

Class – XII
Business Studies
Sample Question Paper 2018-19

MM: 80

Time Allowed: 3hours

	Section A	Marks
1	“Successful organizations do not achieve their goals by chance but by following a deliberate process”. Identify the process highlighted here.	1
2	Distinguish between Delegation and Decentralization on the basis of freedom of action.	1
	Or	
	Distinguish between Authority and Responsibility on the basis of Origin.	
3	Name the process of stimulating and inspiring people at work to accomplish desired objectives.	1
	Or	
	Name the ‘on-the-job’ method of training that is used to give training to plumbers.	
4	Define Marketing Management.	1
	Or	
	Define ‘Grading’ as a function of marketing.	
5	Mohit purchased a smart phone for ₹30,000 from a mobile phone seller on his verbal commitment that the smart phone will be replaced in case of any defect, within a span of six months. The phone started creating technical issues in spite of proper maintenance and upkeep of the phone. The seller denied taking any action on the complaint made by Mohit. Name the redressal agency under the Consumer protection Act where Mohit can file his complaint.	1
6	‘The size of assets, the profitability and competitiveness are affected by one of the financial decisions’. State the decision involved with reference to the given statement.	1
7	In an organization, employees always feel that they are under enormous unnecessary stress, as the manager does not provide any information about future plans but simply instructs them what to do. He also does not listen to any of the suggestions given by the subordinates. Identify the type of leadership style followed by the manager in the above situation.	1
8	Mr. Mohan, Financial manager of ABC Ltd., has prepared the annual Statement of proposed expenditure to be presented in the Annual General Meeting. Identify the type of plan formulated by the financial manager.	1

	Section B	
9	State any three points of importance of directing function of management.	3
	Or	
	State any three measures to overcome the communication barriers.	
10	Rahul decided to start a desert cooler manufacturing business. He sets the target of earning 20% profit on sales in the first year. He was very much concerned about the future prospects of the business, which were uncertain. For this, he gathered information from the potential market and analyzed that the demand for wall mounted coolers is increasing day by day. He used this information as the base for future planning. On the basis of the gathered information, he called a meeting in the following week to find new methods to achieve the objective. a) Identify the function of management involved in the above case. b) Enumerate the next two steps, which have been followed by Rahul that are related to the process of one of the functions of management.	3
11	“The overall objective of SEBI is to protect the interest of investors and to promote the development of, and regulate the securities market.” In light of the given statement, state any three objectives of SEBI.	3
	OR	
	“Financial markets play an important role in the allocation of scarce resources in an economy by performing important functions.” In light of the given statement, state any three functions performed by Financial Market.	
12	‘Delegation is not a process of abdication.’ Comment	3
13	Mr. Rohit is into transport business. His buses are hired by schools for transportation of students. He is willing to expand and diversify his business to inter-state transportation purposes. Enumerate any six factors that will affect his fixed capital requirements.	3
	Section C	
14	The Government of India has recently come up with an amendment to Section 6 of the Payment of Wages Act 1936, to allow employers of certain industries to make payment through various electronics modes of payments. The amendment will be applicable to all the public sector undertakings for wages disbursement using e-payment options. This is another milestone in the direction to further push to cashless economy. Identify and explain any two dimensions of business environment which relate to the above mentioned case.	4

15	State any four differences between Primary market and Secondary Market.	4
	Or	
	Differentiate between Capital Market and Money Market on the basis of : (a) Liquidity (b) Duration (c) Expected Return (d) Safety	
16	Aarushi buys a packet of dry cake from a cake shop without asking for the bill. The pack does not bear any information other than the name of shop. After reaching home she finds the cake to be stale. a) Identify the consumer right that has been violated. b) State any three responsibilities that a consumer must keep in mind while purchasing any good.	4
17	State any four characteristics of good brand name.	4
	Or	
	State any four functions of Packaging.	
18	Kavita recently joined as the human resource director of Arjun Vidyamandir School, a senior secondary educational institute. She observed that the school had an experienced medical team on its payroll. They regularly offered useful suggestions which were neither appreciated nor rewarded by the school authorities. Instead the school outsourced the task of maintenance of health records of the students and paid them a good compensation for their services. Because of this, the existing medical team felt disheartened and stopped giving useful suggestions. a) Identify the communication barrier discussed above. b) State the category of this communication barrier. c) Explain any other two communication barriers of the same category.	4
19	Sherya Ltd. is a large credit-worthy company manufacturing automobiles for the Indian market .It now wants to cater to the other market and decided to invest in new machines. For this, it requires long-term finance. It decides to raise funds by issuing equity shares. The issue of equity shares involves huge floatation cost. To meet the expenses of floatation cost the company decides to tap the money market. a) Name and discuss the money market instrument the company can use for the above purpose. b) What is the duration for which the company can get funds through this instrument? c) State any other purpose for which this instrument can be used.	4
Section D		
20	Identify the technique of sales promotion used by the company in the following cases: (a) Purchase goods worth ₹ 90,000 and get a holiday package of ₹10,000 free. (b) A company offers 40% of extra glucose in a pack of 1 Kg. (c) A mobile company offers a discount of ₹2,000 to clear off excess inventory.	5

	(d) A company offers a pack of 1 Kg of tea with a purchase of 5 kgs of sugar (e) On return of the wrapper, a customer gets ₹5 off on purchase of the same product.	
21	State any five functions performed by the manager who is working at the middle level management. Or State any five characteristics of Coordination.	5
22	Rudrakshi Ltd. is engaged in manufacturing high end luxury pens. The target production is 700 units daily. The company had been successfully attaining this target until three months ago. Over the last few month, it has been observed that daily productions varies between 600-650 units. I. Identify the function of management, which has been highlighted in the above context. II. Discuss the first four steps involved in the process of the function identified above.	5
	Section E	
23	Differentiate between Functional structure and Divisional structure. Or Distinguish between Formal organization and Informal organization.	6
24	A public transport corporation has hired 2000 buses for the different routes for the passengers of metropolitan city. In order to fill vacancies, it advertised in the newspaper and number of applicants applied for the same. The company has to now undertake the process of selection to identify and select the best. Explain the first six steps involved in the process.	6
25	Flavours Ltd. was engaged in the business of making handmade chocolates. Lately, the business was expanding due to good quality and reasonable prices. As the demand was increasing, Flavours Ltd. decided to explore bakery products as well. In order to make bakery products the company directed its workforce to work overtime but this resulted in multiple problems. Due to increased pressure the efficiency declined and the workers had to take orders from more than one superior. Workers were overburdened and their health was also affected. Gradually the quality of the products begins to decline and market share also went down. The company realized that they had implemented changes without waiting for the required infrastructure. Identify and explain the principles/technique of Taylor/Fayol referred to in the above para.	6