



INDIAN SCHOOL SOHAR
TERM 1 EXAMINATION (2022 – 2023)
BUSINESS STUDIES (054)

CLASS: - XII

MAX MARKS: 80

DATE: 02/10/2022

TIME: 3HRS

General Instructions:

Read the following instructions very carefully and strictly follow them:

- (i) This question paper comprises **five** sections **A, B, C, D** and **E**. There are **31** questions in the question paper.
- (ii) **All** questions are **compulsory**.
- (iii) **Section A** – Question nos. **1** to **16** are very short answer type questions, carrying **1** mark each.
- (iv) **Section B** – Question nos. **17** to **21** are short answer type I questions, carrying **3** marks each.
- (v) **Section C** – Question nos. **22** to **25** is short answer type II questions, carrying **4** marks each.
- (vi) **Section D** – Question nos. **26** to **28** are long answer type I questions, carrying **5** marks each.
- (vii) **Section E** – Question nos. **29** to **31** is long answer type II questions, carrying **6** marks each.
- (viii) Answers should be brief and to the point.
- (ix) There is no overall choice in the question paper. However, an internal choice has been provided in **one** question of **3** marks, **one** question of **4** marks, **one** question of **5** marks, and **one** questions of **6** marks.

SECTION A

1. Silico Ltd. has appointed the former Consulting executive of Shri Shakti Ltd. Rajani Bal as its Vice President. What will be his basic task? [1]
 - A. To integrate diverse elements and coordinate activities of different departments.
 - B. To carry out plans formulated by top managers.
 - C. To oversee the efforts of the workforce.
 - D. Help to maintain quality of output.

2. Using external sources for filling vacant positions: [1]
 - (i) Gives a wider choice.
 - (ii) Simplifies the process of selection.
 - (iii) Instils a competitive spirit among the existing employees.
 - (iv) Does not infuse fresh talent in the organisation.

Choose the correct option from the following:

- A. (i)and (ii)
- B. (i)and (iii)
- C. (i), (iii) and (iv)
- D. (ii) and (iv)

3. The marketing management philosophy which is based on the premise that any activity which satisfies human needs but does not pay attention to the ethical and ecological aspects of marketing cannot be justified is known as: [1]
- A. Marketing concept
 - B. Societal marketing concept
 - C. Production concept
 - D. Product concept
4. State, giving reason, whether the following statement is true or false: [1]
- “Advertising refers to short term incentives which are designed to encourage the buyers to make immediate purchase of a product.”
5. Who among the following is not considered a consumer under the Consumer Protection Act, 1986? [1]
- A. A person who buys any goods for a consideration which has been paid.
 - B. A person who avails of any service for a consideration which has been promised.
 - C. A person who avails of a service for a commercial purpose.
 - D. Any user of goods when such use is made with the approval of the buyer.
6. According to the technique of Scientific management “Differential Piece Wage system” How much more will a worker making 60 units earn as compared to a worker making 49 units? If the standard output per day is 50 units and those who make standard output, or more than standard get ₹ 75 per unit and those below get ₹ 65 per unit. [1]
- A. ₹ 4500
 - B. ₹ 3185
 - C. ₹ 1315
 - D. ₹ 3250
7. State, giving reason, whether the following statement is true or false: [1]
- “A rule is the prescribed way or manner in which a task has to be performed considering the objective.”
8. Which statement is not correct, with respect to ‘Organisation Structure’? [1]
- A. Ensures coordination among human and physical resources.
 - B. Ensures smooth flow of communication.
 - C. Specifies relationship between people, work and resources.
 - D. Establishes standards for controlling.
9. The package of KRM Rawa Idli Mix describes the procedure of cooking idlis in three easy steps. It also specifies its ingredients, instructions for storage and serving. The function performed by the label in [1]

the above case is:

- A. Describing the product and specifies its contents.
- B. Identification of the product or brand.
- C. Helping in promotion of products.
- D. Providing information required by law.

