



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



PRE BOARD EXAMINATION 2023-24

BUSINESS STUDIES (054)

Class : **XII Commerce**
Date : **11/12/2023**
Admission No.:

Duration: **3 Hrs**
Max. Marks: **80**
Roll No.:

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers 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. 'Temptations' is a food joint in Imperial Mall in Bengaluru. It is becoming popular among students and working people due to healthy, on-the-go dishes on its menu like 'Paneer Wrap', 'Chickpeas Salad', 'Grilled Sandwiches', etc. It has now decided to open two new branches in other parts of Bengaluru. Which *financial decision* has been discussed in the above case? **(1)**
 - (a) Long-term Investment Decision
 - (b) Short-Term Investment decision
 - (c) Dividend Decision
 - (d) Financing Decision
2. Controlling function finds out how far _____ deviates from standards. **(1)**
 - (a) Actual performance
 - (b) Improvement
 - (c) Corrective actions
 - (d) Cost
3. Which of the following is a component of economic environment? **(1)**
 - (a) Concern with quality of life
 - (b) Rates of saving and investment
 - (c) Extent of government intervention in business
 - (d) Birth and death rates
4. Critical point control focuses on: **(1)**
 - (a) Every Activity
 - (b) Key Result areas
 - (c) Actual Output
 - (d) Planned Output

5. The new issues market is also known as: (1)
- (a) Capital Market (b) Money Market
(c) Primary Market (d) Secondary Market

6.



- Identify the concept which is absent in the above picture. (1)
- (a) Planning (b) Management
(c) Coordination (d) None of these

7. Management by exception states that management should: (1)
- (a) Check everything without exception
(b) Invariably takes corrective action without exception
(c) Accept exceptions in emergencies
(d) Give attention to significant deviations

8. 'SORT-IT Ltd.' is a leading software development company. The company is satisfying the diverse needs of its employees. Its employees are given competitive salaries and perks. They have been given chance for their personal growth and development. For harmony in the organisation management has to reconcile personal goals with organisational objectives. Identify the objective of management being met by 'SORT - IT Ltd.' (1)

- (a) Social
(b) Personal
(c) Organisational
(d) Both Social and Personal
9. Which of the following statements is incorrect: (1)
- (a) Marketing is a social process.
(b) Focus of marketing activities is on customer needs.
(c) Marketing is merely a post-production activity.
(d) Marketing mix is a wider term than product mix.

10. **Statement (I):** Recruitment is a positive step, while selection is a negative process.
Statement (II): Recruitment is a complex process, while selection is a simple process.
Choose the correct option: (1)
- (a) Statement I is correct and Statement II is wrong
(b) Statement II is correct and Statement I is wrong
(c) Both the statements are correct
(d) Both the statements are incorrect

- 11.** The process of converting a message into communication symbols is known as: **(1)**
- (a) Media
 - (b) Encoding
 - (c) Feedback
 - (d) Decoding
- 12.** Which of the following statements does not highlight the relationship between planning and controlling? **(1)**
- (a) Planning and controlling are separable twins of management.
 - (b) Planning without controlling is meaningless and controlling without planning is blind.
 - (c) Planning is prescriptive, and controlling is evaluative.
 - (d) Planning and controlling are inter-related and inter-dependent.
- 13.** Given below are two statements: **(1)**
- Statement I: A complaint can be filed against the seller, manufacturer, or dealer of goods, whose goods are defective.
- Statement II: All complaints about those goods or services whose value is more than Rs.10 crores can be filed before State Commission.
- Choose the correct option:
- (a) Statement I is correct and Statement II is wrong
 - (b) Statement II is correct and Statement I is wrong
 - (c) Both the statements are correct
 - (d) Both the statements are incorrect
- 14.** The positive external trend that will enable a firm to improve its performance, in the context of business is called: **(1)**
- (a) Threat
 - (b) Strength
 - (c) Opportunities
 - (d) Weakness
- 15.** The management of Astha Private Limited helps the staff members adapt to environmental changes so that the organisation is able to maintain its competitive edge. Identify the importance of management highlighted in the above statement. **(1)**
- (a) Achieving group goals
 - (b) Increases efficiency
 - (c) Creates a dynamic organisation
 - (d) Helps in achieving personal objectives
- 16.** Assertion: Control is exercised at all levels of management. **(1)**
- Reason: Controlling is a pervasive function.
- Choose the correct option:
- (a) Both Assertion and Reason are true and Reason is the correct explanation of assertion.
 - (b) Both Assertion and Reason are true and Reason is not the correct explanation of assertion.
 - (c) Assertion is true but reason is false.
 - (d) Assertion is false but Reason is true.

17. Business environment is said to be uncertain as: **(1)**
- (a) Different element or parts of business environment are closely interrelated.
 - (b) It differs from country to country.
 - (c) It is difficult to predict future happenings especially when environment changes are taking place too frequently.
 - (d) It consists of numerous interrelated forces which arise from different sources.

