

**KENDRIYA VIDYALAYA SANGATHAN ERNAKULAM REGION
COMMON SECOND PRE-BOARD EXAM. 2018-19**

Class XII Business Studies

Time: 3 Hrs.

Marks: 80

General Instructions: -

1. Answers to questions carrying 1 mark may be from one word to one sentence.
 2. Answer to questions carrying 3 marks may be from 50 to 75 words.
 3. Answer to questions carrying 4-5 marks may be about 150 words
 4. Answer to questions carrying 6 marks may be about 200 words.
 5. Attempt all parts of a question together.
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Section A

1. "In an organisation all departments and individuals are independent and they have to depend on each other for information to perform their activities". How does the linking of activities of various departments accomplished? 1

2. "There can be many causes for fatigue in a work place". State any two causes.

Or 1

"Management principles are formed by trial and error method". Do you agree? Give reason.

3. What is meant by 'follow up action' as the step involved in the process of planning? 1

4. State any two limitations of internal sources of recruitment.

Or 1

State any two benefits of training to an employee.

5. Explain the term 'supervision' as an element of directing. 1

6. Define financial management. 1

7. 'Profit can be maximised by attracting and persuading the customers to buy the product'. Which concept of marketing management is being referred to?

Or 1

Name the sales promotion technique in which 'scratch cards' are used.

8. What is meant by 'right to be heard' to a consumer? 1

Section B

9. How does informal organisation support the formal organisation? 3

10. Explain any three assumptions of Maslow's need hierarchy theory.

Or 3

'The barriers to effective communication exist in all organisations'. Explain any three measures to overcome these barriers.

11. H&C publishers Ltd. is a company that publishes books. The company wants to expand its business by printing of books as well. Now the company requires Rs.50 crore for establishment of a sophisticated printing press. It has decided to mobilise this amount through capital market. The company undertook intensive study of the capital market and observed that the market was passing through a boom period. Therefore in this situation investors give priority to invest in equity shares. To invite general public, prospectus was prepared and other procedures regarding floatation of capital initiated.

(i) Identify the method of floatation of capital as mentioned in the above paragraph.

(ii) Besides the above method, explain two other methods of the same category relevant to the above situation. 3

12. Explain the following as factors affecting the requirements of working capital.

(a) Business cycle

(b) Availability of raw material

(c) Level of competition

Or 3

Explain any three points that highlight the importance of financial planning.

13. The SEBI has imposed a penalty of Rs7,269.5 crore on Pearls Agrotech Corporation Limited (PACL) and its four directors--Tarlochan Singh, Sukhdev Singh, Gurmeet Singh and Subrata Bhattacharya who had mobilised funds from the general public through illegal collective investments schemes in the name of purchase and development of agricultural land. While imposing the penalty, the biggest in its history, Securities and Exchange Board of India (SEBI) said the company deserved 'maximum penalty' for duping the common man. It's Prevention of Fraudulent and Unfair Trade Practices Regulations provides for "severe to severe penalties" for dealing with such violations. As per SEBI norms, it can impose a penalty of Rs.25 crore or three

times of the profit made by indulging in fraudulent and unfair trade practices and in the present case, the regulator has imposed a fine equivalent to three times of the profit of the illicit gains.

In context of the above case:

(a) Identify and state the type of function performed by SEBI by quoting lines from the Paragraph.

(b) State two other functions of the same nature. 3

Section C

14. What is meant by demonetisation? State the features of demonetisation carried out in India recently.

Or

What do you mean by privatisation? State its essential features. 4

15. 'Royal Sarees Pvt. Ltd.' a big retailer in saree market used to enjoy high turnover and profit. But now several competing companies have entered the market. As a result, there is a big fall in the sales of the company. In order to overcome this problem, the Managing Director of the company got the market survey done. On the basis of the survey, he arrived at the conclusion that the competing companies were concentrating on reducing the prices. But he thought that instead of concentrating on the prices they could succeed in the competition by focusing their attention on the quality. Therefore now they would have to aim at attracting customers who preferred quality. To make it possible, they would sell only Designer Sarees of the modern cloth. Besides, they would use their efforts to have variety and decoration. The Managing Director also estimated an extra expenditure of Rs.8 crore to translate the scheme into reality.

(a) Identify the type of plan described in the paragraph given above.

(b) State the dimensions of the plan identified above. 4

16. Jack Welch was chairman and CEO of General Electric between the year 1981 and 2001. During his tenure at GE, the company's value rose 4,000%. When he retired from GE he received a payment of \$417 million, the largest such payment in history. He once remarked, "If you pick the right people and give them the opportunity to spread their wings, and put compensation as a carrier behind it you almost don't have to manage them".

In the context of the above case:-

(a) Identify the style of leadership he is referring to in the above lines.

(b) State any three advantages of the style of leadership as identified in part (a). 4

17. In order to expand its business operations, BaBa Ltd. has decided to invest Rs.100 crore in plant & machinery. Name the type of decision involved and explain the factors which affect such decision. 4

18. Shyam bought a pain relieving ointment after seeing it being displayed in the chemists shop. The ointment tube was packed in a cardboard box.

Identify the different levels of packaging of the pain relieving medicine, when it was purchased by Shyam. Also state any three functions of packaging. 4

19. State any four remedies available to a consumer under the Consumer Protection Act, 1986.

Or 4

State any four functions of consumer organisations and NGOs for protecting and promoting the interest of consumers.

Section D

20. Ragu Ram is working as a plant superintendent in a company. At what level of management is he working? State any four functions he will perform as plant superintendent in the company.

Or 5

“Management is not a true science like physics and chemistry in spite of claims by many, that management is also a science”. Do you agree with this statement? Give reasons.

21. You are a management expert. You have been asked by a business firm to make its managers understand the importance of controlling function of management. How will you explain this to the managers. 5

22. ‘Price of a product is influenced by many factors’. Explain any five factors which influence the pricing decision. 5

Section E

23. Mr.Ashok and some of his friends after completing their graduation established a company under the name ‘Surya Roshini Limited’. The company manufactures solar lanterns and its accessories. They were keen on achieving their business objectives through generating maximum employment opportunities, protecting the environment from pollution and to sell quality products at a reasonable price.

To begin with Mr. Ashok and his friends concentrated on price fixation. For this purpose, they tried to find out as what would be the labour cost per unit. They also wanted to know the number of labourers that would be needed to achieve a given target of production.

In order to well organise their company they formulated certain rules. It was absolutely essential for each and every employee of the company to stick to the rules. It was also notified that there will be an employee suggestion system whereby suggestions which result in substantial cost/ time reduction will be rewarded.

From the above discussion identify and explain the following by quoting lines:

- (a) One relevant importance of management.
- (b) One technique of scientific management.
- (c) Two principles contributed by the Henry Fayol. 6

24. Differentiate between functional structure and divisional structure.

Or 6

Distinguish between formal organisation and informal organisation.

25. The process of selection involves judgment about the performance potential of the candidate and thus involves a number of steps. Explain the first six steps involved in the process. 6
