

INTERNATIONAL COMMERCE OLYMPIAD -2016

CLASS XII

BUSINESS STUDIES ASSIGNMENT

CHAPTER 1- NATURE AND SIGNIFICANCE OF MANAGEMENT

Q.1. Which of the following is NOT a function of management?

- a) Planning
- b) Coordination
- c) Organising
- d) Directing

Q.2. Managers at the top level spent more time in

- a) Planning
- b) Staffing
- c) Organising
- d) Directing

Q.3. Efficiency means

- a) Doing the task correctly.
- b) Doing the task with minimum cost.
- c) Deriving more benefit by using less resources
- d) All of the above.

Q.4. Which of the following is NOT an organizational objective?

- a) Survival
- b) Profit
- c) Growth
- d) Providing employment

Q.5. Through Management helps individual to develop team spirit, cooperation and commitment to group success.

- a) Coordination
- b) controlling
- c) supervision
- d) Motivation

Q.6. Which of the following is NOT a characteristic of profession?

- a) Service motive
- b) restricted entry
- c) Based on practice and creativity
- d) Systematic body of knowledge

Q.7. Foremen and supervisors comprise

- a) Top level management
- b) Middle level management
- c) Supervisory level
- d) None of the above

Q.8. Which function of the management relates to assigning duties, grouping task, establishing authority and allocating resources required to carry out a specific plan?

- a) Planning
- b) Staffing
- c) Organising
- d) Directing

Q.9. Which function of management is concerned with finding the right people for right job?

- a) Planning
- b) Staffing
- c) Organising
- d) Directing

Q.10. The process by which manager synchronises the activities of different department is known as

- a) Coordination
- b) controlling
- c) supervision
- d) Motivation

Answers

1. (b) 2. (a) 3.(d) 4. (d) 5. (d) 6. (c) 7.(c) 8. (c) 9. (b) 10. (a)

CHAPTER 2 - PRINCIPLES OF MANAGEMENT

Q.1. Principles of management are not

- a) Universal
- b) Flexible
- c) Absolute
- d) Behavioural

Q.2. How are principles of management formed?

- a) In a laboratory
- b) By experience of managers
- c) By experience of customers
- d) By propagation of social scientists

Q.3. Which of the following is NOT a significance of Principles of management?

- a) Increase in efficiency
- b) Initiative
- c) Optimum utilization of resources
- d) Adaptation to changing technology

Q.4. Henri fayol was a

- a) Social Scientist
- b) Mining engineer
- c) Accountant
- d) Production engineer

Q.5. Which of the following statement best describes the Principle Of Division of Work?

- a) Work should be divided into small task
- b) Labour should be divided
- c) Resources should be divided among jobs
- d) It leads to specialization

Q.6. Who keeps machines, materials, tools etc ready for operations by concerned workers? Whose work is described by the sentence under functional foremanship?

- a) Instruction Card clerk
- b) Repair Boss
- c) Gang boss
- d) Route Clerk

Q.7. Which of the following is NOT a principle of management given by Taylor?

- a) Science, not rule of thumb
- b) Functional foremanship
- c) Maximum, not restricted output.
- d) Harmony, not discord

Q.8. Management should find 'One best Way' to perform a task. Which technique of scientific management is defined by the above sentence?

- a) Time study
- b) motion Study
- c) Fatigue study
- d) Method study

Q.9. Which of the following statement best describes 'Mental revolution'?

- a) It implies change of attitude
- b) The managers and workers should play blame game on each other
- c) Both management and workers requires each other.
- d) Workers should be paid more wages.

Q.10. Which of the following statement is false about Taylor and Fayol?

- a) Fayol was a mining engineer whereas Taylor was a mechanical engineer.
- b) Fayol's principles are applicable in specialized situations whereas Taylor's principles have universal application.
- c) Fayol's principles were formed through personal experience whereas Taylor's principles were formed through experimentation
- d) Fayol's principles are applicable at the top level management whereas Taylor's principles are applicable at the shop floor.

