



	<p style="text-align: center;">MODEL EXAMINATION CLASS XII BUSINESS STUDIES</p> <p>DATE: _____ TIME: 3 HOURS CLASS: XII MAXIMUM MARK: 80</p> <p>GENERAL INSTRUCTIONS:</p> <ol style="list-style-type: none"> 1. This question paper contains 34 questions. 2. Marks are indicated against each question. 3. Answer should be brief and to the point. 4. Answer 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. 	
Q.N		MAX. MARKS
1	<p>_____ provides a rational approach for setting objectives and developing appropriate courses of action for achieving predetermined objectives.</p> <p>(a) Directing (b) Staffing (c) Planning (d) Controlling</p>	1
2	<p>Which level of management is responsible for the welfare and survival of the organisation?</p> <p>(a) Top level of management (b) Middle level of management (c) Supervisory level (d) Both (b) and (c)</p>	1
3	<p>What distinguishes a successful manager from a less successful one is the ability to put the principles into practice." Which aspect of the nature of management is highlighted in the above statement?</p> <p>a) Management as a science b) Management as an art c) Management as a profession d) Management is an intangible force</p>	1
4	<p>Name the principle of management given by Fayol which when applied would mean that the workers and</p>	1

	<p>management both honour their commitments without any prejudice towards one another</p> <p>(a) Discipline (b) Mental Revolution (c) Remuneration of employees (d) Scalar chain</p>	
5	<p>A brand or part of the brand that is given legal protection is called _____</p> <p>(a) Brand Mark (b) Trademark (c) Brand (d) Brand name</p>	1
6	<p>_____ involves a variety of programmes designed to promote and protect a company's image and its individual products in the eyes of the public.</p> <p>(a) Advertising (b) Personal selling (c) Publicity (d) Public relations</p>	1
7	<p>Which type of organisational structure will you suggest for a firm which has diversified activities and operations requiring a high degree of specialisation ?</p> <p>(a) Centralised structure (b) Decentralised Structure (c) Divisional structure (d) Functional structure</p>	1
8	<p>Grouping similar nature jobs into larger units called departments" is the step in the process of one of the functions of management. Identify the function of management.</p> <p>(a) Planning (b) Organising (c) Directing (d) Staffing</p>	1
9	<p>A major decision area under one of the functions of marketing is the decision regarding marketing intermediaries to be used. Name the function.</p> <p>(a) Physical Distribution (b) Gathering and analysing market information (c) Promotion (d) Transportation</p>	1
10	<p>The nature of the relationship of our country with foreign countries", is a major element of which of the following components of the Business Environment?</p> <p>(a) Social Environment (b) Legal Environment (c) Political Environment (d) Economic Environment</p>	1

11	Which of the following statements is incorrect? (a) Marketing is a social process (b) Focus of the marketing activities is on customer needs (c) Marketing is merely a post-production activity. (d) Marketing mix is a wider term than product mix	1
12	As part of regulations to be followed by advertisers, the advertisement for a new brand of baby food for infants provides important information for potential buyers that it is "Not recommended for infants under the age of four months". Which dimension of the business environment is highlighted in the above statement? (a) Social Environment (b) Legal Environment (c) Political Environment (d) Economic Environment	1
13	The sum total of all individuals, institutions and other forces that are outside the control of a business enterprise but that may affect its performance is known as _____ (a) Business environment (b) Social environment (c) Political environment (d) Economic environment	1
14	India has launched its most advanced Geo-imaging satellite which will allow better monitoring of the subcontinent, including its borders with neighbouring countries, by imaging the country 4-5 times a day. The satellite is capable of near real time monitoring of floods and cyclones. The factor constituting the Business Environment being discussed above is: (a) Social environment (b) Economic environment (c) Technological environment (d) Political environment	1
15	KRA stands for----- (a) Key Resource Area (b) Key Result Area (c) Key Recover Area (d) All of the above	1
16	A Treasury bill is an instrument of _____. a. Interest b. Dividend c. Short term debt d. Long term debt	1

