to 20 are Multiple Choice Questions (MCQs)		
1.	Coordination integrates the efforts of different departments and at different level. Identify the characteristic of coordination highlighted in the above statement. (a) Coordination ensures unity of action (b) Coordination is an all pervasive function (c) Coordination is a deliberate function (d) Coordination is the responsibility of all managers	(1)
2.	Identify the reason which makes management important in the light of the fact that it is generally seen that individuals in an organization resist change, as a change often means moving from a familiar, secure environment into a newer and a more challenging one. (a) Management helps in achieving group goals (b) Management creates a dynamic organization (c) Management increases efficiency (d) Management helps in the development of society	(1)
3.	Statement I: Management is multi-dimensional. Statement II: The activities involved in managing an enterprise are common to all organisations whether economic, social or political. Choose the correct option from the options given below: (a) Statement I is true and II is false (b) Statement II is true and I is false. (c) Both the statements are false (d) Both the statements are true	(1)
4.	Assertion (A): Efficiency aims at performing tasks with the least wastage of time and effort. Reason (R): Efficiency is about doing the job in a cost-effective manner, i.e., getting maximum output with minimum input. (a) Both Assertion (A) and the Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (b) Both Assertion (A) and the Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A) (c) Assertion (A) is true but the Reason (R) is False. (d) Assertion (A) is false but Reason (R) is True	(1)

5.	<p>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.</p> <p>(a) Economic dimension and Legal dimension (b) Social dimension and Economic dimension (c) Technological dimension and Political dimension (d) Political dimension and Economic dimension</p>	(1)
6.	<p>“According to the Weights and Measures Act, every eatable product should explicitly bear a green dot for vegetarian contents and Red dot for non-vegetarian ingredient “which is a key component of the business environment is discussed in the given case.</p> <p>(a) Social environment (b) Political environment (c) Legal environment (d) Economic environment</p>	(1)
7.	<p>Assertion (A):Entry of new firms in the market may make an enterprise think afresh about how to deal with the situations</p> <p>Reason (R):Business environment assist in planning and policy formulation.</p> <p>(a) Both Assertion (A) and the Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (b)Both Assertion (A) and Reason (R) are true but 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</p>	(1)
8.	<p>The step of organising process in which the jobs are allocated to the members of each department in accordance to their skills and competency:</p> <p>(a) Establishing authority and reporting relationship (b) Identification and division of work (c) Departmentalisation (d) Assignment of duties</p>	(1)
9.	<p>Netflix has adopted “Freedom and Responsibility Culture” gives employees the power to make decisions in the best interests of the company. This approach has helped Netflix to stay ahead of the curve in the highly competitive entertainment industry. Identify the concept of organising discussed in the above case.</p> <p>(a) Delegation (b) Decentralisation (c) Organisational structure (d) Organising process</p>	(1)
10.	<p>‘Controlling in the absence of planning is blind’ what does this statement indicate in respect of both?</p> <p>(a) Only planning is essential (b) Only controlling is essential (c) Both are essential (d) Both are unnecessary</p>	(1)
11.	<p>Amit was working as a 'Production Manager' at 'LG Papers Ltd'. The company had launched new eco friendly paper straws in the market. He was given a target of producing 3,000 straws a day, by the General Manager. In spite of making the employees work overtime, Amit could not meet the target. On investigation, it was found that the employees had not received the right training to manufacture these eco-friendly paper straws. So the employees were sent for special training.</p> <p>The function of management which helped Amit in identifying that he could not meet the target is :</p> <p>(a) Planning (b) Directing (c) Organising (d) Controlling.</p>	(1)
12.	<p>Short Term investment decision is also known as-</p> <p>(a) Dividend Decision (b) Working Capital Decision (c) Capital Budgeting Decision (d) None of these</p>	(1)