Answers

1. (c) 2. (b) 3.(b) 4. (b) 5. (a) 6. (c) 7.(b) 8. (d) 9. (c) 10. (b)

CHAPTER 3- BUSINESS ENVIRONMENT

Q.1. Which of the following doesn't characterize the business environment?

- (a) Uncertainty
- (b) Employees
- (c) Relativity
- (d) Complexity

Q.2. Which of the following best indicates the importance of business environment?

- (a) Identification
- (b) Improvement in performance
- (c) Coping with rapid changes
- (d) All

Q.3. Which of the following is an example of social environment?

- (a) Money supply in the economy
- (b) Consumer Protection Act
- (c) The Constitution of the country
- (d) Composition of family

Q.4. Liberalisation means

- (a) Integration among economies
- (b) Reduced government controls and restrictions
- (c) Policy of planned disinvestment
- (d) None

Q.5. Which of the following does not come under dimensions of business environment?

- (a) Economic
- (b) Social
- (c) Emotional
- (d) Legal

Q.6. Which of the following doesn't explain the impact of Government policy changes on business and industry?

- (a) More demanding customers
- (b) Increasing competition
- (c) Change in agricultural prices
- (d) Market Orientation

Q.7. The project of Nano car reestablished in Gujarat is indicated by which factor of environment?

- (a) Economic
- (b) Political
- (c) Technological
- (d) Legal

Q.8. Which industrial policy has opened the doors of Indian economy for multinational companies?

- (a) Industrial Policy, 1971
- (b) Industrial Policy, 1981
- (c) Industrial Policy, 1991
- (d) Industrial Policy, 1961

Q.9. _____ stands for P in LPG in context of business environment.

- (a) Petroleum
- (b) Private
- (c) Privatisation
- (d) Positive

Q.10. Business environment consists of which two forces ?

- (a) General and Relative
- (b) Specific and social
- (c) General and specific
- (d) Aggregate and micro

Answers: 1. (b), 2. (d), 3. (d), 4. (b), 5. (c) 6. (c), 7. (b), 8. (c), 9. (c), 10. (c)

CHAPTER 4 - PLANNING

Q.1. Which of the following is the first function of management?

- (a) Staffing
- (b) Planning
- (c) Coordination
- (d) Organising

Q.2. Comprehensive plan for accomplishing an organization objectives is known as

- (a) Policy
- (b) Programme
- (c) Objectives
- (d) Strategy

Q.3. Budget refers to

- (a) Planned target of performance
- (b) Steps of handling future activities
- (c) Systematic action and allocation of resources
- (d) Statement of expected results expressed in numerical terms

Q.4. Infosys Ltd. Decided to give 20% of jobs to women. Which type of plan is it?

- (a) Rule
- (b) Programme
- (c) Policy
- (d) Strategy

Q.5. Planning bridges the gap between where we are and where we _____

- (a) Shall be
- (b) want to be
- (c) Can be
- (d) ought to be

Q.6. _____ is the last step of planning process.

- (a) Listing alternative ways of achieving objectives
- (b) Follow up
- (c) Defining organizational objectives

(d) Putting plans into action

Q.7. Planning function is conducted at which level of management

- (a) Middle
- (b) Lower
- (c) Top
- (d) all of the above

Q.8. Planning is looking_____

- (a) Forward
- (b) Sideward
- (c) Backward
- (d) all

Q.9. No Smoking- this statement is related to which type of plan?

- (a) Policy
- (b) Strategy
- (c) Rule
- (d) Programme

Q.10. Planning is which type of function of management?

- (a) secondary
- (b) primary
- (c) tertiary
- (d) macro

Answers: 1. (b), 2. (d), 3. (d), 4. (c), 5. (b) 6. (b), 7. (d), 8. (a), 9. (c), 10. (b)

CHAPTER 5 - ORGANISING

Q.1. Which of the following is not an element of delegation?