Read the following text and answer the following questions 10 and 11 on the basis of the same:

Mr. Vikas Goel is an H.R. Manager of “Sanduja Furniture Private Limited.” At the beginning of the new year, he anticipated that the company would need 30 new additional persons to fill up different vacancies. He gave an advertisement in the newspaper inviting applications for filling up different vacant posts. As many as 120 applications were received. The same were scrutinized. Out of these, conditions of 15 applicants were not acceptable to the company. Letters of regret, giving reasons, were sent to them. Remaining candidates were called for preliminary interview. The candidates called for were asked to fill up blank application forms. Thereafter, they were given four tests. The objective of the first test was to find out how much interest the applicant takes in his work. The objective of the second test was to find out ‘specialization’ of the applicant in any particular area. Third test aimed at making sure whether the applicant was capable of learning through training or not. The purpose of the fourth test was to find out how much capability a person has to mix-up with other persons, and whether he can influence other persons and get influenced by them.

10. At the beginning of the new year, he anticipated that the company would need 30 new additional persons to fill up different vacancies. Identify the step of staffing. [1]
- A. Placement and Orientation
 - B. Training and Development
 - C. Recruitment
 - D. Estimating Manpower Requirement
11. The purpose of the fourth test was to find out how much capability a person has to mix-up with other persons, and whether he can influence other persons and get influenced by them. Which tests is indicated in this situation. [1]
- A. Personality Test
 - B. Intelligent Tests
 - C. Aptitude Test
 - D. Trade Test
12. In Sharleen Pvt Ltd. there is one head Sharleen who has two lines of authority under her. One line consists of Sara-Rajat-Abhishek-Ismail-Chris. Another line of authority under Sharleen is Lata-Rupa-

Geeta-Hussain-Preet. According to a Principle of Management given by Fayol, If Ismail has to communicate with Hussain who is at the same level of authority, and then illustrate the route he will have to traverse.

- A. Ismail-Abhishek-Rajat-Sara-Sharleen-Lata-Rupa-Geeta-Hussain
- B. Hussain-Geeta-Rupa-Lata-Sharleen-Sara-Rajat-Abhishek-Ismail
- C. Ismail-Chris-Sharleen-Preet-Hussain
- D. Ismail-Abhishek-Rajat-Sara-Lata-Rupa-Geeta-Hussain

13. Arrange the following steps in the process of organising in the correct sequence: [1]

- (a) Assignment of duties
- (b) Departmentalisation
- (c) Identification and division of work
- (d) Establishing reporting relationship

Choose the correct option:

- A. (a) ; (b) ; (d); (c)
- B. (c) ; (b) ; (a); (d)
- C. (c) ; (b) ; (d); (a)
- D. (b) ; (c) ; (a); (d)

14. Identify the dimension of the characteristic of management- "it is multidimensional", which specifies [1] that the task of management is to make the strengths of human resources effective and their weaknesses irrelevant towards achieving the organisation's objectives.

- A. Management of work
- B. Management of people
- C. Management of operations
- D. Management of goals

15. For the following two statements choose the correct option: [1]

Statement I: Accountability can be delegated

Statement II: Responsibility can be delegated completely

- A. Statement I is correct and II is wrong
- B. Statement II is correct, and I is wrong
- C. Both the statements are correct
- D. Both the statements are incorrect

16. Read the following statements -Assertion (A) and Reason(R), Choose one of the correct alternatives. [1]

Assertion :(A) Planning is futuristic.

Reason: (R) Planning is concerned with the future which is certain and does not require forecast.

- A. Both (A) and (R) are correct.
- B. (A) is correct (R) is incorrect.
- C. Both (A) and (R) are correct, and R is the correct explanation of R.
- D. Both (A) and (R) are correct, and R is not the correct explanation of R

SECTION B

17. Explain any four points of difference between Marketing and Selling. [3]
18. Mayank, the director of a company, is planning to manufacture stuffed toys for utilising waste material of one of his garments factories. He decided that this manufacturing unit will be set up in a rural area, so that people living in rural areas can have job opportunities. For this he selected Arbaaz, Kriti, Lata and Ritika as heads of Sales, Accounts, Purchase and Production departments respectively. They were differently abled but intelligent and creative persons in designing. State the next three steps Mayank has to follow in the staffing process after selecting heads of different departments. [3]
19. Distinguish between Formal and Informal organisation on the basis of the following: [3]
- A. Origin. B. Authority; and C. Leadership

OR

Distinguish between Functional and Divisional structure on the basis of the following points:

- A. Coordination. B. Managerial Development; and C. Cost
20. Science is a systematized body of knowledge that explains certain general truths or the operation of general laws.' In the light of this statement, describe management as a science. [3]
21. Vaibhav Sharma was working as the Production Manager in Crescent Pharmaceuticals Pvt. Ltd. To get his son admitted in school he wanted to take leave from the office but on the same day, an important meeting with the Chief Executive Officer (CEO) of the company was scheduled to discuss about some new medicines to be manufactured. Considering the significance of the meeting, he did not take leave. The CEO appreciated his exemplary behavior as he gave priority to the organisational interest over his personal interest. Name and explain the principle of management being followed by Vaibhav Sharma in the above case. [3]

SECTION C

22. In 2015, Naveen left his luxurious life in Mumbai, where he worked as a manager for Bluebirds Ltd. He shifted to Begampur, Chhattisgarh to fulfill his grandmother's dream of converting their 25-acre ancestral land into a fertile farm. For this he set out specific goals along with the activities to be performed to achieve the goals. Every activity was a challenge since he was clueless about farming. He learnt every activity from filling the land to sowing the seeds. To aid farmers he launched his own [4]

company 'Innovative Agriculture Solutions Pvt. Ltd.' It was difficult initially as no one trusted an urban youth telling farmers about farming. But when everything was discussed in detail the farmers started taking interest. He wanted to ensure that the future events meet effectively the best interests of the company. Through sales forecasting, he prepared an annual plan for production and sales. He also found that the farmers grew only paddy, which was an activity of 3-4 months and the land remained idle for the rest 8-9 months of the year. He not only identified but evaluated various alternatives through which the farms could be utilized for the remaining months of the year. Through correct foresight and logical and systematic thinking based on analysis of all facts, all alternatives were examined and evaluated. He presented a plan to the farmers, where after harvesting paddy, vegetables could be grown. The above case highlights the features of one of the functions of management. By quoting lines from the above identify and explain these features.

23. "Every time I travelled, people asked me to bring them chips, khakhra and pickles from all over the country," says Anoushka. Finally, she and her colleague, Sumeet, decided to make a business out of it. They launched a Facebook page, asked people what they wanted and they came up with a list of about 100 places and tied up with two dozen vendors to begin with. They were servicing people from Jaipur who wanted spices from Kerala, people from Panipat who wanted halwa from Jammu and people from Delhi who ordered for fresh tea leaves from Darjeeling. Through their business they wished to bridge the gap between sellers and buyers. The business is now worth millions. Explain any two important activities that Anoushka and Sumeet will have to be involved in for making the goods available to the customers at the right place, in the right quantity and at the right time. [4]

OR

R&T Reality, the property development arm of the construction and engineering giant R&T in a recent report to the media shared that it is betting on bigger and better projects providing greater benefits to the customers, lower prices and faster execution to boost its growth. The spokesperson of the company informed the media that besides the innovative features, quality and brand, the fair pricing followed by the company is also a hit with the buyers. He said that the company is also focusing on accurate, speedy and timely delivery. Proper communication with the market was being maintained through advertising. Even dealers were to be offered incentives to boost the sales. The above para describes the combination of variables used by R&T Reality to prepare its market offering. Identify and explain the variables.

24. Mr. Murthy is the Human Resource Manager of Hind Hospital in Vellore. He has to appoint nurses for the hospital. Since patients in the hospital are of different types, he wants to find out the candidates' [4]

maturity and emotions in dealing with the patients. He also wants to know about the candidates' ability to make decisions. Explain two types of tests that Murthy can use to meet his requirements.

25. Sumit purchased an ISI marked washing machine of a famous brand 'MG' from TG Electronics Ltd. The shopkeeper asked him to wait for two days for installation of the machine. His friend, Vivek, was very fond of experimenting with new electronic products. He told Sumit that there is no need to wait for the company's representative to install the machine and that he could do it. So, both of them installed the machine without following the manufacturer's instructions. Initially, the machine worked effectively, and the wash was good. But after two days, the machine started stopping in between the wash cycle. Sumit and Vivek tried their best to start the machine but failed in their efforts. Sumit, therefore, approached TG Electronics Ltd., which refused to provide any service on the plea that installation of the machine was not done by the company. [4]
- A. State the responsibility which Sumit has to fulfil to get the services of the company.
 - B. Explain briefly any two rights which Sumit could have exercised had he fulfilled his responsibility identified in part A.

