

**KENDRIYA VIDYALAYA NO 1 AFS TAMBARAM**  
**PRACTICE PAPER XII-BUSINESS STUDIES**

**MAX: 80 MARKS**

**TIME: 3 HOURS**

**General Instructions:**

- (i) Answers to questions carrying 1 mark maybe from one word to one sentence.
- (ii) Answers to questions carrying 3 marks maybe from 50-75 words.
- (iii) Answers to questions carrying 4-5 marks maybe about 150 words.
- (iv) Answers to questions carrying 6 marks maybe about 200 words.
- (v) Attempt all parts of a question together

1. What is meant by efficiency in management?(1)
2. Identify the nature of management when it is said to be systematised body of knowledge that explains certain general truths.(1)
3. Distinguish between standing plan and single use plan.(1)
4. If a company does not provide the right place for physical and human resources which principle of management is violated?(1)
5. How can trading on equity be used by a business organisation? (1)
6. Name the type of investment decision which relates to short term and affects day to day operations of a company. (1)
7. State any two conditions necessary to initiate exchange. (1)
8. Sandeep purchased a diesel car for Rs.7 lakhs from an automobile company and found that the engine was defective. Despite many complaints the defect was not rectified. Suggest him the appropriate authority where he can file a complaint under the consumer protection act. (1)
9. Name and explain the principle of management according to which a manager should replace 'I' with 'We' in all his conversations with workers.(3)
10. Jaideep recently joined as the Managing Director of 'Tivori ltd' an apparel designing company. He observed that the company had a number of experienced fashion designers on its pay roll. They regularly offered useful suggestions which were neither appreciated nor awarded by the company. Instead the company outsourced its services to some renowned fashion designers and paid them a good compensation for their services. Because of this the employees felt disheartened and stopped giving useful suggestions.
  - (i) Identify the communication barrier discussed above.
  - (ii) State the category of this communication barrier.
  - (iii) Explain any other communication barrier of the same category.(3)

11. Name two things which should be kept in mind at the time of measuring actual performance in controlling process. Give reasons.(3)
12. Mission coach ltd is a large and creditworthy company manufacturing coaches for Indian Railways. It now wants to export these coaches to other countries and decides to invest in new hi tech machines. Since the investment is large, it requires long term finance. It decides to raise funds by issuing equity shares. The issue of equity shares involves a huge floatation cost. To meet the expenses of floatation cost the company decides to tap the money market.
- (i) Name and explain the money market instrument the company can use for the above purpose.
  - (ii) What is the duration for which the company can get funds through this instrument?
  - (iii) State any other purpose for which the instrument can be used.(3)
13. Distinguish between advertising and personal selling on any three basis. (3)
14. Suresh is working under his supervisor Ramesh. He always communicates useful ideas and suggestions to his superior. Implementing his suggestions has always yielded favourable results, but Ramesh never appreciated his contribution.
- (i) Name the values which are ignored by Ramesh.
  - (ii) What could be its adverse effect on Suresh and the functioning of the organisation? (4)
15. Demand for reservation in jobs for minorities refers to an example of key component of general environment of business. Name and explain the component.(4)
16. Blue birds ltd., offers shares to its employees at a price which is less than the market price.
- (i) Name and explain the type of incentive offered to the employees
  - (ii) Explain one more incentive of the same category. (4)
17. The workers of a factory remain idle because of lack of knowledge of hi tech machines. Frequent visits by the engineer are made which causes high overhead charges. How can this be removed? (4)
18. State any four protective functions of the securities and Exchange Board of India.(4)
19. Reena purchased one litre of Desi ghee from a shopkeeper. After using it she had a doubt that it was adulterated. She sent it of a lab test which confirmed that the ghee was adulterated.

State the reliefs available to Reena if she complains and the consumer court is satisfied about the genuineness of the complaint. (4)

