

# CLASS XII

## GUESS PAPER

### BUSINESS STUDIES

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#### Weight age to forms of questions

S.No	Forms of Questions	Marks for each questions	No of questions	Total Marks
1.	Very short answer type	1	12	12
2.	Short answer type Ist	3	6	18
3.	Short answer type IInd	4	4	16
4.	Long answer type Ist	5	4	20
5.	Long answer type IInd	6	4	24
6.			30	90

**Time Allowed: 3hours**

**Maximum Marks: 90**

#### General instructions:

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

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### VERY SHORT ANSWER TYPE QUESTIONS (1 Marks each)

Q.1. Name the type of plan which provides the broad contours of an organizations business.

Q.2. 'Planning always leads to success.' Do you agree? Give reasons in support of your answers.

- Q.3. Identify the nature of management when it is practiced as personal application of existing knowledge to achieve desired results.
- Q.4. Name the level of the management at which the managers are responsible for implementing and controlling the plans and strategies of the organization.
- Q.5. Give the meaning of 'Placement' as a step in the process of staffing.
- Q.6. Define 'Communication'.
- Q.7. State any one 'Development function' of Securities and Exchange Board of India (SEBI).
- Q.8. State any one advantage provided by Over The Counter Exchange of India.
- Q.9. State how 'Self-regulation by business' acts as a means of Consumer Protection.
- Q.10. Give any one responsibility of a consumer in addition to obtaining a cash receipt while purchasing a washing machine.
- Q.11. Your grandfather has retired from an organization in which he is responsible for implementing the plans developed by the top management. At which level of management was he working? State one more function performed at this level.
- Q.12. List any two social objectives of management.
- Q.13. State any one reason why 'Principles of Management' are important.
- Q.14. Give the meaning of 'Mental Revolution', as suggested by F.W. Taylor.
- Q.15. The understanding of Business Environment enables the firm to identify opportunities. What is meant by 'opportunities', here.
- Q.16. Business Environment includes both specific and general forces, List any four general forces.
- Q.17. Explain in one sentence how direction is an executive function of Management.
- Q.18. Why is it said that 'controlling is looking back'?
- Q.19. What should be the 'focus Point', for a manager while controlling, as controlling at each and every step is not possible?
- Q.20. Define Financial Management.
- Q.21. List any two personal objectives of management.
- Q.22. Give any one reason why principles of management are not rigid prescriptions.
- Q.23. Hero Ltd' target is to produce 10,000 shirts per month at a cost of Rs. 150 per shirt. The Production Manager could achieve this target at a cost of Rs 160. per shirt. Do You think the production Manager is 'effective'? Give reason in support of your answer.
- Q.24. State the objectives of Motion Study;
- Q.25. Give any one advantage of internal sources of recruitment.
- Q.26. Name the method of training in which the trainee learns under the guidance of a master worker.
- Q.27. Name any two essential ingredients of sound working capital management.
- Q.28. Cost of debt; is lower than the 'cost of equity share capital, Give reason why even then a company cannot work only with the debt.
- Q.29. Which Act of consumer protection provides safety to consumer against deficient services?
- Q.30. Why is consumer protection important for businessman? Give any one reason.
- Q.31. Why is it said that management is a goal-oriented process?
- Q.32. "Management helps in development of society." How?

- Q.33. Why are the 'Principles of Management' called universally applicable?
- Q.34. Why did Fayol introduced the concept of 'Gang Plank' in the principle of 'Scalar-Chain'?
- Q.35. What is meant by 'selecting an alternative' as a step in the planning process?
- Q.36. What is meant by Policy as a type of Plan?
- Q.37. Give any two elements of directing?
- Q.38. How does a supervisor act as a linking pin between management and the operatives?
- Q.39. What is meant by "Right to choose" to a consumer?
- Q.40. Which claims can be appeal able before the Supreme Court under Consumer Protection Act
- Q.41. 'In an organization employees are happy and satisfied, there is no chaos and the effect of management is noticeable .' Which characteristic of management is highlighted by this statement?
- Q.42. Name the process of working with and through others to effectively achieve organizational objectives by efficiently using its limited resources in the changing environment.
- Q.43. What is the main objective of 'Method –Study'?
- Q.44. 'Identifying and dividing the work' is the first step in the process of one of the functions of management. Identify the function.
- Q.45. How have the management principles been derived ?
- Q.46. Name the function which reviews the operations in a business unit.
- Q.47. Identify the decision taken in financial management which affects the liquidity as well as the profitability of business.
- Q.48. State why is the working capital needs for a 'Service-industry' are different from that of a 'Manufacturing Industry'.
- Q.49. Rita wants to buy a packet of juice. As an aware customer how can she be sure about the quality of juice she plans to buy?
- Q.50. Amrit filed a case against 'Volvo Ltd.' In the 'State Commission'. But he was not satisfied with the orders of the State Commissions'. Name the authority to which he can appeal against the decisions of 'State Commission'.