- (a) Accountability
- (b) Authority
- (c) Responsibility
- (d) Informal organization

Q.2. A network of social relationship that arise spontaneously due to interaction at work is called

- (a) Formal organisation
- (b) Informal organisation
- (c) Decentralization
- (d) Delegation

Q.3. Which of the following does not follow the scalar chain?

- (a) Functional structure
- (b) Divisional structure
- (c) Formal organisation
- (d) Informal organization

Q.4. A tall organizational structure has a

- (a) narrow span of management
- (b) wide span of management
- (c) no span of management
- (d) less levels of management

Q.5. Centralisation refers to

- (a) retention of decision making authority
- (b) dispersal of decision making authority
- (c) creating divisions as profit centers
- (d) opening new centers or branches

Q.6. For delegation to be effective it is essential that responsibility be accompanied with necessary

- (a) authority
- (b) manpower
- (c) incentives
- (d) promotions

Q.7. Span of management refers to

- (a) Number of managers
- (b) Length of term for which manager is appointed
- (c) Number of subordinates under a superior
- (d) Number of members in top management

Q.8. The form of organization known for giving rise to rumors is called

- (a) Centralised organisation
- (b) Decentralised organisation
- (c) Informal organisation
- (d) Formal organization

Q.9. Grouping of activities on the basis of product lines is a part of

- (a) Delegated organisation
- (b) Divisional organisation
- (c) Functional organisation
- (d) Autonomous organization

Q.10. Grouping of activities on the basis of functions is a part of

- (a) Decentralised organisation
- (b) Divisional organisation
- (c) Functional organisation
- (d) Centralised organization

Answers: 1. (d), 2. (b), 3. (d), 4. (a), 5. (a) 6. (a), 7. (c), 8. (c), 9. (b), 10. (c)

CHAPTER 6- STAFFING

Q.1. Function of management which is concerned with employing right type of people and developing their skills through training is

- (a) Organising
- (b) Controlling
- (c) Staffing
- (d) Directing

Q.2. Process of staffing includes

- (a) Estimating manpower requirements
- (b) Recruitment

(c) Selection

(d) All

Q.3. Which of the following is not an external source of recruitment?

(a) Advertisement

(b) Casual Callers

(c) Promotions

(d) Recommendation of employees

Q.4. Which test is used to test the potential of employees?

(a) Intelligence test

(b) Personality test

(c) Aptitude test

(d) Trade test

Q.5. Which of the following does not come under on the job training?

(a) Apprenticeship programme

(b) Vestibule training

(c) Internship training

(d) Job Rotation

Q.6. What is the name of the process concerned with introducing the workers to their new job, fellow workers and to the organization?

(a) Recruitment

(b) Selection

(c) Induction

(d) Training

Q.7. Which type of process is Selection?

(a) Positive

(b) Negative

(c) Absolute

(d) None

Q.8. What is pre-requisite to selection?

(a) Recruitment

(b) Manpower planning

(c) Training

(d) Development

Q.9. Name the method of training in which trainee learns under the guidance of a master worker.

(a) Vestibule training

(b) Case study

(c) Apprenticeship Programmes

(d) Coaching

Q.10. Which are the most valuable resources of an organization?

(a) Fixed Assets

(b) Current Assets

(c) Human Resources

(d) Capital

Answers: 1. (c), 2. (d), 3. (c), 4. (d), 5. (b) 6. (c), 7. (b), 8. (a), 9. (c), 10. (c)

CHAPTER 7 - DIRECTING

Q.1. Which one of the following is not an element of direction?

(a) Motivation

(b) Communication

(c) Delegation

(d) Supervision

Q.2. The motivation theory which classifies needs in hierarchical order is developed by

(a) Fred Luthans

(b) Koontz and O'donnel

(c) Abraham Maslow

(d) Peter F. Drucker

Q.3. Which of the following is a financial incentive?

