

KENDRIYA VIDYALAYA SANGATHAN, BANGALORE REGION

SAMPLE QUESTION PAPER FOR BUSINESS STUDIES

CLASS XII 2014 – 15

General instructions:

- 1. Answers to questions carrying 1 mark may be from one word to one sentence**
 - 2. Answer to questions carrying 3 marks may be from 50 to 75 words**
 - 3. Answer to questions carrying 4-5 marks may be about 150 words.**
 - 4. Answer to questions carrying 6 marks may be about 200 words.**
 - 5. Attempt all parts of a question together.**
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TIME: 3hrs

M.M:80

- | | |
|---|-----|
| 1 Define job rotation. | (1) |
| 2 'A good leader does not wait for opportunities but creates them'. What quality of a good leader is highlighted by this statement? | (1) |
| 3 Mention any two measures to improve communication effectiveness. | (1) |
| 4 "Planning is an empty exercise without this function of management." .Mention this function. | (1) |
| 5 Name the financial decision which will help a businessman in opening a new branch of its business. | (1) |
| 6 How can a liberal credit policy affect working capital requirement of an organization? | (1) |
| 7 What does dematerialization of securities refer to? | (1) |
| 8 Enumerate three kinds of functions of SEBI. | (1) |
| 9 What impact can a good design of the product have? | (3) |

10 "Management Principles are evolutionary". Explain. (3)

11 In your school, you observe that books are kept in office, chalks in the library and office records in the staff room. How will that affect the achievement of school objective?

Which aspect of a management is lacking here and why? As a manager what steps will you take to rectify the short comings? (3)

12 "Planning is pervasive". Explain briefly. (3)

13 Differentiate between 'policy' and 'rule' as types of plans. (3)

14 Preeta, a school bag manufacturer decided to improve the product for profit maximization and thus added a water bottle holder to the existing design. (4)

(i) Identify the marketing management philosophy adopted by Preeta

(ii) Explain the philosophy on the basis of:

(a) Main focus

(b) Means and ends

15 XYZ Ltd a manufacturing company is strictly following formal organization structure. It is facing a lot of problems due to delay in decision making. Workers are not allowed to vent their grievances except through formal channels. Name the values which are neglected by the organization. (4)

16 The marketing manager of an organization has been asked to achieve a target sale of 100 generators per day. He delegates this task to 10 sales managers working under him. Two of them could not achieve their respective targets. Is the marketing manager responsible? Briefly explain the relevant principle in support of your answer. (4)

17 Name the element of marketing mix which affect the revenue and profit of a firm. (4)

18 Mr. Bharti was a vegetarian went to a snack bar for having French fries and later found out that it had non-vegetarian content. Neither the advertisement nor the packing of the product displayed that the product has non-vegetarian content. Will Mr. Bharti be

able to claim compensation? Which right of the consumer is violated? (4)

19 "In the absence of management, the productive resources will remain resources and shall never become production". Explain the importance of management in the light of the above statement. (4)

20 Describe briefly the steps involved in the process of staffing. (5)

21 Explain the steps in controlling (5)

22 Explain the factors affecting the dividend policy. (5)

23. Explain the different types of formal communication according to direction of flow. (6)

OR

'The total performance of an organization depends a great deal on functioning of supervisor'. In the light of this statement, explain the functions of a supervisor in an organization.

24 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. (6)

OR

What does financing decision involve? List the factors which affect the financing decision.

25. Explain the techniques of scientific management

OR

Enumerate the various ways in which Indian managers respond to change in business environment. (6)

MARKING SCHEME
BUSINESS STUDIES XII

1. Transferring from one job to another.
2. Foresight.
3. Concretness, conciseness
4. Controlling.
5. Investment decision.
6. More amount will be available as working capital.
7. Electronic account of making online trading of securities.
8. Protective function, regulatory function, developmental function.
9. Create more demand, goodwill and market share (explain)
10. Management principles are not made in heaven. They are based on deep observation and experimental studies.
11. Principle of order (with explanation)
12. Planning is pervasive because
 - a. It exists at all levels (with explanation)
 - b. It is the basis for all functions of management (with explanation)
13. On the basis of:
 - a. Meaning
 - b. Nature
 - c. Objectives (with explanation)
14. Selling concept
Means:
 - a. Advertising
 - b. Personal selling
 - c. Sales promotion
End:
 - a. Profit through maximum sales.
15. Freedom, humanity. (With explanation)
16. Yes. Marketing manger is responsible for the non-achievement of the target sales to his superior.
The principle related to this statement is absolute responsibility. It states that authority can be delegated but responsibility cannot be delegated by manager. The manger

remains responsible are accountable to his own superior for the task which he may have assigned to his subordinate.

17. Factors affecting price mix

- a. Cost of production
- b. Competitor's price
- c. Government regulation
- d. Strategies.

18. Yes. Right to be informed (with explanation)

19. a. Management helps in achieving group goals

- b. Management increases efficiency
- c. Management creates a dynamic organisation.
- d. Management helps in achieving personal objectives.
- e. Management helps in development of society.

(any 5 with explanation)

20. a. Manpower planning

- b. Recruitment
- c. Selection
- d. Training
- e. Development and Orientation

(with explanation)

21. Steps in controlling

a. Setting of standard

b. Measurement of performance.

c. Comparing actual with standard

d. Analysing deviation.

(with explanation)

22. Factors affecting dividend policy

Earnings.

Stability of earnings

Growth opportunities

Cash flow position

(with explanation)

23. a. Downward communication

b. Upward communication

c. Diagonal communication

d. Horizontal communication

(with explanation)

OR

Functions of supervisor:

- a. Facilitates control
- b. Maintenance of discipline
- c. Feedback
- d. Improve communication
- e. Improves motivation.

(with explanation)

24. Factors affecting fixed capital requirements

- a. Nature of business
- b. Scale of operations
- c. Choice of technique
- d. Diversification (with explanation)

OR

Financing decisions involves identification of various available sources of finance.

Factors influencing financing decision:

- a. Cost
- b. Risk
- c. Floatation cost
- d. Cash flow position
- e. Level of fixed operating cost (with explanation)

25. Techniques of scientific management

- a. Time study
- b. Motion study
- c. Functional foremanship
- d. Differential piece rate system

OR

- a. Diversification

b. Brand building

c. Latest technology

d. Customer focus.