17	Marketing mix is the set of _____ that the firm uses to pursue its marketing objectives in the target market. (a) Production tools (b) Promotional tools (c) Marketing tools (d) Selling tools	1
18	Securities Exchange Board of India (SEBI) was established in ____ a. 2001 b. 1984 c. 1988 d. 1956	1
19	Accrual bond are also known as _____. a. Fixed interest Bonds b. Flat Rate Bonds c. Low Interest Bonds d. Zero Coupon Bonds	1
20	Which instrument indicate in the given statement. "It is used for inter-bank transactions. It is short-term finance repayable on demand with a maturity period of one day to fifteen days". (a) Call money (b) Commercial deposit (c) Depository deposit (d) Certificate of deposit	1
21	Priya is a regional manager of XYZ. Ltd. She is a hardworking employee and is trying to reduce wastage of resources in her company. She has set standards for performance of different activities and is ensuring that targets are met according to these standards with minimal wastage of resources. She has set up CCTV cameras which helps her to keep a close check on the activities of the subordinates and know how the employees are performing. She also rewards the employees with a bonus when these standards are met. She is trying her best to ensure a good performance of her team this year through the application of an important function of management. Explain any three benefits of the function of management highlighted above.	3
22	State any three regulatory functions of the Securities and Exchange Board of India OR Vedansh Limited has a share capital of ₹10,00,000 divided into shares of ₹100 each .For expansion purpose, the company requires additional funds of ₹ 5,00,000 . The management is considering the following alternatives for	3

	raising funds : Alternative 1: Issue of 5000 Equity shares of ₹100 each Alternative 2: Issue of 10% Debentures of Rs. 5,00,000 The company's present Earnings Before Interest and Tax (EBIT) is ₹4,00,000 p.a. Assuming that the rate of Return of Investment remains the same after expansion, which alternative should be used by the company in order to maximise the returns to the equity shareholders. The Tax rate is 50%. Show the working.	
23	Human Resource Management includes many specialized activities and duties which the human resource personnel must perform. In the light of this statement, explain any three such duties performed by Human Resource Manager	3
24	How does controlling help in "Judging accuracy of standards" and "Ensuring order and discipline"?	3
25	Enumerate any four rights of a consumer under the Consumer Protection Act, 2019. OR Enumerate any four responsibilities of a Consumer Protection Act, 2019.	4
26	Vansh Limited is a large and reputed company which manufactures ventilators. After the outbreak of 'COVID-19' in 2020 the company witnessed an increase in revenue by 40%. It has plans to further increase its production capacity and also start production of PPE kits, sanitisers and masks in 2022. The Finance manager of the Company Mr. Rajiv feels confident about the future of the company and its liquidity position. Discuss the meaning of Dividend Decision and in the light of the above statement explain any two factors which should be considered by 'Vansh Limited' while formulating the dividend policy of the company	4
27	State any four points of importance of Directing. OR Define leadership as an element of Directing? Enumerate all three styles of Leadership.	4
28	Identify and explain the two sources of the source of recruitment which cannot be used when the existing staff is either insufficient or does not fulfil the eligibility criteria of the jobs to be filled. OR In an interview with a leading news channel, Mr. Rakesh Kwatra, CEO of 'Get My Job' has suggested that the Companies which want more and more people to apply for jobs in their organisation should make the process of applying for jobs easier and candidate friendly. It is for this reason, he said, that most progressive companies today	4

	<p>have a short application process. He also said that the application form filled by the candidate is very important as it is the information supplied in the application forms, which helps the manager in eliminating unqualified or unfit job seekers. The company can create a mechanism that attempts to measure certain characteristics of individuals like aptitude, manual dexterity, and intelligence to personality. The candidate may then be called for an in-depth conversation to evaluate their suitability for the job.</p> <p>(a). Name the process and steps in the process of identifying and choosing the best person out of a number of prospective candidates for a job discussed above. (b). Also explain the next three steps in the process which can be subsequently performed by the Company.</p>	
29	<p>Rahul determines the overall objectives and strategies for the organisation. He also interacts with business environment to analyse its implications. Name the managerial level at which Ajay Kumar is working. State any four of his basic functions.</p>	4
30	<p>What is meant by business environment? Explain dynamic nature and uncertainty as features of business environment.</p>	4
31	<p>Bhatkaav Enterprises is facing huge losses. The owner of the company is an MBA pass out. Even then many things in the organization are happening which are indicative of lack of proper management in the company. First of all there is no specific sharing of work and any time any employee is asked to do anything. This has led to wastage of efforts. Further due to negligence in proper work sharing there has been no specialization development in the nature of the jobs done by the employees. There are no clear and fair agreements between the workers and the management. This has led to a lot of frustration in the workers. Management has quite often been found to be ignorant of not fulfilling promises done by it. There are also no strict rules and regulations binding on the conduct of the workers. The departmental heads who are the middle level managers in the company and hold key positions always favor their relatives. They quite often don't turn up for job on time. They are always looking for special relaxations from the top management. This has led to feeling of resentment among the employees who are also demanding special favors and threatening strike in the coming days. Identify the three principles of Fayol violated in the above case.</p> <p style="text-align: center;">OR</p>	6