(a) Promotion

(b) Stock incentive

(c) Job security

(d) Employee Participation

Q.4. Grapevine is

(a) Barrier to communication

(b) Formal communication

(c) Lateral communication

(d) Informal communication

Q.5. Status comes under the following type of barriers:

(a) Semantic barrier

(b) Organisational barrier

(c) Personal barrier

(d) Psychological barrier

Q.6. The software company promoted by Aziz Premji is

(a) Infosys

(b) Wipro

(c) Satyam

(d) HCL

Q.7. The highest level need in the Need Hierarchy theory is:

(a) Safety need

(b) Belongingness need

(c) Self actualisation need

(d) Prestige need

Q.8. The Process of converting the message into communication symbols is known as :

(a) Media

(b) Encoding

(c) Feedback

(d) Decoding

Q.9. The communication network in which all subordinates under a supervisor communicate through supervisor only is:

(a) Single chain

(b) Inverted V

(c) Wheel

(d) Free flow

Q.10. Which of the following quality must be possessed by a good leader?

(a) Initiative

(b) Communication skills

(c) Self-confidence

(d) All

Answers: 1. (c), 2. (c), 3. (b), 4. (d), 5. (b) 6. (b), 7. (c), 8. (b), 9. (a), 10. (d)

CHAPTER 8 - CONTROLLING

Q.1. An efficient control system helps to

(a) accomplish organizational objectives

(b) boost employee morale

(c) judge accuracy of standards

(d) All

Q.2. Controlling function of an organization is

- (a) forward looking
- (b) Backward looking
- (c) forward as well as backward looking
- (d) None

Q.3. _____ and controlling are interdependent.

- (a) Staffing
- (b) Organising
- (c) Planning
- (d) Directing

Q.4. Controlling process involves which of the following steps:

- (a) Setting performance standards and measuring actual performance
- (b) Comparing actual performance with standards and analyzing deviations
- (c) Taking corrective action
- (d) All

Q.5. Which area is identified under Critical Point Control method while analyzing deviations

- (a) Key Failure Areas
- (b) Key Result Areas
- (c) Critical Areas
- (d) None of the above

Q.6. ____ Function brings back the management cycle back to planning:

- (a) Staffing
- (b) Organizing
- (c) Controlling
- (d) Directing

Q.7. Which concept states that if you try to control everything you end up controlling nothing

- (a) Control By Exception
- (b) Critical Point Control
- (c) Budgetary Control
- (d) All of the above

Q.8. Which type of function is controlling?

- (a) prescriptive
- (b) directive
- (c) executive
- (d) All of the above

Q.9. What is compared with what in controlling process

- (a) Actual performance with standards
- (b) Standard performance with actual
- (c) Both of the above
- (d) None of the above

Q.10. Controlling is performed at which level of management

- (a) Top
- (b) Middle
- (c) Lower
- (d) All

Answers: 1. (d), 2. (c), 3. (c), 4. (d), 5. (b) 6. (c), 7. (a), 8. (c), 9. (a), 10. (d)

CHAPTER 9 - FINANCIAL MANAGEMENT

Q.1. The cheapest source of finance is

- a) Debenture
- b) Equity share capital
- c) Preference shares
- d) Retained earnings

Q.2. A decision to acquire a new asset to upgrade an old one is a

- a) Financing decision
- b) working capital decision
- c) Investment Decision
- d) Dividend decision

Q.3. Companies with higher growth prospects are likely to

- a) Pay lower dividends
- b) Pay higher dividends
- c) Dividends are not affected by the growth considerations.
- d) None of the above

Q.4. Financial leverage is called favorable iff

- a) ROI is lower than cost of investment
- b) ROI is higher than Cost of debt
- c) Debt is nearly available
- d) If the degree of existing financial leverage is low.

Q.5. Higher debt equity ratio results in

- a) Lower financial risk
- b) High operating risk
- c) Higher EPS
- d) High financial risk.

