



विद्या सर्वार्थ साधिका

**ANANDALAYA**  
**PRACTICE TEST**  
Class : XII

Subject: Business Studies

Date : 23/12/2019

M.M: 80

Time: 3 Hours

**General Instruction:**

- (i) Question paper is divided into five sections, A, B, C, D, and E respectively.
- (ii) Section-A consists of Question numbers 1 to 20 of 1 mark.
- (iii) Section-B consists of Question numbers 21 to 25 of 3 marks.
- (iv) Section-C consists of Question numbers 26 to 28 of 4 marks.
- (v) Section-D consists of Question numbers 29 to 31 of 5 marks.
- (vi) Section-E consists of Question numbers 32 to 34 of 6 marks.
- (vii) Attempt all parts of a question together.

**Section - A**

1. Management helps: (1)
  - a) to achieve goals
  - b) increase efficiency
  - c) to create dynamic organisation
  - d) all of these
2. The top management of Jadeja Ltd. focuses on maintaining an effective two-way communication with their employees. They aim to keep everyone well informed and involve employees in company's activities and provide opportunities for them to give feedback. What will the company achieve by following such a network of communication? Give any two points. (1)
3. Mental revolution means transformation of thinking for: (1)
  - a) management
  - b) workers
  - c) management & workers
  - d) staff
4. Managers need to be dynamically competent for all the changes happening in the environment. In the music industry CDs were major source of entertainment, gradually online video and music platforms have replaced them. Managers must have to adapt their organization accordingly. Identify the environment change highlighted here. (1)
5. The last step in planning process is (1)
  - a) identifying alternative courses of action
  - b) implement and follow up action
  - c) developing planning premises
  - d) evaluating alternative courses of action
6. Differentiate Delegation and Decentralisation on the basis of status. (1)
7. External source of recruitment does not have the advantage of : (1)
  - a) wider choice
  - b) economical
  - c) fresh talent
  - d) competitive spirit
8. DELTech Ltd. does mass recruitment every year from different engineering and management colleges offering fresher level job to the final year students. Identify the source of recruitment adopted here. (1)



22. The General manger enhances the production target from 620 units to 850 units per month but the authority to draw raw material was not given by him to the production manager. Production manager could not achieve the revised target. Who is responsible and which principle of management is violated? (3)
23. Sweet Sure Ltd. sells Blood sugar testing equipment of three different brands Gluneco, Onetouch and Oncall. There are three employees in dispatch department, five in sales department and two in purchase department. Of late customers are complaining that the goods dispatched are not as per goods ordered. Many times quantity dispatched is short or products are of different brands. The sales department is also complaining that the goods are not in stock therefore they are not able to fulfil orders. Purchase department says they are neither store in charge informs them about stock levels nor sales manager provide them with the sales forecast. There is total chaos in the company and each department is holding the other department responsible for under performance. Which quality of management is missing in Sweet Sure Ltd..? Explain the role this quality plays in improving business performance. (3)
24. ‘An important task in the marketing of goods relates to designing the label as it provides useful and detailed information about the product’. In the light of the above statement, draw a label for Flavoured Milk and highlight the important information to be provided on it. (3)
25. A consumer has the freedom to choose from a variety of products at competitive prices. The marketer should offer variety of products in terms of quality, brand, price, size etc. Shivalee a student was in need of a geometry box. She went to the nearest shop and the shopkeeper showed her a variety of geometry boxes at different prices. She selected a box and paid ` 278/-, the MRP of the box, and took a cash memo for the same. (3)
- Identify the consumer right exercised by Shivalee.
  - How has Shivalee proved herself being a responsible consumer?

#### Section - C

26. Many companies have planned for significant investment in organised retailing in India. Several factors have prompted their decisions in this regard. (4)
- Customer income is rising. People have developed a taste for better quality products even though they have to pay more. The aspiration levels have increased. The government has also liberalised its economic policies in this regard and permitted even cent percent foreign direct investment in some sectors of retailing.
- Identify changes in business environment under its different dimensions.
27. Zoya Ltd. was manufacturing a single product for last three years. Recently they acquired three new manufacturing units and have started selling multi products in the domestic market. They decided that an individual who has the capability and competence to handle responsibilities would head each unit. They have put up notices on the employees’ notice boards and invited interested candidates to apply for the positions. For fresh employments, they decided to reserve 25% positions for women and lesser-privileged people. (4)
- Identify the type of organisational structure that Zoya Ltd. must have followed till now.
  - Suggest the type of organisational structure that Zoya Ltd. must follow now on with reasons for doing so.

28. A company is preparing its policies on fixation of price, credit to customers, payment terms etc. (4)  
Identify the element of marketing mix the company is preparing policies for. Discuss the factors to be considered while fixing price of a new product.

OR

Discuss various levels of packaging and their importance for sale of products.

Section – D

29. If an organisation does not provide the right place for physical and human resources in an organisation, which principle is violated? Enumerate consequences of not following the same. (5)

OR

Discuss the relevance of Taylor and Fayol's contribution in the contemporary business environment.

30. Being Human Ltd. deals in sports equipment business. They import goods from Korea and sell in domestic market. Recently Korean company increased prices making goods expensive. India being price sensitive market will not accept the increased price. The director of the company is thinking of the options of importing goods from countries like Thailand and China. She is also thinking of purchasing goods from the existing supplier Korea but without packing so that it will be cheaper. She will save freight charges. All these steps will reduce price and enable her to make profits as before. (5)

- a) Identify the concept of management involved here.
- b) State the step of the process of concept identified from the case on which Director of Being Human Ltd. is at present.
- c) Mention steps that must be followed so that objective of making profit is achieved.

31. A capital budgeting decision is capable of changing the financial fortune of a business. Do you agree? Justify. (5)

OR

Explain the term 'Trading on Equity'. Why, When and How it can be used by a business organisation.

Section – E

32. Name the methods of recruitment for the following positions. Give reason for the method chosen. (6)
- a) To appointment labour in the factory
  - b) To appoint teachers in an educational institute
  - c) To appoint Vice President in a company
  - d) To fill in the position of Head of Department, position vacant due to retirement of the existing Head of the Department.

33. Discuss Maslow's need hierarchy theory of management. (6)

OR

Explain different financial and non-financial incentives used to motivate employees of a company.

34. Mr. Abde Ali has 1000 Equity shares of Jay Ltd. He wants to sell 715 of these shares. Which market he should approach? Write any three advantages of selling shares through such a market. (6)

OR

Identify and define the markets which are highlighted in the following statements:

- a) This market directly contributes to capital formation
- b) This market deals in instrument with maturity period less than one year.
- c) It deals in medium and long term securities.
- d) It is also known as stock exchange and deals in sale and purchase of previously issued securities.
- e) It requires less investment as value of securities is generally low.
- f) Market segment of NSE providing platform for fixed income securities.