

**DELHI PUBLIC SCHOOL, JAMMU**  
**Sample questions for Term Exam (2019-20)**  
**(as per the pattern of CBSE sample paper)**  
**Business Studies**  
**class:- XII<sup>th</sup>**

Q1. Which principle of Taylor advocates scientific enquiry as opposed to hit and trial? (1)

Q2. “Change in attitude of workers and management towards one another from competition to cooperation.” Identify the concept highlighted in the given statement. (1)

Q3. Which of the following does not characterize the business environment?

- |                |               |     |
|----------------|---------------|-----|
| a) Uncertainty | c) Employees  |     |
| b) Relativity  | d) complexity | (1) |

Q4. Liberalization means

- |                                    |   |     |
|------------------------------------|---|-----|
| a) Integration among economies     | c) reduced government controls and restrictions |     |
| b) Policy of planned disinvestment | d) None of them                                 | (1) |

Q5. Sales volume, sales expenses, advertising expenses are the part of.....standards

- |               |              |     |
|---------------|--------------|-----|
| a) Production | b) marketing |     |
| c) HR         | d) finance   | (1) |

Q6. ‘Pan masala chabana swasthya ke liye hanikarak hai’. This statutory warning is compulsory to be mentioned on the labels of the product.

Identify and discuss the environment, which is associated with this example. (3)

Q7. Principles of Taylor and Fayol are mutually complementary. One believed that management should not close its ears to constructive suggestions made by employees, while other suggested that a good company should have an employee suggestion system, whereby suggestions which results in substantial time or cost reduction should be rewarded.

Identify and explain the principles of Taylor and Fayol referred in the above para. (3)

Q8. “Though planning is an important tool of management, yet it is not a remedy for all types of problems.” Do you agree with this statement? Give any four reasons in support of your answer. (3)

Q9. “Lack of proper management results in the wastage of time, money and efforts.” Explain the importance of management in the light of this statement. (3)

Q10. Zenith Ltd is a highly reputed company and many people wanted to join this company. The employees of this organization are very happy and they discussed how they came in contact with

this organization. Arnan said that he was introduced by the present Sales Manager, Mr John. Benu said that he had applied through the newspaper and was appointed as HR Manager.

Vaibhav said that he was neither related to any of the employee of the organization nor there was any advertisement in the newspaper even then he was directly called from IIM Ahmedabad, from where he was about to complete his MBA.

(i) The above discussion is indicating an important function of management. Name the function of management.

(ii) The management function identified in part (i) follows a particular process. Explain the step of this process which is being discussed in the above para. (3)

Q11. Mr Ajay after completing MBA from USA comes to India to start a new business under the banner Ecom Creations Ltd. He launches a new product in e-learning for senior secondary school students in commerce stream, which already has an established market in UK and USA but not in India. His business starts flourishing in India. Now, more Indian companies entered into the market with other subjects also. Identify and quote the lines from above Para which highlight the significance of understanding business environment. (4)

Q12. A production incharge has been given a target to produce 1000 pens in a day. After a month, the target was achieved due to applications of a good control system.

(i) How does a good control system enable a manager to verify whether set standards are accurate and objective? (4)

Q13. Blue Heavens Ltd purchased a new hi-tech machine from Germany for manufacturing high quality auto components in a cost effective manner. But during the production process, the manager observed that the quality of production was not as per standard. On investigation, it was found that there was lack of knowledge amongst the employees of using these hi-tech machines. So, frequent visit of engineers was required from Germany. This resulted in high overhead charges.

Suggest what can be done to develop the skills and abilities of employees for producing high quality products by using these hi-tech machines. Also state how the employees or the organisation will benefit from your suggestion. (4)

Q14. Explain any four functions of financial market. (4)

Q15. Radha found a worm crawling out of newly opened tetra pack of a juice manufactured by a reputed company, Zest Ltd. She went back to the shopkeeper from whom the pack was purchased who directed her to call up the customer care centre. When all her efforts failed, she went to a consumer activist group to seek help. The group decided to help Radha and take measures to impose restrictions on the sale of the firm's products of the particular batch and urge customers to refrain from buying the products of the company. Zest Ltd lost its image in the market. The CEO gives the responsibility of bringing back the lost image of the company to a manager.