### Short Answer type Question Ist and IInd (3 or 4 marks each)

- Q.1. Explain how principles of management:
- help in optimum utilization of resources and effective administration,
  - help the managers in meeting changing environment requirements.
- Q.2. Why is training important for the employees? State any three reasons.
- Q.3. What is meant by 'Financial Planning'? State any two points of its importance.
- Q.4. Mansi, a shoe manufacturer for school students, decided to maximize her profit by producing and distributing at large scale and thereby reducing the average cost of production.
- Identify the Marketing Management philosophy adopted by mansi.
  - Explain this philosophy on the basis of
    - Main Focus
    - Means and Ends.
- Q.5. Explain any three assumptions of Maslow' need hierarchy theory.

- Q.6. Explain that technique of scientific management which is the strongest motivator for a worker to reach standard performance.
- Q.7. State any four points for importance of organizing function of management.
- Q.8. Investment decision can be long term or short term. Explain long term investment decision and state any two factors affecting this decision.
- Q.9. Explain the following 'Rights of Consumers':
- Right to informed
  - Right to seek redressal.
- Q.10. Atul is working in an organization. After every three months his manager transfers him from one department to another so that he may gain a broader understanding of all the departments of the organization. Name and explain the method of training Atul is undergoing .
- Q.11. Explain 'Increasing competition' and 'More demanding customers' as impact of Government policy changes on business and Industry.
- Q.12. Differentiate between 'Objective' and 'Strategy' as type of plans.
- Q.13. "External sources of recruitment are considered better than internal sources." Give any three reasons in support of this statement.
- Q.14. Explain any three qualities of a good leader.
- Q.15. Explain the role of marketing in a firm.
- Q.16. "Planning is an important function of Management." State any four reasons.
- Q.17. "Organisation is the harmonious adjustment of specialized parts for the accomplishment of some common purpose or purposes."
- Q.18. "There is a close and reciprocal relationship between planning and controlling." Explain the statement.
- Q.19. What is meant by 'Primary Market'? Explain any two methods of floating new issues in the Primary Market.
- Q.20. "Financial market plays an important role in the allocation of scarce resources in an economy by performing many important functions." Explain any four such functions.
- Q.21. Define planning. List any two limitations of planning.
- Q.22. Explain by giving any three reasons why decentralization is important in an organization.
- Q.23. Explain when and why the need is felt for having a framework within which managerial and operating tasks are performed to accomplish desired goals. Name this framework also.
- Q.24. Explain the following money market instruments:
- Certificate of deposit
  - Call money
- Q.25. What is meant by 'Product concept' of marketing?
- Q.26. Explain 'Objective' and 'Strategy' as types of plan.
- Q.27. Blue Bird Ltd. Offers to its employees to issue shares at a price which is less than the market price.
- Name and explain the type of incentive offered to the employees.
  - Explain one more incentive of the same category.
- Q.28. Explain the meaning of Financial Planning. Why is it important? Give any two reasons.

- Q.29. State any two advantages and any two limitations of informal organization.
- Q.30 “ Communication plays a key role in the directing function of management.” Do you agree? Give any four reasons in support of your answer.
- Q.31. In the light of the Indian legal framework of consumer protection, explain the following:
- (i) The Contract Act, 1982.
  - (ii) The Essential Commodities Act, 1955
- Q.32. “Controlling is forward looking.” Explain.
- Q.33. Explain the importance of Financial Planning.
- Q.34. “Sound Financial Management is the key to the prosperity of business.” Explain.
- Q.35. Distinguish between capital market and money market.
- Q.35. What is meant by ‘Channels of Distribution’? Explain the type of channels of distribution.
- Q.36. Aman, Avneesh and Amrish have decided to start a business of manufacturing toys. They identified the following main activities which they have to perform:
- (i) Purchase of raw materials
  - (ii) Purchase of machinery
  - (iii) Production of toys
  - (iv) Arrangement of Finance
  - (v) Sale of toys
  - (vi) Identifying the areas where they can sell their toys
  - (vii) Selection of employees
- In order to facilitate the work they thought that four managers should be appointed to look after (a) Production (b) Finance (c) Marketing (d) Personnel
- (A) Identify the function of management involved in the above mentioned para.
  - (B) Quote the lines from the above para which help you identifying this function.
  - (C) State the steps followed in the process of this function of management.
- Q.37. ‘Some learning opportunities are designed and delivered to improve skills and abilities of employees whereas some other are designed to help in the growth of individuals in all respects’.
- Identify and explain the two concepts explained above.
- Q.38. “Leadership is required only for less efficient subordinates.” Do you agree? Explain any four reasons in support of your answer.
- Q.39. How does Controlling helps in ‘achieving objectives’ and improving employee’ morale’?
- Q.40. Explain any four responsibilities of the consumer to safeguard his interests.
- Q.41. Explain how ‘planning reduces the risk of uncertainty’.
- Q.42. What is meant by ‘informal organisation’? List any two limitations of informal organization.
- Q.43. There are some barriers in communication which are concerned with encoding and decoding of message. State any three such barriers.
- Q.44. Explain any three merits of ‘packaging’.
- Q.45. Nature of a ‘capital market’ can be well explained with the help of its features. State any three such features of a capital-market.

