

केंद्रीयविद्यालयसंगठनबेंगलूरुसंभाग
KENDRIYA VIDYALAYA SANGATHAN BENGALURU REGION
प्रथमप्री-बोर्डपरीक्षा- 2024-2025
FIRST PRE-BOARD EXAMINATION- 2024-2025

CLASS: XII
SUBJECT: BUSINESS STUDIES (054)

MAX. MARKS:80
TIME: 3 HOURS

- This question paper contains 34 questions.
- Marks are Indicated against each question.
- Answers should be brief and to the point.
- Answers to the questions carrying 3 marks may be from 50 to 75 words.
- Answers to the questions carrying 4 marks may be about 150 words.
- Answers to the questions carrying 6 marks may be about 200 words

Q.No	QUESTIONS	MARKS
1.	<p>Suhasini is one of the most successful managers of her company, 'Hightech limited'. She uses her creativity and initiative in handling challenging situations at work. The knowledge gained by her during a student days at a renowned management institute as well as through her observation and experience over the years is applied by Suhasini in skillful manner in the context of the realities of a given situation. She often reads book and other literature in various fields of management to keep her knowledge updated an aspect of the nature of management is being highlighted in the above description. Identify the aspect.</p> <p>A. Management as a science B. Management as an art C. Management as a profession D. Management is both art and science</p>	1
2.	<p>Shreya Ltd has been awarded recently with the 'Best employer of the year Award'. The company has believed in the ideas and suggestions of its employees. There is selective dispersal of decision-making authority at all levels. There is no delay in delivery of orders to customers due to prompt decisions taken by employees. Identify the concept of management followed by the company.</p> <p>A. Authority B. Responsibility C. Delegation D. Decentralisation</p>	1
3.	<p>Read the following statements: Assertion (A) and Reason (R) Choose the correct alternative from those given below :</p> <p>Assertion (A) : A bank may use another's ATM which will decrease its fixed capital requirement.</p> <p>Reason (R) : Availability of financing alternatives reduces the fixed</p>	1

	<p>capital requirement of any company.</p> <p>A. Both A and R are true and R is the correct explanation of A B. Both A and R are true but R is not the correct explanation of A C. A is true but R is false D. A is false but R is true</p>	
4.	<p>Read the following statements carefully.</p> <p>Statement -I : The basic function of a stock exchange is the creation of a continuous market where securities are bought and sold. Statement -II :The stock exchange provides both liquidity and easy marketability to already existing securities in the market.</p> <p>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.</p>	1
5.	<p>Just as the phrase ‘water everywhere and not a drop to drink’ amplifies the fact that despite 2/3rd of the earth being water drinkable water is a scarce commodity so may also be said of finding ‘the right person for the right job’.This statement is related to which process of management?</p> <p>A. Selection process B. Staffing process C. Recruitment process D. Organising process</p>	1
6.	<p>India’s launched its most advanced Geo-imaging satellite which will allow better monitoring of the subcontinent, including its borders with neighbouring countries by imaging the country 4 – 5 times a day. The satellite is capable of near real time monitoring of floods and cyclones. The factor constituting the business environment being discussed above is :</p> <p>A. Social environment B. Economic environment C. Technological environment D. Political environment</p>	1
7.	<p>Vanita went to a supermarket for grocery shopping. She bought 1kg of corn maize flour from the supermarket. On reaching home when she opened the packet, she found worms inside it. She was disappointed and told her son about the same. Her son asked her to check the label. When she checked the label of the packet, she found that maize flour was stale and beyond the expiry date. She approached the salesperson at the supermarket who replaced the maize flour immediately. When she thanked the salesperson, she was told that it was the policy of the supermarket to satisfy the customers. He further told that satisfied customer not only lead to repeat sales but they also provide good</p>	1

