

PRACTICE PAPER - 2
CLASS XII BUSINESS STUDIES 2020-21

MM – 80

TIME: 3 HOURS

GENERAL INSTRUCTIONS:

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

1. “Gang Plank” is related to..... principle of management given by Henry Fayol.
 - (A). Centralisation and Decentralisation
 - (B). Unity of Direction
 - (C). Unity of Command
 - (D). Scalar Chain

(1)

2. Which one of the following is not the importance of the Management

- (A). Helps in achieving group goals
- (B). Increases efficiency
- (C). Creates a dynamic organisation
- (D). Develop Property of the managers

(1)

3. Management is multidimensional indicates

- (A). Management of People
- (B). Management of Work
- (C). Management of Operation
- (D). All of the above

(1)

4. GST bill pass by the government in 2016 is the part ofEnvironment for a business.

- (A). Political
- (B). Social
- (C). Legal
- (D). Economic

(1)

5. “ Panchayats in our country have been given more powers to decide and spend funds granted to them by the government for welfare of villages.” Identify the principle of management highlighted in the statement

- (A). Equity
- (B). Centralisation and Decentralisation
- (C). Authority and Responsibility
- (D). Espirit De corps

(1)

6. Which principle is an extension of harmony not discord:

- (A). Cooperation not individualism
- (B). Esprit de Corps
- (C). Initiative (1)
- (D). Discipline

7. Packets of cigarettes carry the statutory warning 'Cigarette smoking is injurious to health' is an example of_____.

- (A). Political Environment
- (B). Legal Environment
- (C). Technological Environment (1)
- (D). Social Environment

8. means doing the task correctly and with minimum cost.

(Efficiency/ Effectiveness) (1)

9. The lowest level need in the need hierarchy theory of Abraham Maslow is

- (A). Safety need
- (B). Belongingness need
- (C). Esteem need (1)
- (D). Physiological need

10. In a manufacturing organisation an increase of 5% in the labour cost may be more troublesome than a 15% increase in postal charges. Identify the deviation management technique.

- (A). Budgetary control
- (B). Critical point control
- (C). Management by exception
- (D). Inventory control (1)

11. Span of management refers to

- (A). Number of managers in an organisation
- (B). Length of term for which a manager is recruited
- (C). Number of subordinates under a superior (1)
- (D). Number of managers in a top management.

OR

Vijay Limited is a company dealing in Steel Products. The work is mainly divided into functions including production, purchase, marketing, accounts and personnel. Identify the type of organisational structure followed by the organisation.

- (A). Functional structure
- (B). Relational structure
- (C). Divisional structure
- (D). None of the above

12. This concept focus on Long-term welfare of the Society

- (A). Production Concept
- (B). Marketing Concept
- (C). Societal Concept (1)
- (D). Selling Concept

OR

The act of designing and producing the container or wrapper of a product is called _____.

Read the following text and answer question No.13-16 on the basis of the same:

Suresh buys Zero Coupon Bond of Rs. 30,000 from the RBI. He also invested Rs. 10,000 in Equity shares of X Ltd. using his account with depository. He daily trades in stock exchange index. When Y Ltd offer equity shares using IPO, he also applied and received 2,000 shares after listing of shares.

13. Which one of the following is also known as Zero Coupon Bonds.,

- (A). Treasury bill

- (B). Commercial paper
- (C). Certificate of deposit (1)
- (D). Commercial bill

14. Stock Exchange is also known as

- (A). Primary Market
- (B). New Issue Market
- (C). Financial Market (1)
- (D). Secondary market

15. Name of the account of Suresh held with Depository.

- (A). Current Account
- (B). Saving Account
- (C). Demat Account (1)
- (D). Recurring Deposit Account

16. Full form of IPO is

- (A). Indian Public Offer
- (B). Initial Price Offer
- (C). Indian People offer (1)
- (D). Initial Public Offer

Read the following text and answer question No.17-20 on the basis of the same:

Anita went to a shop to purchase a saree. The shopkeeper offered her five colours of saree. Anita asked him to show her the saree which was on display. The shopkeeper told her that she could not buy that saree and she would have to choose from the options provided by him. Due to necessity and lack of time Anita purchased a saree for Rs. 15,000 out of five options. She paid him cash and didn't take the cash memo. Later, when she wore the saree at home and she found that it has some defect. She went to

the shop on the next day and asked for replacement. The shopkeeper bluntly denied that the saree was purchased from him.