- Q.46. Explain 'Procedure' and 'Programme' as types of plans , with a suitable example.
- Q.47. To avoid the problem of shortage and surplus of funds what is required in financial management? Name the concept and explain its any three points of importance.
- Q.48. Explain the following rights of a consumer:
- (a) Right to choose
  - (b) Right to be informed
- Q.49. State any four reasons why staffing is needed in an organization?
- Q.50. 'It is only motivation through which the managers can inspire their subordinates to give their best to the organisation. In the light of this statement explain any four points of importance of motivation.

### **Long Answer Type question Ist and IInd (5 or 6 marks each)**

- Q.1. Explain how management 'increases efficiency' and 'helping development of society'.
- Q.2. State any five points which clarify how understanding of Business Environment helps the managers.
- Q.3. State any five limitations of planning.
- Q.4. Pranav is engaged in 'Transport Business'. Identify the working capital requirements of Pranav stating the reason in support of your answer. Pranav also wants to expand and diversify his Transport-Business. Explain any two factors that will affect his fixed capital requirement.
- Q.5. Differentiate between 'Advertising' and 'Personal Selling' on any five bases.
- Q.6. What is meant by 'Formal Organization'? State any three advantages and any two limitations of 'Formal Organization'.
- Q.7. Delegation is the entrustment of responsibility and authority to another and the creation of accountability for performance.' In the light of this statement identify and explain the essential elements of delegation.
- Q.8. What is meant by 'Leadership'? Describe any four qualities of a good leader.
- Q.9. What is meant by 'Directing' as a function of management? Describe any four points of its importance.
- Q.10. What is meant by 'Budgetary Control'? State any five advantages of Budgetary Control.
- Q.11. What is meant by 'Controlling'? State any five point highlighting the importance of Controlling.
- Q.12. Explain any four functions of 'Stock exchange'.
- Q.13. Explain any four methods of floatation of new issue in the 'Primary Market'.
- Q.14. Consumer Products are classified on different basis. 'Durability of the Product' is one of them. Explain any three types of products in this category.

- Q.15. Physical distribution includes some components for physically moving the goods from manufacturers to the customers. Explain these components.
- Q.16. “Management is a profession like medical or legal profession.” Do you agree with these statements? Give any five reasons in support of your answers.
- Q.17. Explain Fayol’s Principles of ‘equity’ and ‘order’ with examples.
- Q.18. Explain in brief the various steps involved in the process of staffing.
- Q.19. “Determining the overall cost of capital and the financial risk of the enterprise depends upon various factors.” Explain any five such factors.
- Q.20. What is Packaging? State any four functions of packaging.
- Q.21. What is meant by ‘Divisional Structure’ of an organization? For which type of business enterprises is this structure most suitable? State any four advantages of this form of organizational structure.
- Q.22. What is meant by ‘Informal organisation’? State any three advantages and any two disadvantages of this form of organization.
- Q.23. Explain any four non financial incentives.
- Q.24. Explain any four psychological barriers of communication.
- Q.25. “Sound Financial Planning is essential for the success of any business enterprise.” Explain this statement by giving any six reasons.
- Q.26. 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 for the company.
- Q.27. Name the element of marketing-mix in which a set of firms and individuals creates possession, place and time utility and helps in market offering. Also explain any five important functions performed by this element.
- Q.28. Identify and explain the promotional tool of marketing-mix which plays a persuasive, service and informative role and thereby links a business firms to its customers. Also explain by giving any four reasons how this tool helps in increasing the sales businessmen.
- Q.29. Reena purchased one litre of pure Deshi Ghee from shopkeeper. After using it she had a doubt that it is adulterated. She sent it for a laboratory test which confirmed that the Ghee is adulterated. State any six reliefs available to Reena, if she complains and the Consumer Court is satisfied about the genuineness of the complaint.
- Q.30. Prakhar purchased an ISI mark electric iron from ‘Bharat Electricals’. While utilising the found that it was not working properly. He approached the seller and complains for the same. The seller satisfies Prakhar by saying that he will ask the manufacturer to replace this iron. The manufacturer refused to replace and ‘Bharat Electricals’ decided to file a complain in the Consumer Court.  
Can ‘Bharat Electricals’ do this ? Also explain ‘who is a consumer’ as per Consumer Protection Act, 1986.
- Q.31. Explain any five regulatory functions of Securities and Exchange Board’s of India (SEBI).
- Q.32. Define marketing management. State any three objectives of marketing management.
- Q.33. “Financial management is based on three broad financial decisions.” Explain these decisions.
- Q.34. You are a toothpaste manufacturer and you have introduced a new brand of toothpaste in the market. How will you determine the price of this product? Explain any three points.
- Q.35. “Advertising is a social waste as it adds to cost, undermines social values and confuses the buyer.” Explain how.