SECTION D

26. Atul joins as a Regional Sales Head in the export division of a FMCG company. In a departmental meeting, he asks one of these subordinates, Manik, to take charge of the company's new office in Dubai. He allocates the work to him and grants the necessary authority. However, within a month by seeking regular feedback on the extent of work accomplished from Manik, Atul realises that Manik is not doing the work as per his expectations. So, he takes away the authority delegated to him and re delegates the work to Prakrit. Due to the time wasted in this switch over, the work at the Dubai office suffers tremendously and the company is not able to meet its desired goals. [5]
- A. Why is Manik supposed to give regular feedback about work to Atul?
 - B. Can Manik be held responsible for not meeting the work-related expectations of Atul? Give a suitable reason in support of your answer.
 - C. Differentiate between authority, responsibility and accountability on the basis of origin and flow.

27. Fayol and Taylor both have contributed immensely to the knowledge of management, which has become a basis for further practice by managers. Taylor thought that by scientifically analysing work it would be possible to find 'one best way' to do it. He is most remembered for his time and motion studies and functional foremanship. He said that the best result would come from the partnership between a trained and qualified management and a cooperative and innovative workforce. Fayol [5]

explained what amounts to a manager's work and what principles should be followed in doing this work. In the light of the above discussion, differentiate between the contribution of Taylor and Fayol on the following basis:

A. Perspective B. Unity of command C. Applicability D. Basis of formation E. Concept

28. An important difference between S&M Ltd and most other companies is that instead of operating as one large corporation it operates as 180 smaller companies each focused on a specific product and area, implying selective dispersal of authority, recognising the decision makers need for autonomy, as decision making authority is pushed down the chain of command. It enables the company to maintain short lines of communication with customers and employees and accelerate the development of talent. Identify the philosophy that is being followed by S&M Ltd. through which it is dividing the decision- making responsibilities among the hierarchical levels. State any five points of importance of the philosophy identified [5]

OR

State any five duties that are performed by the human resource personnel.

SECTION E

29. 'Pushpanjali Ltd.', is manufacturing chocolates, biscuits, cakes and other similar products. The company is not generating enough profits. Saurabh, the Marketing manager of the company got a survey conducted to find out the reasons. The finding of the survey revealed that in spite of better quality, the customers were not able to distinguish the products of the company from its competitors. Though the customers wanted to buy the products of 'Pushpanjali Ltd.' again and again because of its goods quality, but they were not able to identify its products in the market. Because of this, the sales of the company could not pick up resulting in inadequate profits. Saurabh, the Marketing manager now realised that 'Pushpanjali Ltd.' had forgotten to take one of the most important decisions related to the product. [6]
- A. What decision should 'Pushpanjali Ltd.' take so that its customers are able to identify its products in the market?
- B. Explain the benefits that may result to 'Pushpanjali Ltd.' and its customers if the above decision is taken.
30. Karan Nath took over 'D'north Motor Company' from his ailing father three months ago. In the past the company was not performing well. Karan was determined to improve the company's performance. He observed that the methods of production as well as selection of employees in the company were not scientific. He believed that there was only one best method to maximize efficiency. He also felt that once the method is developed, the workers of the company should be trained to learn that 'best [6]

method'. He asked the Production Manager to develop the best method and carry out the necessary training. The Production Manager developed this method using several parameters right from deciding the sequence of operations, place for men, machines and raw materials till the delivery of the product to the customers. This method was implemented throughout the organization. It helped in increasing the output, improving the quality and reducing the cost and wastage.

Identify and explain the principles and the technique of scientific management followed by the Production Manager in the above case.

31. The IT major GIPRA is terminating the employment of its senior managers, if after evaluating their performance against pre-determined standards if it is found lacking. With this disruption analysts say a large portion of the employees may become irrelevant unless they learn new skills and apply the knowledge to work on emerging technologies. GIPRA is ready to facilitate employee learning, through its in-house centers. [6]
- A. Name the function of management performed by GIPRA to maintain a satisfactory work force.
 - B. Identify and explain the two steps in the process of the function of management discussed above.
 - C. Also state any two steps of the function of management discussed, that the firm had to perform before performing the above steps.

OR

After completing his studies, Mahesh started working in a Non-Governmental Organisation (NGO) as an Administrative Officer. The organisation is engaged in activities related to consumer welfare. One day when his mother returned home after shopping, she gave him the mixed fruit juice which she had bought. After consuming the juice, Mahesh started feeling uneasy. On checking, he found that the juice packet purchased was without FPO mark. He realised that there is a strong need to educate consumers about the role of NGOs before buying any good or service.

State any six functions which the NGOs can perform to impart knowledge and educate consumers.