	<p>feedback to the prospective customers which helps in increasing the customer base of the business.</p> <p>Identify the point of importance of consumer protection from the point of view of the supermarket which is helping them to increase the customer base:</p> <ul style="list-style-type: none"> A. Long term interest of the business B. Moral justification C. Social responsibility D. Government intervention 	
8.	<p>Read the following statements: Assertion (A) and Reason (R) Choose the correct alternative from those given below :</p> <p>Assertion (A) : Controlling ensure efficient use of resources. Reason (R) : Each activity is performed in accordance with the predetermined standards and norms.</p> <ul style="list-style-type: none"> A. Both A and R are true and R is the correct explanation of A B. Both A and R are true but R is not the correct explanation of A C. A is true but R is false D. A is false but R is true 	1
9.	<p>Joining a job marks the beginning of socialisation of the employees at the workplace. The employee is given a brief presentation about the company and is introduced to his superiors, subordinates and the colleagues. He is taken around the workplace and given the charge of the job for which he has been selected. This process of familiarisation is very crucial and may have a lasting impact on his decision to stay and on his job performance. Identify the two concepts of one of the functions of management highlighted above.</p> <ul style="list-style-type: none"> A. Placement and orientation B. Training and development C. Performance appraisal and compensation D. Promotion and career planning 	1
10.	<p>Umang was working as a ‘Production Manager’ at ‘LG Papers Ltd’. the company had launched new eco-friendly paper straws in the market. He was given a target of producing 5000 straws a day, By the general manager. In spite of making the employees work over time, Umang could not meet the target.</p> <p>On investigation, it was found that the employees had not received the right training to manufacture these eco-friendly papers straws. Saudi employees were sent for special training. The function of management which helped Umang in identifying that he could not meet the target is:</p> <ul style="list-style-type: none"> A. Planning B. Organising C. Directing D. Controlling 	1

11.	<p>Vikrant joins his father's business of Organic masalas, near Kotgarh in Himachal after completing his MBA. In order to capture a major share of the market, he decided to sell the product in small attractive packages by using the latest packaging technology. His father suggested that they hire financial consultants to estimate the amount of funds that would be required for the purpose and timings when it would be required. The concept being discussed by Vikrant's father, links which financial decision with the investment decision ?</p> <p>A. Dividend decision B. Financial planning C. Capital structure decision D. Financing decision</p>	1																				
12.	<p>When can an appeal be made to Supreme Court?</p> <p>A. Where the value of go to a service along with a compensation does not exceed ₹ 2 crores B. Where the value of goods or services along with the compensation exceed ₹ 2 crores irrespective of appeal made any level C. Where the case has been originally filed at National Commission and the aggrieved party is not satisfied with the decision of National Commission. D. Where the case has been filed at the district commission and the aggrieved party is not satisfied with the decision of National Commission.</p>	1																				
13.	<p>Match the dimension or element of business environment in column I with their respective explanations in column II.</p> <table border="1" data-bbox="354 1146 1209 1530"> <thead> <tr> <th colspan="2">COLUMN I</th> <th colspan="2">COLUMN II</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td>Economic environment</td> <td>i.</td> <td>Banks reducing interest rates on housing loans</td> </tr> <tr> <td>b.</td> <td>Political environment</td> <td>ii.</td> <td>An increasing number of working women</td> </tr> <tr> <td>c.</td> <td>Legal environment</td> <td>iii.</td> <td>Alcoholic beverages are prohibited to be advertised on 'Doordarshan'</td> </tr> <tr> <td>d.</td> <td>Social environment</td> <td>iv.</td> <td>A stable government has built up confidence among the firms to invest in big projects</td> </tr> </tbody> </table> <p>A. (ii), (i), (iii), (iv) B. (i), (iv), (iii), (ii) C. (iii), (ii), (i), (iv) D. (i), (iii), (ii), (iv)</p>	COLUMN I		COLUMN II		a.	Economic environment	i.	Banks reducing interest rates on housing loans	b.	Political environment	ii.	An increasing number of working women	c.	Legal environment	iii.	Alcoholic beverages are prohibited to be advertised on 'Doordarshan'	d.	Social environment	iv.	A stable government has built up confidence among the firms to invest in big projects	1
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14.	<p>'Coconut Joy Ltd.', is manufacturing chocolates, biscuits, cakes and other similar products. The company is not generating enough profits. Sourav, the Marketing manager of 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 product of</p>	1																				

