

Divya
17/sep/24

BUSINESS STUDIES
CLASS XII FIRST TERM EXAM (2024-25)

Time : 3 hrs

Max Marks – 80

General Instructions:

1. This question paper contains 34 questions.
2. Answers should be brief and to the point.
3. Answers to the questions carrying 3 marks may be from 50 to 75 words.
4. Answers to the questions carrying 4 marks may be about 150 words.
5. Answers to the questions carrying 6 marks may be about 200 words.
6. Attempt all parts of the questions together.

Section - A

1. The Pinnacle group is looking to make a foray into manufacturing of semiconductors and it has set up a business to seize the business opportunity and add to its prospects in the long run. The company has already pivoted into a number of new projects like electronics, 5G network equipment, as well as semiconductors. Which economic objective of management does the business seek to fulfill? (1)

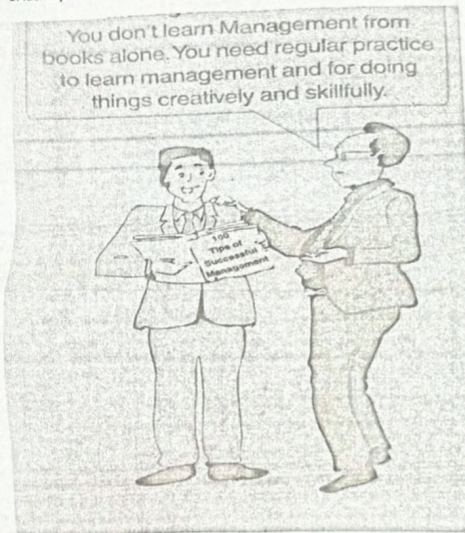
- (a) Survival
- (b) Growth
- (c) Profit
- (d) Efficiency

2. Infinity Pvt. Ltd. manufactures custom in-ear monitors for musicians. Although it has been in the business for the last five years and has a considerable market share, on conducting an analysis it found that the company was spending almost 10% of the total cost on packaging. The company decided to outsource the packaging function to a professional packaging company. The decision helped the firm to achieve its goals through greater customer satisfaction by timely delivery of orders and also helped the company in reducing the cost of packaging by 5%. After the implementation of the decision for outsourcing, the company has become:- (1)

- (a) effective
- (b) efficient
- (c) both efficient and effective

(d) neither efficient nor effective

3. Identify the concept of management from the picture: - (1)



- (a) Management as a Profession
- (b) Management as an Art
- (c) Management as a science
- (d) Management as both Science and Art

4. Which of the following principles of management enhances the feeling of job security ? (1)

- (a) Stability of Tenure
- (b) Scalar Chain
- (c) Equity
- (d) Esprit de Corps

5. The principles of management are said to be flexible as: (1)

- (a) they aim at influencing the behaviour of human beings.
- (b) they are general guidelines to action but do not provide readymade solutions to management problems.
- (c) they can be modified by the manager when the situation demands.
- (d) their application is dependent upon the prevailing situation at a particular point of time.

6. Technique of mental revolution is based on the principle of _____. (1)

- (a) Harmony not discord
- (b) Science not rule of thumb
- (c) Principle of authority and responsibility
- (d) All of the above

7. Garv and Gaurav are entrepreneurs. They noticed that every year in the months of November and December, Delhi, the capital city of India, witnesses poor air quality and rise in pollution levels. They also observed that nowadays people are more concerned about quality of life. Sensing the need, they were the first to bring into the market a new 'Anti-Pollution W-98 Mask' which was not only helpful in combating the pollution but also in increasing the life expectancy of people. Their venture saw a massive success as there was no competitor. From the following, identify the importance of Business Environment highlighted above - (1)

- (a) Business Environment helps the firm to identify threats and early warning signals.
- (b) Business Environment helps in tapping useful resources.
- (c) Business Environment helps in improving performance.

(d) Business Environment enables the firm to identify the opportunities and in getting the first mover advantage.

8. Demonetisation has shown a major impact on all major sectors of the economy. Choose the incorrect statement about the impact of demonetisation. (1)

- (a) decline in cash transactions
- (b) increase in bank deposits
- (c) increase in real estate prices
- (d) increase in financial savings

9. Due to planning changes in Business environment do not come as shock and surprise. This is related to which importance of planning. (1)

- (a) Planning facilitate decision making
- (b) Planning promotes innovative idea
- (c) Planning reduces the risk of uncertainties
- (d) Planning provides direction

10. Read the following statements: Choose the correct alternative from those given below: (1)

ASSERTION (A): The first step in the planning process is to identify objectives.

REASON (R): The objectives should be established for the entire organization as well as for each and every department.

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
- c) Assertion (A) is true but Reason (R) is False.
- d) Assertion (A) is False but Reason (R) is True.

