

TARGET PLUS DIAGNOSTIC MOCK

Class XII (CBSE)

BUSINESS STUDIES

(Three hours)

Paper Code
Z 202

(Candidate are allowed additional 15 minutes for only reading the paper.

They must NOT start writing during this time)

*(i) Answer 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.

SECTION A

Questions 1 to 8 carry one mark each.

1. What is the essence of management?
2. Explain the concept of financial risk:
3. What is the meaning of decoding in terms of organizational communication?
4. What do you mean by Efficiency in management ?
5. Give the meaning of planning premises.
6. Raj Ltd. is engaged in manufacturing steel sheets. The objective of the company is to manufacture 200 sheets a day. To achieve this, the efforts of all departments are coordinated and interlinked and authority-responsibility relationship is established among various job positions. There is clarity on how is to report to whom. What function of management is displayed in the above paragraph?
7. What is the process to calculate Capital structure?
8. Ashya Products Ltd' is a natural and genuine beauty brand famous for offering organic beauty products for men, women and children. The company uses herb based materials for its products and is the No. 1 beauty brand in the country. It not only satisfies its customers but also believes in overall protection of the plant. Identify the marketing management philosophy being followed by 'Beauty Products Ltd.'

SECTION B

Questions 9 to 13 carry three marks each.

9. What are the advantages of the divisional structure of an organization?
10. Campa cola offers rs 5 to the customer on return of empty bottle. Identify and discuss in brief the technique used by campa cola.

11. Raman, a leader of VLA group allows his subordinates to take active part in decision making and he also listens to the grievances and suggestions of subordinates. Identify the style of leadership highlighted in the case and state some of its advantages.
12. What are the main functions of SEBI.
13. Miraj, a sales representative of 'Shree Ltd.' has changed seven jobs in the last one year. He is a hard working person but is not able to finalize deals with the customers due to his inadequate Vocabulary and omission of needed words. Sometimes he uses wrong words because of which Intended meaning is not conveyed. All this created a misunderstanding between him and his Clients.

What is the communication barrier discussed in the above paragraph?

SECTION C

Questions 14 to 19 carry four marks each.

14. Explain the important techniques of scientific management.
15. Explain the important rights of consumer?
16. Rahul Gupta started a telecommunication company 'Raghav Ltd.' to manufacture economical mobile phones for the Indian rural market with 15 employees. The company did very well in its initial years. As the product was good and marketed well, the demand of its products went up.

To increase production the company decided to recruit additional employees. Samar Gupta, who was earlier taking all decisions for the subordinates was competent, capable and resourceful and can assume responsibility for effective implementation of their decisions, this paid off and the company was not only able to increase its production but also expanded its product range.

- (a) Identify the concept used by Samar Gupta through which he was able to steer his company to greater heights.
 - (b) Also explain the three points of importance of this concept.
17. The workers of 'Ohm Ltd.' are unable to work on new and hi-tech machines imported by the company to fulfill the increased demand. Therefore, the workers are seeking extra guidance from the supervisor. The supervisor is overburdened with the frequent calls of workers.
Suggest how the supervisor, by increasing the skills and knowledge of workers, can make them work independently and what will be the importance of that decision?

18. 'Sankalp Vidyalaya' believes in holistic development of students and encourages team building through a mix of curricular, co-curricular and sports. A committee of ten prefects was constituted to plan different aspects of the function. They all decided to use recycled paper for decoration. There was a spirit of unity and harmony and all members supported each other. With mutual trust and belongingness the programme was systematically planned and executed. Kartik, one of the prefects realised that unknowingly the group had applied one of the principles of management while planning and executing the programme. He was so inspired by the success of the function that he asked his father to apply the same principle in his business. His father replied that he was already using this principle.
Identify the principle of management applied for the success of the programme.
19. 'Raghav Steel Ltd.' is a large and credit-worthy company manufacturing steel for the Indian market. It now wants to cater to the Asian market and decided 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 huge floatation cost. To meet the expenses of floatation cost the company decides to tap the money-market.
- (a) Name and explain the money-market instrument the company can use for the above purpose.
 - (b) What is the duration for which the company can get funds through this instrument?
 - (c) State any other purpose for which this instrument can be used.

SECTION D

Questions 20 to 25 carry five marks each.