	<p>the company from its competitors. Though the customers wanted to buy the products of ‘Coconut Joy Ltd’. Again and again because of its good 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. Sourav, the Marketing manager now realised that ‘Coconut Joy Ltd’. Had forgotten to take one of the most important decisions related to the product.</p> <p>What decision should ‘Coconut Joy Ltd.’ take so that its customers are able to identify its product in the market?</p> <p>A. Pricing B. Branding C. Packaging D. Labeling</p>	
15.	<p>Sanjana was a supervisor at a ‘Annapurna Atta’ factory. The factory was producing 200 quintals of Atta every day. Her job was to make sure that the work went on smoothly and there was no interruption in the production. She was a good leader who would give orders only after consulting her subordinates and workout the policies with the acceptance of the group. Identify the leadership style being adopted by Sanjana</p> <p>A. Autocratic leadership B. Democratic/Participative leadership C. Free rein leadership D. All of these</p>	1
16.	<p>Shweta went to a reputed beauty salon for highlighting her hair. She was told by the beautician that if she agrees to the package of ₹5,000 then she will get two hair spas worth ₹1,200 each free. Shweta agreed to the offer. While highlighting her hair, the beautician spilled chemical on Shweta’s face and it went inside her left eye. Shweta was in pain. When she went to the doctor she was diagnosed with Cornea inflammation. Later, she gave a legal notice to the beautician accusing her lack of expertise. Identify the consumer right which is violated in the above case.</p> <p>A. Right to safety B. Right to be assured C. Right to seek redressal D. Right to be informed</p>	1
17.	<p>JSW Steel Ltd. is manufacturing steel at its plant in India. It is enjoying increased demand for its steel as economic growth of the country is about 8%. It is planning to set up a new plant to avail the benefit of increased demand. It is estimated that it will require about ₹4,000 crore for setting up a plant and about ₹600 crore for other expenses to start the new plant. To collect the above mentioned funds, the sources to be used and the quantity to be collected from different sources had to be considered. The concept discussed about is _____.</p> <p>A. Financial management</p>	1

	<p>B. Financial planning C. Capital structure D. Investment decision</p>	
18.	<p>‘Temptation’ is a food joint in Imperial Mall in Bengaluru. It is becoming popular among students and working people due to healthy, on-the-go dishes on its menu like ‘Paneer-Wrap’, ‘Chickpeas Salad’, ‘Grilled Sandwiches’ etc. It has now decided to open two new branches in other parts of Bengaluru. Which financial decision has been discussed in the above case?</p> <p>A. Long-term investment decision B. Short-term investment decision C. Dividend decision D. Financing decision</p>	1
19.	<p>Dilsha went to a free eye camp and got her eyes operated for cataract. The surgery was not done properly due to which she lost her vision. Where can she file a complaint under consumer protection act?</p> <p>A. District Commission B. State Commission C. National Commission D. None of these</p>	1
20.	<p>Read the following statements carefully.</p> <p>Statement -I :Capital structure refers to the mix between owners and borrowed funds. Statement -II : Capital structure can be calculated as debt-equity ratio or as the proportion of debt out of the total capital.</p> <p>A. Statement I is correct and II is wrong B. Statement II is correct and I is wrong C. Both the statements I and II are correct D. Both the statements I and II are not correct.</p>	1
21.	<p>Super fine rice limited has a share of 55% in the market. The company’s policy is to sell only on cash basis. In 2015 for the first time, the company’s number one position in the market had been threatened because other companies started selling rice on credit basis also. But the managers of super fine rice limited continued to rely on their previously tried and tested successful plans, which however didn’t work because the environment does not remain static. This led to a decline in the rice sales of super fine rice limited. The above situation is indicating two limitations of planning which led to a decline in its sales. Identify these limitations.</p> <p style="text-align: center;">OR</p> <p>Gautam decided to start a chocolate manufacturing business. He sets the target of earning 10% profit on sales in the first year. As a good</p>	3