	<p>Enigma Coolers are the leading manufacturers in their area. They have decided to increase the productivity of their workers. For this they have chalked out a plan. They will be hiring operational managers who to work at the lower level of management. They have decided to keep eight managers over a single worker. Thus every worker will have to report to all these eight managers. Which technique of scientific management is followed here? What will be the benefit? Also tell which principle of Fayol will be violated here?</p>	
32	<p>After completing a diploma in Bakery and Patisserie, Payal sets up a small outlet at Goa Airport to provide a healthy food option to the travellers. To begin with, she has decided to sell five types of patties, three types of pizzas and low sugar muffins in four flavours. Thus, by deciding in advance what to do and how to do, she is able to reduce the risk of uncertainty and avoid overlapping and wasteful activities. But sometimes her planning does not work due to some unavoidable circumstances like cancellation of flights due to bad weather conditions, government alert etc. which adversely affects her clientele. In context of the above case:</p> <ol style="list-style-type: none"> 1. Identify and explain the points highlighting the importance of planning mentioned in the above paragraph. 2. Describe briefly the limitation of planning which adversely affects Payal's business <p>OR</p> <p>Arush joins as a sales manager of a company dealing in naturotherapy products. Being proficient in his work, he knew that without good planning he will not be able to organise, direct, control or perform any of the other managerial functions efficiently and effectively. Only on the basis of sales forecasting, he would assist in the preparation of the annual plans for its production and sales. Besides, he will have to prepare sales plans regularly on weekly, monthly, quarterly and half yearly basis. While preparing the sales forecasts, he undertakes intellectual thinking involving foresight, visualization and issued judgement rather than wishful thinking or guess work. Most importantly, all these planning activities will be meaningful only if they will coincide with the purpose for which the business is being carried out. In context of the above case, identify the various features of planning highlighted in the above paragraph by quoting lines from it.</p>	6

33	<p>Ramdas, aged 49 is working in an aviation company. He is the senior most employee in his division. He is even senior to the division manager, Kanaputti. Ramdas is considered one of the most committed, capable and hard-working employees. As a result of his abilities and seniority, he generally received the work assignments of his choice. Although there was no formal designation of various „special’ projects assigned to Ramdas, he handled them as a matter of routine. A problem developed when an able and intelligent person Nagarjuna, aged 33, was appointed by Kanaputti. Nagarjun’s previous three years’ experience in the closely related work, made it possible for him to catch on to the routine work of his new job more rapidly than was customary for a new employee. On several occasions, Kanaputti noticed the tension developing between the two employees. However, he didn’t want to get involved in their personal issues as long as the work was completed effectively and efficiently by them. One day, the tension between them reached the boiling point and Ramdas complained to Kanaputti stating that his duties were being largely taken over by Nagarjun. Kanaputti issued the order stating the clear allocation of the jobs and related duties between the two. He further clarified the working relationship between them by specifying who was to report to whom. This helped in reducing the workload, enhancing productivity and removing ambiguity.</p> <ol style="list-style-type: none"> 1. Identify and state the step of organizing process which has not been carried out properly and contributed to this problem. 2. State the two steps of the organizing process which have been taken by Kanaputti to respond to the complaint of Ramdas. 3. Also state two points of importance of organizing as reflected in the above case. 	6
34	<p>Radhika was a student of Business Studies of Class XII. Her father was a farmer who grew different varieties of rice and was well-versed in the various aspects of rice cultivation. He was also selected by the government for a pilot-project on rice cultivation. As a project work in Business Studies, she decided to study the feasibility of marketing good quality rice at a reasonable price. Her father suggested her to use the Internet to gather customers’ views and opinions. She found that there was a huge demand for packaged organic rice. She knew that there were no predetermined specifications in case of rice because of which it was difficult to achieve uniformity in</p>	6

	<p>the output. To differentiate the product from its competitors, she gave it the name of 'Malabari Organic Rice' and classified it into three different varieties, namely – Popular, Classic and Supreme, based on the quality. She felt that these names would help her in product differentiation. 6 Explain the three functions of marketing with reference to the above paragraph</p>	
	THE END	