Q.6. Higher dividend per share is associated with

- a) High earnings, high cash flows, unusual earnings and higher growth opportunities
- b) High earnings, high cash flows, stable earnings and higher growth opportunities
- c) High earnings, high cash flows, unusual earnings and lower growth opportunities
- d) High earnings, low cash flows, unusual earnings and higher growth opportunities

Q.7. Current assets are those assets which get converted into cash

- a) Within six months
- b) Within one year
- c) Between one and three year
- d) Between three and five years

Q.8. A fixed asset should be financed through

- a) A long term liability
- b) A short term liability
- c) Partly from both types
- d) None of the above.

Q.9. A current asset should be financed through

- a) A long term liability
- b) A short term liability
- c) Partly from both types
- d) None of the above.

Q.10. Financial management aims at

- a) Ensuring availability of funds
- b) Reducing cost of funds
- c) Effective deployment of funds
- d) all of the above.

Q.11. A long term investment decision is called a

- a) Capital budgeting decision
- b) Working capital decision

c) Financial decision

d) Dividend decision.

Q.12. Borrowing @ 30% and the tax rate @ 30% means the after tax cost of debt is .

a) 20%

b) 7%

c) 3%

d) 10%

Answers

1. (a) 2. (c) 3. (a) 4. (b) 5. (c) 6. (c) 7. (b) 8. (a) 9. (d) 10. (d) 11. (a) 12. (b)

CHAPTER 10 - FINANCIAL MARKETS

Q.1. National stock exchange of India was recognized as a stock exchange in the year

a) 1992

b) 1993

c) 1994

d) 1995

Q.2. Treasury bills are basically

a) An instrument to borrow short term funds

b) An instrument to borrow long term funds

c) An instrument of capital market

d) None of the above.

Q.3. Instruments with a maturity period of less than one year is traded in the

a) Capital market

b) Money market

c) stock exchange

d) NSEI

Q.4. Which of the following is not the participant of money market?

a) Treasury bills

b) Commercial paper

c) Call money

d) Certificate of deposit

Q.5. Which of the following methods of floating new issues in the primary market is prohibited currently?

a) Offer for sale

b) private placement

c) Preferential allotment

d) Rights issue

Q.7. The Stock exchange set up in India is currently known as

a) National Stock Exchange of India.

b) Over the Counter exchange of India

c) Bombay Stock Exchange

d) Delhi Stock Exchange.

Q.8. IN which year the SEBI was establish by government of India?

a) 1980

b) 1988

c) 1993

d) 1995

Q.9. Treasury bills are available for a minimum amount of ₹ . And in multiples thereof

a) RS. 10,000

b) Rs. 15,000

c) Rs.20,000

d) Rs. 25,000

Q.10. Commercial paper is short term unsecured promissory note having a maturity period of .

a) 91 days to 1 year

b) 15 days to 1 year

c) 1 day to 15 days

d) 1 year

Q.11. What is the other name of carry over basis transactions in Stock exchange?

- a) Badla
- b) Odd lot trading
- c) Bourses
- d) Bulls and Bears.

Q.12. What is the settlement cycle of OTCEI?

- a) 5 days
- b) 15 days
- c) 7 days
- d) 17 days.

Answers

1. (b) 2. (a) 3. (b) 4. (b) 5. (a) 6. (c) 7. (c) 8. (b) 9. (d) 10. (b) 11. (a) 12. (C)

CHAPTER 11 - MARKETING

Q.1. Lifebuoy soaps, Surf detergent powder are manufactured by ..

- a) Hindustan Unilever Ltd.
- b) Procter & Gamble
- c) Nestle
- d) Kwality Walls.

Q.2. According to which concept of marketing, availability of the product are considered to be the success of the firm?

- a) Production Concept
- b) product Concept
- c) Sales concept
- d) marketing concept.

Q.3. Which concept of the marketing emphasizes greater importance to attracting and persuading customers to buy the product?

- a) Production Concept
- b) product Concept
- c) Sales concept
- d) marketing concept.