20. '100 Gms of extra material in a pack of one kg' is an example of one of the techniques of promotion mix. Name the technique and explain four other techniques of promotion.(5)
21. Build tech enterprises ltd is in the construction business. Recently they have received a contract to build a bridge. To finish the contract on time they need extra work force. The workforce required is skilled and semi skilled in nature. Name any five external sources of recruitment which can be used in the above case to meet the requirement. (5)
22. Miss Monika was a good leader who would not only instruct her subordinates but also guide and inspire them. She noticed Anjali's behaviour and felt that her performance could be improved. She started involving Anjali in decision making on issues related to the organisation and made her a part of a high level joint management committee. Anjali became punctual and her performance improved
- (i) Identify the function of management being performed by Monika
  - (ii) Name the function of the above function of management which helped Monika to improve Anjali's behaviour
  - (iii) State any three features of the element identified in (ii) above. (5)
23. Mohan a manager does not distribute the work among his subordinates either according to capability or proportionately
- (i) Identify and explain which principle of management is being overlooked.
  - (ii) Identify one benefit of applying this principle. (6)
24. What is meant by investment decision? State any five factors which affect the investment decision. (6)
25. You have been appointed as a Brand Manager of Ford motors. The company is to introduce a company small car in the Indian market. The name of the car is yet to be decided. You have been asked to chair a Brainstorming session. Before the suggestions come forward you have to briefly explain the participants as to what constitutes a good brand name with the help of suitable examples. (6)

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1. Distinguish between the terms effectiveness and efficiency. (1)
2. Identify the nature of management when a manager applies the existing theoretical knowledge in his own unique manner. (1)
3. Give the meaning of objective as a type of plan. (1)
4. Which technique of scientific management aims at finding one best way of doing a job? (1)
5. Name the financial decision which helps a business man in opening a new branch of his business. (1)
6. State the objective of financial management.(1)
7. Distinguish between needs and wants. (1)
8. Ashok Gupta purchase a flat in east Delhi for Rs.2.5 crores . However the quality of material used is not as promised by the builder. There is too much leakage in the flat. Ashok wants his money back but the builder refuses. Name the consumer court where Ashok can file his case. Also mention where he can appeal if he is not satisfied with the judgement.(1)
9. How are the management principles derived? (3)
10. Neeraj a sales representative of 'Omida ltd' has changed seven jobs in the last one year. He is hard working person but is not able to finalise deals with the customers due to his inadequate vocabulary and omission of needed works. Sometimes he used wrong words because of which the intended meaning is not conveyed. All this creates a misunderstanding between him and his clients.
  - (i) Identify the communication barrier discussed above.
  - (ii) State the category of this communication barrier.
  - (iii) Explain any other communication barrier of the same category.(3)

11. Explain how critical point control helps in controlling process. (3)
12. Ganesh steel limited is a large and credit worthy company manufacturing steel for the Indian market. It now wants to cater to the Asian market and decides to invest in new hi tech machines. Since the investment is large it requires long term finance . It decides to raise funds by issuing equity shares. The issue of equity shares involves a huge floatation cost. To meet the expenses of floatation cost, the company decides to tap the money market.
  - (i) Name and explain the money market instrument the company can use for the above purpose.
  - (ii) What is the duration for which the company can get funds through this instrument?
  - (iii) State any other purpose for which this instrument can be used. (3)
13. Explain any three qualities of a good sales man. (3)
14. Mudit was continuously shifted from one job to another in the organisation without giving him adequate time to settle down in any department. Identify the principle and relate it to any two values affecting Mudit.(4)
15. Banking sector reforms have led to easier credit terms and better services. This is an example of a key component of the Business environment. Name the component and explain it in brief.(4)
16. Ayesha ltd., assure their employees that in spite of recession no worker will be retrenched from the job
  - (i) Name and explain the type of incentive offered to the employees,
  - (ii) Explain one more incentive of the same category. (4)
17. An organisation provides security services. It requires such candidates who are reliable and don't leak out the secrets of their clients. What steps should be incorporated in the selection process?(4)
18. Why was the need for establishment of the securities and exchange board of India (SEBI) felt? Explain the role of SEBI to fulfil this need.(4)
19. As a well informed consumer what kind of quality certificates marks you will look for before buying products? Specify any five. (4)
20. 'Buy one get one free' is an example of the technique of promotion mix. Name the technique and explain any four techniques of promotion mix. (5)

21. Alpha computers ltd., requires technical staff to take care of their customer needs.  
Name any five external sources of recruitment which can be used by the company to employ technical personnel. (5)
22. Ramesh a supervisor in a factory always expects that his subordinates should obey him. He is not prepared to listen to any suggestion made by workers.  
(i) What kind of leadership style is followed by Ramesh?  
(ii) What values are ignored by him in following this style? (5)
23. In your school you observe that books are kept in office, Chalks in the library and office records in the staff room  
(i) Identify and explain the principle of management which is being overlooked.  
(ii) Give one advantage of applying this principle. (6)
24. What are capital budgeting decisions? Explain briefly the factors affecting capital budgeting decisions. (6)
25. 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 and sells quality products. Besides it offers regular discount 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 para describes the combination of variables used by Hayaram to prepare its market offering. Identify and explain the variables. (6)

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