

**KENDRIYA VIDYALAYA SANGATHAN: HYDERABAD REGION**  
**PRE-BOARD-II EXAM: 2017-18**

**CLASS: XII**

**SUBJECT: BUSINESS STUDIES**

**MAX MARKS: 80**  
**TIME: 3 HOURS**

**General Instructions :**

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

1. List any two Characteristics of Coordination. 1
2. Which type of plan spells out special action or non action of the employees ? There is no discretion allowed in it. 1
3. Name the type of formal communication in which two Departmental Heads communicate with each other. 1
4. Mr. Sharan, Manager (HR) is really appreciative of fresh ideas given by his subordinates. He frames policies only after consulting them. Which style of leadership is he following? 1
5. What is the primary objective of Financial Management? 1
6. Pranav is engaged in 'Transport-Business'. State the level of the working capital requirements of Pranav stating the reason in support of your answer. 1
7. ABC Ltd. issued prospectus for the subscription of its shares for Rs. 500 crores in 2008. The issue was oversubscribed by 20 times. The company issued shares to all the applicants on pro-rata basis. Later SEBI inspected the prospectus and found some misleading statements about the management of the company in it. SEBI imposed a penalty of Rs. 5 crores and banned its three executive directors for dealing in securities market for three years.  
Identify the function and its type performed by SEBI in the above case. 1
8. Sirajuddin purchased a car for Rs.15 lacs from an automobile company and found that its airbags were defective. After many complaints with the company that went unheard, he filed a case in the District Forum. He was not satisfied with the orders of the District Forum. He then appealed before the State Commission and on being dissatisfied with the orders of State Commission, he appealed before the National Commission. Sirajuddin was not satisfied with the orders of National Commission. Suggest him the highest authority where he could appeal against the decision of the National Commission. 1
9. Rajeev, the owner of Pathways constructions decided to start a campaign to create awareness among people for developing clean surroundings in their area. He formed a team of 10 members to list the different ways for cleaning the surroundings. One suggested to take the 1

help of local residents, another suggested that they may involve school going children in their venture. One more suggestion was to take the help of unemployed youth. On evaluation of different ways, it was decided to take the help of local residents. To achieve the desired goal various activities were identified like:

- a) Purchase of necessary items like dustbins, garbage bags, brooms, etc.;
- b) Collection of garbage;
- c) Disposal of garbage, etc.

After identification of different activities the work was allocated to different members.

- (A). Identify the functions of management involved in the above situation.
- (B). Also identify any two values which the company wants to communicate to the society

10. Naresh, a businessman, who wants to start a manufacturing concern, approaches you to suggest him whether the following manufacturing concern would require large or small working capital:
- (a) Furniture manufactured against specific orders
  - (b) Bakery Items
  - (c) Coolers
11. Explain any three functions performed by a supervisor that are vital to any organization.
12. 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.
- A) Identify the concept of Marketing Management which will help the Manager getting the firm out of above crisis.
- B) Also explain the role of above identified concept by stating any two points
13. Identify and explain the relevant rights of a consumer being violated in the following instances:
- (a) A bottle of acid sold but the cap was not properly sealed.
  - (b) Medicine sold without date of manufacturing and date of expiring printed on its packaging.
  - (c) The seller compels the consumer to purchase the available product.

14. A company is manufacturing garments. The manager wants to increase the profits by purchasing new high speed machines or increasing the sale price or using waste material in manufacturing stuffed toys. He decided that using waste material to increase the profit is the best solution for him.
- (A) Identify the concept of management involved.  
(B) Mention the steps involved in the above process by quoting the lines from the question.  
(C) To complete the process of the concept identified, what further steps does the manager have to take? 4
15. 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:
- i. Installing award or certificate for best performance  
ii. Rewarding an employee for giving valuable suggestions  
iii. Congratulating the employees for good performance
- A) Identify two functions of management highlighted in the above paragraph.  
B) State the 'incentive' under which the employees are motivated.  
C) State any two values which the production manager wants to communicate to the society by his work and behaviour. 4
16. State the first four steps which are involved in the screen-based trading for buying and selling of securities in the secondary market. 4
17. "Every time I travelled, people asked me to bring them sweets and delicious food items from all over the country," says Anusha. Finally, she and her colleague, Sunil decided to make a business out of it. They launched a Facebook page, asked people what they wanted and they came up with a list of about 100 places and tied up with two dozen vendors to begin with. They were servicing people from Jaipur who wanted spices from Kerala, people from Punjab who wanted halwa from Jammu and people from Delhi who ordered for fresh tea leaves from Darjeeling. Through their business they wished to bridge the gap between sellers and buyers. The business is now worth millions. Explain any two important activities that Anusha and Sunil will have to be involved in for making the goods available to the customers at the right place, in the right quantity and at the right time. 4

18. R&T Reality, the property development arm of the construction and engineering giant R&T in a recent report to the media shared that it is betting on bigger and better projects providing greater benefits to the customers, lower prices and faster execution to boost its growth. The spokesperson of the company informed the media that besides the innovative features, quality and brand, the fair pricing followed by the company is also a hit with the buyers. He said that the company is also focusing on accurate, speedy and timely delivery. Proper communication with the market was being maintained through advertising. Even dealers were to be offered incentives to boost the sales.

The above para describes the combination of variables used by R&T Reality to prepare its market offering. Identify and explain the variables.

19. Ultra Paint Co. which is manufacturing paints had been enjoying a prominent market position as it is manufacturing best quality paints using innovative methods. It assembled various inputs like finance, machines, raw materials, etc. form its environment but since last year it has been dumping its untreated poisonous waste on the river bank which has created many health problems for the people. As a result, the court passed an order to seal the manufacturing unit of the company.

(A) State the importance of business environment highlighted quoting the line from the above case.

(B) Identify any three dimensions of business environment mentioned in above case by quoting line from it.

20. "Lack of proper management results in wastage of time, money and efforts." In the light of this statement, explain any five points of importance of management.

21. A company 'M' Ltd. is manufacturing mobile phones both for domestic Indian market as well as for export. It has enjoyed a substantial market share and also had a loyal customer following. But latterly it has been experiencing problems because its targets have not been met with regard to sales and customer satisfaction. Also mobile market in India has grown tremendously and new player have come with better technology and pricing. This is causing problems for the company. It is going to take steps necessary to rectify the problems it is facing.

(A) Identify the function of management mentioned in the above paragraph.

(B) Explain the importance of the function of management identified under (A)

22. 'Abhishek Ltd.' is manufacturing cotton clothes. It has been consistently earning good profits for many years. This year too, it has been able to generate enough profits. There is availability