13.	<p>Assertion (A): Debt is more risky as compared to Equity. Reason (R): Payment of dividend and return of principal amount is obligatory for the business incase of equity.</p> <p>Choose one of the correct alternatives given below:</p> <p>(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.</p>	(1)
14.	<p>Meena’s friend Teena works as a chartered Accountant in solutions Ltd. Teena in a meeting with the board of directors of the company came to know that the firm would soon be declaring a bonus issue which would result in increase in the price of shares. Considering this, Teena advised Meena to purchase the shares of solutions Ltd. who acted on her advice and bought the shares before time. Which function of SEBI Can control such malpractices?</p> <p>(a) Protective functions (b) Regulatory functions (c) Development Functions (d) All of these</p>	(1)
15.	<p>Kavya wants to buy shares of Alex Ltd. which are being traded at National stock exchange. She feels that the share prices will go up in the future which Market should be approached for this purpose?</p> <p>(a) Money Market (b) Primary Market (c) Secondary Market (d) Both (b) and (c)</p>	(1)
16.	<p>Lens-o was started as an online eyewear company selling glasses and contact lenses on their website. Recently, it set up a uniquely designed offline store, so that customers can also buy their products from the company showroom. Which channel of distribution is used by the company:</p> <p>(a) Zero level channel (b) One level channel (c) Two level channel (d) Three level channel</p>	(1)
17.	<p>Product, Place, Price and Promotion are part of</p> <p>(a) Product Mix (b) Price Mix (c) Marketing Mix (d) Place Mix</p>	(1)
18.	<p>Identify the tool of promotion used by ‘Sharma Garments’ to boost its sales.</p> <p>(a) Advertising (b) Personal Selling (c) Sales Promotion (d) Public Relation.</p> <div data-bbox="810 1205 1465 1545" data-label="Image"> </div>	(1)
19.	<p>The first level of packing in which product is initially packed is called:</p> <p>(a) Primary Packaging (b) Secondary Packaging (c) Transportation Packing (d) None of the above</p>	(1)

20.	Match the terms given in Column-I with their meaning in Column-II.			(1)
	COLUMN - I		COLUMN - II	
	a. Trade Mark	(i)	A name, term, sign, symbol, design or some combination of them used to identify the products and differentiate them from the competitors.	
	b. Brand name	(ii)	A brand or apart of the brand that is given legal protection.	
	c. Brand	(iii)	That part of the brand which can be recognized but which is not utterable	
	d. Brand mark	(iv)	That part of the brand which can be spoken.	
	Choose the correct option from the following:			
	(a) a (i) b (ii) c (iii) d (iv)		(b) a (ii) b (iii) c (i) d (iv)	
	(c) a (ii) b (iv) c (i) d (iii)		(d) a (ii) b (i) c (iv) d (iii)	
21.	After completing his MBA degree, Amar joined a multinational company Zeya Ltd.'. His job demands long hours and commitment to the organization. He is responsible for integrating diverse elements and coordinating all the activities of the business and for its impact on society. His job is complex and stressful.			(3)
	(a) Identify the level of management at which Amar joined the organization.			
	(b) State any two functions to be performed by Amar at this level other than those discussed in the paragraph.			
	OR			
	Top management plans for the entire organization. According to these plans the organizational structure is developed and staffed. In order to ensure that these plans are executed according to plans, directing is required. Any discrepancies between actual and realized activities are then taken care of at the stage of controlling.			
	Name and explain the process highlighted above which started at the planning stage itself and is implicit and inherent in all the functions of management in an organization.			
22.	What is 'Recruitment'? Briefly discuss Internal Sources of recruitment.			(3)
	OR			
	Provide a detailed explanation of each of the following steps in the selection process that can maximise the chances of potential candidates of being selected for the management position.			
	(I) Preliminary Screening	(II) Selection Tests	(III) Employment Interview	
23.	Explain 'Management by exception' and 'Critical point control' with respect to Analysing deviations, a step in the process of controlling.			(3)
24.	Nayar is working as a PGT Commerce in a CBSE affiliated school of Kerala. One day, he was teaching about capital Market in the class. He informed the class that during 1980 the capital Market in India witnessed a tremendous growth because of increasing participation of the public. These ever-increasing investor's population market capitalisation, led to the variety of malpractices on the part of the companies, brokers, merchant brokers, investment consultants and others involved in the securities Market. These malpractices and unfair trading practices eroded investors' confidence and multiplied Investors grievance. The government of India and the stock exchanges were helpless in redressing the investor's problems because of lack of proper provisions in the existing legislation.			(3)
	In view of this, government of India decided to set up a regulatory body.			
	(a) Name of regulatory body which the Government of India decided to set up.			
	(b) Also state any two objectives of the regulatory body identified in part (a) above.			