11. Planning is closely connected with _____ and _____. (1)

- (a) Responsibility , Accountability
- (b) Delegation , Decentralization
- (c) Stability , Security
- (d) Creativity , innovation

12. Standards are the benchmark to _____. (1)

- (a) measure future performance

- (b) measure actual performance
- (c) correct future performance
- (d) correct actual performance

13. Which one of the following is not the step in the process of controlling? (1)

- (a) Measurement of actual performance
- (b) Setting performance standards
- (c) Taking corrective action
- (d) Establishing reporting relationship

14. Read the following statements: Choose the correct alternative from those given below: (1)
ASSERTION (A): Controlling is considered to be a goal oriented function.

- REASON (R): It enables the manager to be certain that the work is moving in the right direction.
- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 - b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).
 - c) Assertion (A) is true but Reason (R) is False.
 - d) Assertion (A) is False but Reason (R) is True.

15. Advertisement is always given by an _____ .(1)

- (a) Identified sponsor
- (b) Unidentified sponsor
- (c) Government
- (d) None of the above

16. 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

17. A bundle of utilities is known as _____ : (1)

- a) Product
- b) Customer

- c) Seller
- d) Market

18. For the following statements, choose the correct option:

Statement – I: "Assert yourself to ensure that you get a fair deal" is a consumer right.

Statement – II: Right to be heard means a right to file a complaint in case of dissatisfaction with a good or a service.

Choose the correct option from the options given below: (1)

- (a) Statement I is correct and Statement II is not correct
- (b) Statement II is correct and Statement I is not correct
- (c) Both the Statement I and II are correct
- (d) Both the Statement I and II are not correct

19. Shubhangi purchased a car for Rs. 11 crores and found its engine defective. Despite many complaints, the defect was not rectified. She filed a complaint to National Commission but was not satisfied with its order. Suggest to her the appropriate authority where she can appeal. (1)

- (a) National Commission
- (b) District Commission
- (c) Supreme Court of India
- (d) None of the above

20. On a packet of juice, chips, biscuits what mark should be present: (1)

- a) Agmark
- b) ISI
- c) FPO
- d) None of the above

Section - B

21. Shiv's father is working as a section in-charge in a government office. Identify the level of management at which he is working? State any five functions that he has to perform at this level. (3)

22. Laalji Enterprises is facing huge losses. The owner of the company is an MBA pass out. Even then many things in the organisation 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 specialisation 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 favour 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 favours and threatening strike in the coming days. Identify the three principles of Fayol violated in the above case by quoting the lines. (3)

23. Raman Ltd. gave its sales executives the directives so that they could sell these goods on credit. Also it was told very clearly to inform the customers that if up to one month they did not make the payment, after the completion of this period, they would have to pay interest for the whole period at the rate of 12% per annum. Identify and explain the types of plans mentioned above by quoting the lines. (3)

OR

Vardaan Patel started the business of preparing and supplying sweets through home delivery at a production cum showroom 'Express Sweets' at Ahmedabad. He made a plan forecasting the sales of different types of sweets in various localities of Ahmedabad for each month of year to earn a profit of 20% on Capital employed. He sets a sales target of Rs.20,00,000 in the current year with a 10% increase every year. He then set the criteria for selecting suppliers from whom he would make purchases of raw material. The planning paid off and the business was able to achieve its targets. Identify and explain any two types of plans by quoting the lines from the above.(3)

24. "If anything goes wrong with the performance of key activities, the entire organisation suffers. Therefore, the organisation should focus on them." Explain the statement with a suitable example. (3)

Section - C

25. Shine Ltd. is facing a lot of problems these days. It manufactures white goods like washing machines, microwaves, refrigerators, and air conditioners. The company's margins are under pressure and the profits and market share are declining. The production department blames the marketing department for not meeting sales targets and marketing department blames production department for producing goods which are neither of good quality nor meeting customers expectations. The finance department blames both the production and the marketing department for a declining return on investment and bad marketing. (4)

(a) Which quality of management do you think the company is lacking? Explain briefly.

(b) State the importance of the concept identified in part (a)

26. Tarang Enterprises Ltd. decided to start its new venture in Delhi. For this they needed to understand the Business Environment of the area. It was realised by the company that the Business Environment of Delhi was very hard to understand unless and until it was divided into different business dimensions like legal, political, economic, social and technological conditions. After understanding the business situations, the company started to study the close links between different elements of the Business Environment. They gave a proper shape to their research and the business got started with full force. Later they realised that the products they were selling in Delhi were more fit for the European culture and decided to start a new branch in Belgium where the demand of their products was very high from the first day. The company came to be recognized and in few years became a global brand. The reason for its success in different countries was the adaptability it showed in meeting the changing environment. The company kept track of all happenings and did a periodic survey of the choices of the customers. It recognized that there was no surety in the nature of market and it was very unpredictable.