(i) Identify the concept of marketing management which will help the manager getting the firm out of the above crisis.

(ii) Also explain the role of above identified concept by stating any two points. (4)

Q16. A company is manufacturing washing machines. There is a well-defined system of jobs with a clear and definite authority, responsibility and accountability in the company. But people are not allowed to interact beyond their officially defined roles. As a result, the company is not able to adapt to the changing business environment. The workforce is also not motivated due to lack of social interaction. The company is facing problems of procedural delays and inadequate recognition of creative talents.

(i) Suggest how the organisation can overcome the problems faced by it.

(ii) Give any two benefits it will derive from your suggestion. (5)

Q17. State the importance of directing function of management. (5)

Q18. Mr Nath, a recently appointed production manager of Suntech Ltd has decided to produce jute bags instead of plastic bags, as these are banned by the government. He set a target of producing

1000 jute bags, a day. It was reported that the employees were not able to achieve the target.

After analysis, he found that employees were demotivated and not putting in their best for achieving the target. Mr Nath's behaviour is good towards the employees. His attitude is always positive. So, he announced various incentive schemes for the employees like:

- (a) Installing award or certificate for best performance.
- (b) Rewarding an employee for giving valuable suggestions.
- (c) Congratulating the employees for good performance.
  - (i) Identify the functions of management highlighted in the above paragraph.
  - (ii) State the 'incentive' under which the employees are motivated. (5)

- Q19. As per the manager of Angel Cosmetics, decentralization is an optional policy, do you agree? Explain why, why not? (5)
- Q20.. In order to improve quality, quantity and job satisfaction, Mr Manav undertook certain changes the organization. Firstly, he provided workers with dummy machines to practice on it. Then, he made some workers work with an expert, so that they may learn work and procedures by observation. Lastly, he followed the practice of shifting workforce to different departments, so that they may gain an understanding of various aspects of work. Identify the methods used by the manager to improve the skills of workers and explain them. (5)
- Q21. Two competing companies Akashara Ltd and Dharavi Ltd operates with a capital of Rs. 40 lakh each. The ratio of equity to total capital in Dharavi Ltd is Rs.10 lakh and debt is Rs. 30 lakh, while in Akashara Ltd, the total equity is Rs. 40 lakhs. EBIT is Rs. 8 lakh for both and interest rate on debt is 10%. Assuming the tax rate to be 30%, explain which company enjoys a favourable financial leverage and why? (6)
- Q22. 'It is through motivation that managers can inspire their subordinates to give their best to the organization'. In the light of the above statement, explain the importance of motivation. (6)
- Q23. It is necessary that goods and services must be made available to the customers at the right place, in the right quantity and at right time.
  - (i) Name and explain the concerned element of marketing mix given above.
  - (ii) Explain the components of this element. (6)
- Q24. Tata International Ltd earned a net profit of 50 crore. Ankit, the Finance Manager of Tata International Ltd wants to decide how to appropriate these profits. Identify the decision that Ankit will have to take and also discuss any five factors which help him in taking this decision. (6)
- Q25. 'Hayaram' is a famous chain selling a large variety of products in the Indian Market. Their products include chips, biscuits, sweets and squashes. It charges a comparatively higher price than its competitors as it sells quality products. Besides, it offers regular discounts to its customers and easy credit terms to its retailers. It has five of its own retail shops. It also sells its products through various grocery stores so that the products are made available to customers at the right place, in the right quantity and at the right time. It regularly uses different communication tools to increase its sales. The above paragraph describes the combination of variables used by 'Hayaram' to prepare its market offerings. Identify and explain the variables. (6)