20. Explain the important feature of planning?
21. Smita had been working as an assistant manager with 'Johnson Enterprises' for the last ten years. She was very popular amongst her colleagues because of her commitment and dedication towards the work. When the manager senior to her retired all her colleagues thought that now Smita would be promoted. But to everyone's surprise the vacant post was filled by an outsider, Mrs. Rita. Smita felt demoralized and her performance started declining. She would abstain herself often and could not meet her targets. Mrs. Rita was a good leader, who would not only instruct her subordinates but would also guide and inspire them, she noticed Smita's behavior and felt and her performance could be improved. She started involving Smita in decision making-issues related to the organization and made her a part of high level joint-management committee. Smita was now punctual in office and her performance started improving

- A. Identify the function of management being performed by Rita.
- B. Name the element of the above function of management which helped Rita to improve Smita's behavior.
- C. Which of the following is not one of the features of the element identified above?
- a) Motivation is an internal feeling.
 - b) Motivation can be either positive or negative.
 - c) Motivation is a complex process.
 - d) Motivation increases the number of employees in the organization.
22. A company was manufacturing 'Retina LED bulbs' which were in great demand. It was found that the target of producing 700 bulbs a day was not met by the employees. On analysis, it was found that the workers were not a fault. Due to electricity failure and shortage of workers, the company was not able to achieve the set targets and alternative arrangements were needed. To meet the increased demand, the company assessed those approximately 88 additional workers were required out of which 8 would work as heads of different departments and 10 would work as subordinates under each head. The required qualifications and job specifications were also enlisted. It was also decided that necessary relaxation should be given to encourage women, persons from backward and rural areas and persons with special abilities to assume responsible positions in the organization. All efforts were made to match the ability of the applicants with the nature of work.
- (a) Identify the functions of management discussed above.
 - (b) State the two steps in the organizing process.
 - (c) List any two values which the company wants to communicate to the society.

SECTION E

Questions 23 to 25 carry six marks each.

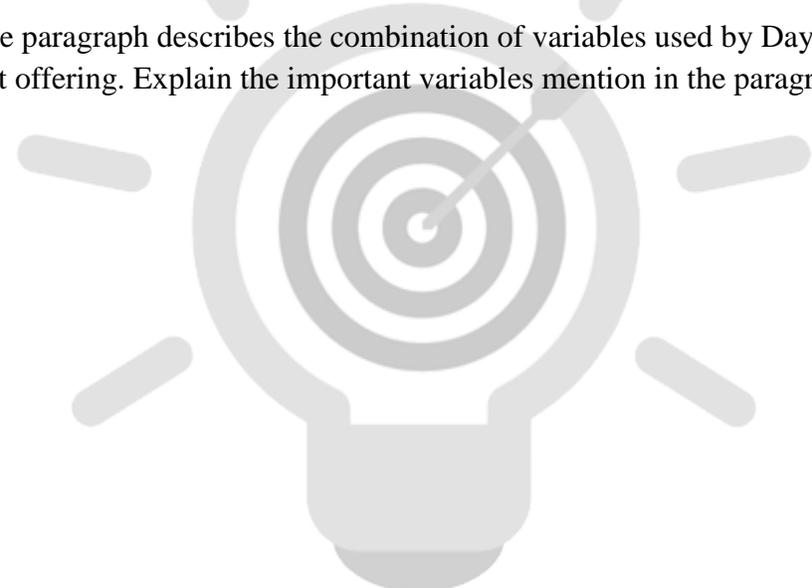
23. Explain the structure of functional foremanship?
24. 'Farah Ltd.' is a company manufacturing cotton yarn. It has been consistently earning good profits for many years. This year too, it has been able to generate enough profits. There is availability of enough cash in the company and good prospects for growth in future. It is a well managed organization and believes in quality, equal employment opportunities and good remuneration practices. It has many shareholders who prefer to receive a regular income from their investments. It has taken a loan of ` 40 lakhs from IDBI and is bound by certain restrictions on the payment of dividend according to the terms of loan agreement.

The above discussion about the company leads to various factors which decide how much of the profits should be retained and how much has to be distributed by the company.

What are the factors determining dividend policy in context to the above paragraph?

25. 'Dayaram' 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 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 paragraph describes the combination of variables used by Dayaram to prepare its market offering. Explain the important variables mentioned in the paragraph.



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