18. Match the given items in Column I with Column II and choose the correct alternative: **(1)**

Column I		Column II	
(A)	Promotion	(I)	Assigning posts to the selected employees
(B)	Orientation	(II)	Higher position, higher responsibilities
(C)	Performance Appraisal	(III)	Evaluation of employee's performance
(D)	Placement	(IV)	Familiarising selected employees with the organisation

- (a) A-(II), B-(IV), C-(III), D-(I)
 - (b) A-(II), B-(IV), C-(I), D-(III)
 - (c) A-(III), B-(IV), C-(II), D-(I)
 - (d) A-(II), B-(I), C-(III), D-(IV)
19. Which level of management is responsible for coordinating the activities of different departments according to overall objectives of the organisation? **(1)**
- (a) Top level of management
 - (b) Middle level of management
 - (c) Lower level of management
 - (d) Both (b) and (c)
20. Banking sector reforms have led to easier credit terms and better services. It is a part of **(1)**
- (a) Social environment
 - (b) Economic environment
 - (c) Political environment
 - (d) Legal environment

21. 'Art is concerned with personal application of knowledge'. In the light of this statement, compare all features of management that proves it as an art. **(3)**

22. Discuss the elements of delegation. **(3)**

OR

Explain in brief the steps in the process of organising.

23. Ashima purchased a bottle of tomato sauce from the local grocery shop. The information provided on the bottle was not clear. She fell sick on consuming it. She filed a case in the

District Forum under the Consumer Protection Act and got relief. **(3)**

(A) Identify the important aspect neglected by the marketer in the above case.

(B) Explain briefly the functions of the aspect identified in part (A) above.

24. Mention any three protective functions of SEBI. **(3)**

OR

Explain any three methods of floating new issues in the primary market.

25. Pramod is a supervisor at 'Shyam Breads and Biscuits Factory'. The factory produces 20,000 packets of bread and biscuits every day. As a supervisor, Pramod ensures that work goes on smoothly and there is no interruption in production. He is a good leader who gives orders only after consulting his subordinates and working out the policies with the acceptance of the group.

Identify and explain the leadership style being adopted by Pramod. **(4)**

26. Enumerate any four benefits of the process by which the aptitudes, skills and abilities of employees to perform specific jobs are increased. **(4)**

OR

Enumerate the limitations of using internal sources for recruitment.

27. Explain the following rights of consumers as per Consumer Protection Act 2019: **(4)**

(A) Right to be informed

(B) Right to seek redressal

OR

Anchal purchased a food processing machine for Rs. 3,000 from Kajal Machinery Pvt. Ltd. She found that the machine was not working properly. Despite many complaints, the defect was not rectified by Kajal Machinery Pvt. Ltd.

(A) Identify the consumer right that has been violated by Kajal Machinery Pvt. Ltd.

(B) Suggest the appropriate commission where Anchal can file her complaint.

(C) Can she appeal to the Supreme Court if she is not satisfied with the order of the appropriate commission? Give reason in support of your answer.

28. Briefly explain the following terms with regards to the planning process: **(4)**

(a) Objectives

(b) Strategy

(c) Policy

(d) Rule

29. In Saarthak Steel, several initiatives have been taken to further improve the motivation levels of employees through designing jobs that include a greater variety of work content, providing certain stability about future income and work, providing fringe benefits like housing, medical aid, etc., allotment of shares in line with various incentives.

Identify and briefly explain the incentives being given by the organisation to the employees. **(4)**

30. Sun Iron Ltd. is manufacturing steel at its plant in India. It is enjoying increased demand for steel as economic growth of the country is about 80%. It is planning to set up a new plant to avail the benefits of increased demand. It is estimated that it will require about Rs 4,000 crore for setting up of plant and about Rs. 600 crore for other expenses to start the new plant. To collect the above mentioned funds, the sources to be used and the quantity to be collected from different sources had to be considered. **(4)**

(A) Identify the above discussed concept and give its meaning.

(B) Explain any Two factors that affect the concept identified in (a) above.

31. Explain any five points of significance of principles of management. **(6)**

OR

Briefly explain any three of the following Principles of management given by Henry Fayol:

(A) Unity of command

(B) Equity

(C) Remuneration

(D) Initiative

32. Explain any six importance of planning function of management. **(6)**

OR

'The pros and cons of each alternative need to be weighed.' Name and briefly explain the logical steps in the process of planning which are followed by a manager before performing the step highlighted in the above statement.

33. Write a brief note on Channels of Distribution. Also explain its types. **(6)**

34. Sahil is the Finance Manager of 'Knitwear Ltd'. The company is engaged in the manufacturing of woollen clothes. The demand of the company's products is seasonal, whereas the production continues throughout the year. Due to the quality of its products, the company's business is spreading across the country. The company is operating at a large scale having its regional offices in Northern, Southern, Eastern and Western India. The performance of its each division is of very high level. For uninterrupted availability of raw materials, the company requires high stock levels. Not only this, to face the competition and to meet the urgent orders of the customers, the company also needed enough stock of finished goods. Considering the above discussion, state six factors affecting working capital requirements of 'Knitwear Ltd'. **(6)**