- Q.36. “Coordination is not a separate function of management. It is the essence of management.” Explain with the help of a suitable example.
- Q.37. Explain any two reasons why proper understanding of management principles is necessary.
- Q.38. Explain any five points of importance of planning for a large business enterprise.
- Q.39. Why was the Securities and Exchange Board of India (SEBI) set up? Explain any four objectives of SEBI.
- Q.40. ‘Bending the customer according to the Product’ and ‘Developing the product according the customer-needs’ are the two important concepts of marketing management. Identify the concepts and differentiate between the two.
- Q.41. What is meant by ‘Divisional structure’ of an organization. Explain any two advantages and two limitations of its.
- Q.42. What is meant by ‘Formal Organisation’? Explain any five features of formal Organisations.
- Q.43. What is the meant by Internal Source of Recruitment ? Why do organizations prefer recruitment through internal sources? Explain.
- Q.44. Explain the steps in the process of selection of employees..
- Q.45. “Human beings can not be motivated only through monetary incentives; non-monetary incentives are also necessary to motivate them.” Explain any four such non-monetary incentives.
- Q.46. What is meant by ‘communication’? Explain how communication is an important function of management.
- Q.47. “ Determining of capital structure of a company is influenced by a number of factors.” Explain any four such factors.
- Q.48. Explain any four factors affecting working capital requirement of a company.
- Q.49. What is meant by packaging? Give any five points explaining why packaging is important.
- Q.50. Explain the following sales promotion activities:
- Refund
  - Instant draw and assigned gifts
  - Full Finance
  - Sampling
- Q.51. Dheeraj is working as ‘Operation Manager’ in Tifco Ltd. Name the managerial level at which he is working? State any four functions he will perform as ‘Operations Manager’ in this company.
- Q.52. Explain the following principles in management:
- Discipline
  - Harmony, not Discord
- Q.53. To satisfy the social and psychological needs which type of incentives are needed? Explain any four types of such incentives.
- Q.54. Distinguish between National Stock Exchange of India(NSEI) and Over The Counter Exchange of India (OTCEI) on the following bases:
- Year of establishment
  - Paid –up capital
  - Securities traded
  - Duration of settlement

(v) Objective

Q.55. “Price of a product is influenced by many factors.” Explain any five factors influencing pricing.

Q.56. What is meant by ‘Divisional Structure’ of an organisation? Explain any two advantages and any two limitations of this structure.

Q.57. What is meant by ‘Delegation’? Explain any four points which highlight the importance of delegation in an organisation.

Q.58. Which sources of recruitment is needed to bring new blood in the organisation? Explain any three advantages and any two limitations of this sources.

Q.59. ‘Training is beneficial both for the organisation as well as for the employees.’ Explain any three benefits of training towards the organisation and any three towards for the employees.

Q.60. What is meant by ‘Budgetary Control’? State its four advantages.

Q.61. ‘Controlling is a systematic process involving a series of steps’ Explain.

Q.62. Explain any four factors which affect the fixed capital requirements of a business.

Q.63. Explain four factors which affect the capital structure of a company.

Q.64. ‘Advertising’ and ‘Personal Selling’ both are communication tools used by the marketers to promote their products. Yet they differ in their approach. Differentiate between the two by giving any six differences.

Q.65. The aim of ‘Marketing, and ‘Selling’ is to maximize profit. Yet they differ in their approach. Differentiate between the two by giving any six differences.