	<p>businessman, he was concerned about the future of the business, which was uncertain. He gathered information that the demand for chocolates is increasing day by day. He used this information as the base for future planning and shared it with his team. On the basis of the gathered information he scheduled a meeting in the following week to find innovative ways to achieve the objects.</p> <p>List the first two steps which have been followed by Gautam that are related to the process of one of the functions of management.</p>									
22.	<p>Mr. Agarwal the CEO of ‘Medicare hospitals’ a leading chain of hospitals, decided to reward the good work of the doctors of his organization. For this, he instituted two running trophies, a ‘Health care Achiever’s Trophy’ to acknowledge and appreciate the tireless efforts of the doctors who rendered selfless services to the patients and another ‘Beti Bachao Trophy’ to recognise the outstanding work done by the doctors in saving the girl child.</p> <p>The CEO also wanted to improve the health services in rural areas all over the country. He decided that all the doctors must work in rural areas for at least six months. He also decided that the paramedical staff should be employed locally.</p> <p>A. Identify incentive provided by ‘Medicare hospitals’ to its doctors through running trophies.</p> <p>B. Write two other incentives under the category identified in case (A).</p> <p style="text-align: center;">OR</p> <p>Aarav was working as a supervisor with Neer Purifier Ltd. Which was producing water purifiers. The target of the company was to produce 200 water purifiers every day. His job was to make sure that work goes on smoothly and there was no interruption in production. To achieve this, he always gives orders and insists that they are obeyed. He believes that reward or punishment both can be given depending upon the performance.</p> <p>Identify and describe the leadership style being adopted by Aarav.</p>	3								
23.	<p>Jagan Industries Ltd raised ₹20 crores by issuing 12% debentures. It has three options to invest the funds.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Particulars</th> <th>Option I</th> <th>Option II</th> <th>Option III</th> </tr> </thead> <tbody> <tr> <td>Rate of expected returns</td> <td>9%</td> <td>15%</td> <td>12 %</td> </tr> </tbody> </table> <p>Suggest with reason which proposal the company should opt.</p>	Particulars	Option I	Option II	Option III	Rate of expected returns	9%	15%	12 %	3
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Rate of expected returns	9%	15%	12 %							
24.	<p>With rapid advancements in the field of replacing manual work with machines a robot named ‘Chitti’ has been invented and developed and is likely to get the citizenship of the country of its origin.</p> <p>It has led to a stage where machines are being used in place of human beings. ‘Chitti’ is doing all types of work whether routine or hazardous and even answering the queries of people. However, this issue has to be carefully looked into keeping in mind the consumer attitude towards product innovations, problem of unemployment and its impact</p>	3								

	<p>on the quality of life. Through the orders of the decisions of various commissions and agencies at center, state or local level, the Indian Government is playing a very significant role in balancing the use of human and machine power. Various dimensions of business environment are being discussed in the above para</p> <p>By quoting the lines from the above identify any explained any three dimensions</p>	
25.	<p>‘Kortigo fabrics’ was started by Ashish in 2001 to sell bedsheets, towels comforters, pillows, cushions, bathmats etc.It is now a famous name and its branches are across India.To manage the work all over India, it has eight teams- two each for North, South, East and West.Ashish spends a considerable amount of time to develop an orderly pattern of group effects among different teams and to secure unity of action in pursuit of a common purpose.To ensure suitable allocation of task to the various members of the teams and to see that the tasks are performed with harmony among the members he tries to balance the different teams at different locations</p> <p>a. Identify and explain the concept of management discussed in the above para.</p> <p>b. Also explain any two points of importance of the concept identified in (A) above.</p>	4
26.	<p>After passing his secondary school examination, David left the school at the age of 15 years and started getting training under his father. His father, a renowned electrician, had worked for many companies. He everyday started accompanying his father on work and watched him carefully while working. David was a good learner and learnt the techniques of work quickly. Now his father started passing on the tricks of the trade to David. With the passage of time David acquired high level skill and became well known electrician at Indore. Big business houses started calling him for electrical wiring</p> <p>a. Name the method of training discussed in the above para</p> <p>b. State any three benefits which David could get on being trained</p> <p style="text-align: center;">OR</p> <p>Mr Raman is a human resource manager of Shanti Hospital in Nellore. He has to appoint nurses for the hospital. For this, he has conducted preliminary interviews. Since patients in the hospital are of different types, he has also conducted test to find out the candidates maturity and emotions in dealing with the patients. He has also conducted tests to know about the candidates ability to take decisions</p> <p>Explain the remaining steps that Mr Raman should take to complete the selection process.</p>	4
27.	<p>A manager has to extract work from four different employees who have different perspectives towards their jobs. Ahuja has a comfortable</p>	4