17. "The shopkeeper told her that she could not buy that saree and would have to choose from the "options provided by him." Which consumer right of Anita is violated here?

- (A). Right to Safety
- (B). Right to be informed
- (C). Right to Choose (1)
- (D). Right to Seek Redressal

18. Which consumer responsibility violated by Anita?

- (A). Buy only standardised goods
- (B). Read labels carefully (1)
- (C). Assert yourself to ensure that you
- (D). Ask for a cash memo on purchase

19. From the point of view of business which type of interest has been overlooked by the shopkeeper?

- (A). Business uses Society's Resources
- (B). Social Responsibility
- (C). Long-term Interest of Business (1)
- (D). Government Intervention

20. If Anita had Cash Memo, Where she should file the complaint?

- (A). District Forum
- (B). State Commission
- (C). National Commission (1)
- (D). All of the above

21. Management of every enterprise can be benefited from being aware of different dimensions of business environment. Explain any three such dimensions. (3)

22. What is meant by financial incentives? State any two financial incentives. (3)

23. 'Controlling is looking back'. Give a suitable example in support of your answer.

OR

"An enterprise has to tap external sources for various positions because all the vacancies cannot be filled through internal recruitment." Explain any three sources of External Recruitment. (3)

24. "To promote orderly and healthy growth of securities market and protection of investors, SEBI was set up". With reference to this statement, explain the objectives of SEBI.

OR

Differentiate between capital market and money market on the basis of

(i) Participants (ii) Duration and (iii) Liquidity. (3)

25. Rajesh , a CEO of a company using highly sophisticated machines and equipments, wants that every employee should be fully trained before using the machines and equipments. Suggest and describe the best method of training that Rajesh can use for training of the employees. (4)

26. Directing is the heart of the management process. Do you agree? Give any four reasons in support of your answer (4)

27. "Without control the best of plans can go awry". Explain any four importance of Controlling.

OR

What is meant by leadership? Explain “Authoritarian or autocratic leadership style” and “ Free-rein or laissez-faire leadership style”. (4)

28. Explain any four factors that can affect the Dividend Decision of a company.

OR

Give any four differences between fixed capital and working capital. (4)

29. You are a finance manager of a newly established company. The directors have asked you to determine the amount of fixed capital requirement for the company. Explain any four factors that you will consider while determining the fixed capital requirement of the company. (4)

30. “A consumer should keep in mind the responsibilities while purchasing and consuming goods and services”, Explain any four responsibilities of a consumer. (4)

31. Explain the following techniques of Scientific Management

- (i). Time Study
- (ii). Fatigue Study
- (iii). Simplification and standardisation of work
- (iv). Mental Revolution

(6)

32. X Ltd. Manufactures many electronics products i.e. Washing machine, Air Conditioner etc. The company wants to expand the business. For expansion, Management decided to enter in manufacturing of Smart Television. Identify the Organisational Structure and State any Three advantages and Two disadvantages of this organisational Structure.

OR

If we delegate the authority, we multiply it by two. If we decentralize it, we multiply it by many. In the light of this statement, explain any five points of importance of decentralisation.

(6)

33. Naresh is appointed as Production Manager in a Mobile manufacturing company.

He was given a target of producing one lakh Mobiles per month. He knew that 'the essence of management is to achieve desired results' but he does not know 'how to ensure that the work goes on according to plans'.

Guide him by explaining the process so that he will be able to achieve the desired results.

(6)

34. Identify and explain the promotional tool of marketing mix which is an impersonal form of communication and is paid for by the marketer. Also explain any three benefits of this tool.

OR

What is meant by brand name? State any five characteristics of a good brand name.

(6)