Which features of Business Environment have been highlighted in the above case? Identify the lines which highlight these features. (4)

27. Hina, a home science graduate from a reputed college has recently done a cookery course. She wished to start her own venture with a goal to provide 'healthy food' at reasonable price. She discussed her idea with her teacher (mentor) who encouraged her. After analyzing various options for starting her business venture, they shortlisted the option to sell readymade and 'ready to make' vegetable shakes and sattu milk shakes. Then, they both weighed the pros and cons of both the shortlisted options. (4)

(a) Name the function of management being discussed above and give any one of its characteristics.

(b) Also briefly state any three limitations of the function discussed above.

28. An established firm has fifty years of experience in shipping industry. The company time and again proves itself as one of the dominant figures in the market. The plan for the whole year is given a lot of importance. According to the owner of the company their plans are the basic structures upon which other important functions of management rest. It is important that the plans are communicated to the employees. The top management ensures that the plans are communicated and implemented at all levels and in all departments. To learn from past mistakes is a habit of this successful company. They prepare plans for short term as well as long term where it can be seen that throughout the year the plans are prepared one after another. Shipping industry needs such dedicated companies. The goals are specific and the activities to achieve these specific goals are undertaken. The company has planned a growth of 20% in revenue this year. Let's see how much it's possible for it to achieve it by the end of the year. In the above case identify the various features of planning highlighted. (4)

29. Mohit and Sam are managers in the same organisation heading different units. While discussing about the functions of management, Mohit says that 'Planning is looking ahead

whereas controlling is looking back.' But Sam says, 'You are wrong because planning is looking back whereas controlling is looking ahead.' Both are giving reasons in favour of their statements. Explain the possible reasons given by both and justify who is correct. (4)

OR

How does controlling help in " Judging accuracy of standards" and " Ensuring order and discipline"? (4)

30. Mrs. Sen sent a jacket to a laundry shop in January 2023. The jacket was purchased at a price of Rs. 4,500. She had previously sent the jacket for dry cleaning with Shine Dry Cleaners and the jacket was cleaned well. However, she noticed that her jacket had white discoloration marks when she collected the jacket this time. On informing the dry cleaner, Mrs. Sen received a letter confirming that discoloration indeed appeared after the jacket was dry cleaned. She contacted the dry cleaner multiple times and requested for compensation for a discolored jacket but to no avail. Upon Consumer court's intervention, Shine Dry Cleaners agreed to compensate Rs. 2,500 to Mrs. Sen for the discolored jacket. (4)

- Which right was exercised by Mrs. Sen at the first instance?
- State which consumer responsibility has been fulfilled by Mrs. Sen in the above case.
- State any other two responsibilities to be assumed by the consumers.

Section - D

31. Principles of Taylor and Fayol are mutually complementary. One believed that management should not close its ears to constructive suggestions made by the employees while the other suggested that a good company should have an employee suggestion system, whereby suggestions which result in substantial time or cost reduction should be rewarded. Identify and explain the principles of Taylor and Fayol referred in the above paragraph. (6)

32. Royal Inc., is a multinational corporation that creates consumer electronics, personal computers, servers and computer software. The company also has a chain of retail stores known as Royal Stores. Despite high competition, Royal has succeeded in creating demand for its products, giving the company power over prices through product differentiation, innovative advertising and ensured brand loyalty.

In the context of above case: (6)

- What is product differentiation?
- Name any one function of marketing that facilitates product differentiation.
- Identify the component of promotion mix being used by the company by quoting lines from the paragraph.
- Describe briefly the three pricing objectives pursued by the company.

OR

' Best Electronics' started manufacturing washing machines under the brand name 'Amaze'. Once the washing machines were manufactured, packaged, branded, priced and promoted,

they had to be made available to the customers at the right time, at the right place and in the right quantity. 'Best Electronics' provided for accurate and speedy processing of orders so that the washing machines reach the customers in time, in the right quantity and specifications. They also ensured that washing machines are physically made available to the customers. Further, 'Best Electronics' arranged for facilities to store that washing machines at different locations near the market to minimize the charges on transportation. Explain any three components of physical distribution discussed in the above case. (6)

33. Mona intends to start an enterprise that produces chocolates. Initially, in order to assess the taste and preferences of the people about the chocolates. She used social media and online surveys. Thereafter, she prepared a detailed SWOT (strengths, weaknesses, opportunities and threats) analysis of her enterprise to devise a strategy that will give her an edge over the competitors. Based on her analysis of the market, she decided to launch sesame and jaggery based chocolates under the brand name 'Desi Delight'. She has decided to fix up the price of chocolates relatively at lower level in the beginning and later on as the demand picks up she may revise the prices. In the context of above case: (6)

- (a) Identify the elements of marketing mix being taken into consideration by Mona.
- (b) Explain briefly the functions of marketing highlighted here.
- (c) Do you think she has selected an appropriate brand name for her product? Why or why not? Give a reason for your answer.

34. "Business cannot survive for a long time by ignoring the interests of consumers". State and explain the importance of consumer protection from businessmen's point of view. (6)