	<p>life and comes in a Rolls Royce gifted to him by his rich father in law and is maintained out of earnings of his wife who is a CEO of reputed MNC. Bandari is very talented but is not satisfied with the routine work assigned to him. Mr.Chadda likes his work but is worried that he might not have enough money after retirement. Mr.Daya is not very social and is always seen fighting with his coworkers. The manager hires you as a management consultant to advise him to overcome the situation using Maslow's theory.</p> <p>Identify and explain with reason the type of needs to be fulfilled in the above case.</p>	
28.	<p>' Planning without controlling is meaningless' Discuss.</p> <p style="text-align: center;">OR</p> <p>Explain how planning and controlling are both backward looking, as well as forward looking functions .</p>	4
29.	<p>Varsha after completing her fashion designing course from Indian Institute of Fashion Technology planned to enter into designer clothing venture. She had to address issues like her target customers, channel of distribution to be used pricing policy etc. Identify the type of plan that Varsha needs to develop to provide direction and scope to her organisation in the long run.</p>	4
30.	<p>What is marketing mix? what are its main elements? Explain.</p>	4
31.	<p>Mr Nehra was the chairman of Axis Bank. The bank was earning good profits. Its shareholders were happy as the bank was paying regular dividends. The market price of their shares was also steadily rising. The bank was about to announce taking over of Dena Bank. Mr Nehra knew that the share price of Axis bank would rise on this announcement. Being a part of the bank he was not allowed to buy the shares of the bank. He called one of his rich friends, Sudhir and asked him to invest ₹ 5 crores in the shares of his bank promising in the capital gains. As expected the share prices went up by 40% and the market price of Sudhir's shares was now ₹ 7 crores. He earned a profit of ₹ 2crores. He gave ₹ 1crore to Mr Nehra and kept ₹1crore with himself. On regular inspection and by conducting enquiries of the brokers involved securities and exchange board of India (SEBI) was able to detect this irregularity.The SEBI imposed a heavy penalty on Mr Nehra.</p> <p>By quoting the lines from the above para, identify and state any two functions that were performed by SEBI in the above case.</p>	6
32.	<p>Aman started Bulls Eye a company for providing cyber security solutions to business. Its objective is to prevent detect and respond to cyber attacks and protect critical data. He was a hard working software engineer and an expert in cyber security. His reputation grew by leaps and bounds as he was not only a person of integrity but also did his</p>	6

	<p>work with at most honesty and sincerity. The business started growing day by day.</p> <p>He was delighted when he was offered a big project by the Ministry of defense. While working on the project, he found that the volume of work made it impractical for him to handle all the work by himself. He decided to expand the team the company maintained a close liaison with a local engineering college. During a campus placement Ishaan and Brinda were appointed to work for the new project.</p> <p>He found the new employees capable, enthusiastic and trustworthy. Aman was thus able to focus on objectives and with the help of Ishaan Brinda, the project was completed on time. Not only this, Aman was also able to extend his area of operations. On the other hand, Ishaan and Brinda also got opportunities to develop and exercise initiative.</p> <p>a. Identify and briefly explain the concept used by Aman in the above case which helped him in focusing on objectives.</p> <p>b. Also state any four points of importance of the concept identified in (a.) above.</p> <p style="text-align: center;">OR</p> <p>‘Sweets and more’ is one of the India’s most popular brand for snacks and sweets, it offers a wide range of sweets, Namkeens, cookies and frozen foods. Its organisational structure comprises separate business unit in each of the above categories. Each of these units has a manager responsible for performance, having authority over the unit. Moreover, each of these units is multi-functional as within each unit, different functions like production, marketing, finance etc. are performed. Though this kind of organizational structure leads to increased cost because of duplication of activities across products, but it provides a proper basis for performance measurement as revenues and costs related to each of these business units can be easily identified.</p> <p>a. Identify the organizational structure of ‘Sweets and More’.</p> <p>b. State three advantages and two disadvantages of the organisational structure identified in (a) above which are not discussed in the above case.</p>	
33.	<p>The production level of ‘Petronet LNG Limited’ was declining sharply and the company was receiving the complaints from the workers continuously. The management tried to make a detailed analysis to find out the reasons. It found Mr. Michael, the production manager, in order to increase the production, was forcing the workers to work for long hours without paying any extra wages and rest intervals. The company decided to infuse new blood and replaced Mr. Michael with Mr. Robert who had recently completed his MBA from IIM Indore. Mr. Robert decided to reward for all efforts of the employees apart from their regular wages, allotted rest intervals and arranged for tea and snacks so that they could recharge their energy and give their</p>	6

	<p>maximum to enhance productivity.</p> <ol style="list-style-type: none"> Name and explain the technique of Scientific Management adopted by Mr. Robert. Suggest Mr. Robert the technique of scientific management to find out best ways of doing a job. Which principle of Fayol has been violated by Mr. Michael? Explain. 	
34.	<p>What is meant by 'Brand Name' ? State any 4 characteristics of a good 'Brand Name'.</p> <p style="text-align: center;">OR</p> <p>Explain any four factors affecting determination of the price of a product or service.</p>	6