25.	Explain any four external sources of recruitment.	(4)				
26.	<p>In the organisational context basic salary helps to satisfy the basic physiological needs of hunger, thirst, shelter, sleep etc. How are the remaining needs given by Maslow in his need hierarchy are satisfied? Explain briefly.</p> <p style="text-align: center;">OR</p> <p>Lucky, an expert in the area of Financial Management sent an e-mail to his subordinate Thomas about a new project for a client in France. Though, the mail was in English, a language known to Thomas, he was not able to understand the actual meaning of many words used in the mail. He was also not a specialist in the field of Financial Management. Not only this, some portions of the mail were translated from French to English in such a manner that many mistakes crept in, causing different meaning to the message.</p> <p>(a) Identify two specific barriers to communication in Lucky's e-mail.</p> <p>(b) State any two measures which can be taken by Lucky to overcome the barriers identified in (a) part above to improve in future the effectiveness of his communication.</p>	(4)				
27.	<p>'Leadership indicates the ability of an individual to maintain good interpersonal relations with followers and motivate them to contribute towards achieving organisational objectives.'</p> <p>In the light of this statement, explain any two styles of leadership.</p>	(4)				
28.	<p>Harish is working as a finance manager in 'Zee Software Ltd.' He has been awarded 'Best employee of the year award because of his foresightedness. He always aims at 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. 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> <p style="text-align: center;">OR</p> <p>What is meant by 'Capital Structure'? Explain any two factors that affect the capital structure of a company.</p>	(4)				
29.	<p>The Financial manager of Best Foods ltd. has two options to raise a capital of Rs 80, 00,000.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">OPTION 1</td> <td>Issue 8, 00,000 Equity shares of Rs 10 each.</td> </tr> <tr> <td>OPTION 2</td> <td>Issue 6, 00,000 Equity shares of Rs 10 each and Rs 20, 00,000 through 10% Debt.</td> </tr> </table> <p>The company is expecting a return of 20% on capital employed. The rate of tax is 30%.</p> <p>(i) Under which of the two options will the financial manager be able to take advantage of Trading on Equity? Show your working clearly.</p> <p>ii) Does Earning Per Share always rise with increase in debt?</p>	OPTION 1	Issue 8, 00,000 Equity shares of Rs 10 each.	OPTION 2	Issue 6, 00,000 Equity shares of Rs 10 each and Rs 20, 00,000 through 10% Debt.	(4)
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30.	<p>Discuss the following consumer rights as per Consumer Protection Act 2019.</p> <p>(i) Right to safety (ii) Right to be assured (iii) Right to be informed (iv) Right to seek redressal</p>	(4)				
31.	<p>Raj and Simran are both qualified eye surgeons and good friends. After obtaining a certificate of practice, they decide to pursue a career of their own choice. Raj starts an eye care centre in the city whereas Simran joins a government hospital in a small village. They meet after a long time in a party. Raj invites Simran to visit his eye care centre and she accepts his invitation. She observes at his clinic that there is a fixed place for everything and everyone and it is present there so that there is no hindrance in the activities of the clinic. Also, Raj always tends to replace T with 'We' in all his conversations with the staff members. Later on Raj shares with her that he always deals with lazy staff sternly to send the message that everyone is equal in his eyes. In context of the above case: Identify and explain the various principles of management that Raj is applying for the successful management of his eye care centre.</p> <p style="text-align: center;">OR</p> <p>Explain the following techniques of scientific management:</p>	(6)				

	(i) Method study (ii) Motion study (iii) Time Study (iv) Differential piece wage system	
32.	<p>Explain the limitations of Planning.</p> <p style="text-align: center;">OR</p> <p>Give the meaning of following as types of plans: (i) Programme (ii) Procedure (iii) Policy (iv) Strategy</p>	(6)
33.	What do you mean by 'Decentralisation'? Explain any five Importance of decentralisation.	(6)
34.	<p>Ayush and Rhea were passionate about sustainable agriculture and healthy living. They wanted to start a business selling organic produce. They had a small farm in a rural area where they began growing fresh organic produce and herbs. In the beginning, they faced challenges in marketing their organic products. They realized that their high quality produce needed better presentation and a strong identity to stand out in a competitive market. They named the business 'Earthy Store' which indicated the products' benefits and qualities and reflected the values of the business - sustainability and health. They chose a 'logo' that incorporated elements of nature and used earthy colours to convey their organic commitment. They designed and developed eco-friendly biodegradable bags and reusable containers to courier their products to the customers. They also added personal touch by including handwritten notes in each bag. They also designed and developed product stickers with detailed information about organic certification, nutritional benefits, date of manufacture, date of expiry, etc. The stickers so developed were put on the bags and reusable containers for customer's convenience. 'Earthy Store' created a user-friendly website and established strong media presence to inform potential customers about their products and persuading them to buy the same. Within a couple of months, they had built a loyal customer base which made them earn profits even in a competitive environment. In a year, they were able to secure contracts with local grocery stores and restaurants.</p> <p>Quoting lines from the above paragraph identify and explain the three functions of marketing discussed in the above case.</p>	(6)

ALL THE BEST