Q.4. Cigarettes, ice creams, medicines, newspaper etc are examples of ..

- a) Convenience products
- b) Industrial products
- c) Shopping products
- d) Speciality products.

Q.5. Clothes, Furniture, Jewellery etc are the examples of ..

- a) Convenience products
- b) Industrial products
- c) Shopping products
- d) Speciality products.

Q.6. A tube of shaving cream usually comes in a card board box. This is an example of ..

- a) Primary packaging
- b) Secondary packaging
- c) transport packaging
- d) None of the above.

Q.7. Identify the channel of distribution

Manufacturer → Retailer → Customer

- a) Direct channel
- b) One level channel
- c) Two level channel
- d) Three level channel.

Q.8. For most consumer goods like; soaps, oils, clothes etc which type of channel of distribution is most suitable?

- a) Direct channel
- b) One level channel
- c) Two level channel
- d) Three level channel.

Q.9. ÷Buy one get 1 free offer of Peter England shirt is an example of one of the techniques of sales promotion. Identify the technique?

- a) Rebate
- b) product Combination
- c) Quantity Gift
- d) Discount

Q.10. "Get 12 MB memory card free with L-7 Motorola Cell phone" is an example of one of the techniques of sales promotion. Identify the technique?

- a) Rebate
- b) product Combination
- c) Quantity Gift
- d) Discount

Answers

1. (A) 2. (a) 3. (C) 4. (a) 5. (c) 6. (b) 7. (b) 8. (c) 9. (c) 10. (b)

CHAPTER 12 - CONSUMER PROTECTION

Q.1. ISI is the quality certification mark used in case of electrical goods?

- a) ISI
- b) FPO
- c) AGMARK
- d) Hallmark

Q.2. ISI is the quality certification mark used in case of food products?

- a) ISI
- b) FPO
- c) AGMARK
- d) Hallmark

Q.3. ISI is the quality certification mark used in case of agricultural products?

- a) ISI
- b) FPO
- c) AGMARK
- d) Hallmark

Q.4. Which of the following regulations provides safeguards and reliefs to the buyers of the goods in case the goods purchased do not match with express or implied conditions of warranties?

- a) The Contract Act, 1982
- b) The Sale of Goods Act, 1930
- c) The Essential Commodities Act, 1955
- d) The Bureau of Indian Standards Act, 1986

Q.5. Which of the following regulations formulates quality standards for goods and their certification through the BIS certification scheme?

- a) The Contract Act, 1982
- b) The Sale of Goods Act, 1930
- c) The Essential Commodities Act, 1955
- d) The Bureau of Indian Standards Act, 1986

Q.6. Who can file a complaint before the appropriate Consumer Forum?

- a) Any consumer
- b) Any registered Consumer organization.
- c) The Central government and State Government.
- d) All of the above.

Q.7. A complaint can be made into a District Forum when the value of goods or services in question, along with compensation claimed is ..

- a) exceed Rs. 20 lakhs.
- b) does not exceed Rs. 20 lakhs.
- c) exceed rs. 1 crore
- d) exceeds Rs. 20 lakhs but does not exceed Rs. 1 crore.

Q.8. Which of the following Consumer organization and NGOs is not in New Delhi?

- a) Consumer Coordination Council
- b) Consumer protection Council
- c) Consumer Cause
- d) Voluntary organization in Interest of Consumer Education.

Q.9. ... is the quality certification mark used in case of agricultural product?

- a) ISI
- b) FPO
- c) AGMARK
- d) Hallmark

Q.10. Which of the following regulations protect consumers against the use of fraudulent marks on products?

- a) The Trade mark Act, 1999
- b) The Sale of Goods Act, 1930
- c) The Essential Commodities Act, 1955
- d) The Bureau of Indian Standards Act, 1986

Answers

1. (a) 2. (b) 3. (C) 4. (b) 5. (d) 6. (d) 7. (b) 8. (b) 9. (d) 10. (a)