


CBT JULY 2024
KENDRIYA VIDYALAYA SANGTHAN BHOPAL REGION
SUBJECT – BUSINESS STUDIES
CLASS XII

1	<p>Which of the following is true among the following statements about Business Environment</p> <p>i) It is dynamic and complex ;</p> <p>ii) It is the area or condition in which the business operates ;</p> <p>iii) Different factors in the business environment can impact business enterprise positively or negatively.</p> <p>iv) All of the above</p> <p>(a) (i) and (iii)</p> <p>(b) (ii) and (iii)</p> <p>(c) only (iv)</p> <p>(d) only (i)</p>	1
ANS.1	<p>(c) only (iv)</p> <p>Explanation: as business environment is dynamic and can effect entire business positively or negatively or directly or indirectly and it is sum total all forces in which business operates.</p>	1
2	<p>Which dimension of the business environment is highlighted in the given lines,” The governments all over the world are becoming more and more cautious towards the environment.To ensure the same, numerous national governments recently overturned an order prohibiting the use of plastic luggage, which is non-biodegradable.”?</p> <p>(a) Political</p> <p>(b) Legal</p> <p>(c) Technological</p> <p>(d) Economic</p>	1
Ans.2	<p>(b) Legal</p> <p>Explanation: Legal environment includes various legislations passed by the Government administrative orders issued by government authorities, court judgments as well as the decisions rendered by various commissions and agencies at every level of the government— centre, state or local .as any judgement of government agencies is component of legal environment. It has nothing to do with political, technological and economic components of business environment</p>	1

3	<p>TASTRY a retail food outlet began its business by offering the classic combo of hamburgers and fries. But over time, their customers wanted healthier foods, so it responded and began offering healthy alternatives such as salads, fruits, wraps, and oatmeal. If 'TASTRY' hadn't responded, they may have lost customers that wanted to eat healthier foods. The above case highlights one of the points related to the importance of the business environment and its understanding by managers. Identify it.</p> <p>(a) It helps in coping with rapid changes</p> <p>(b) It helps in improving performance</p> <p>(c) It helps the firm to identify threats and early warning signals</p> <p>(d) It enables the firm to identify opportunities and get the first-mover advantage</p>	1
Ans.3	<p>(a) It helps in coping with rapid changes</p> <p>Explanation:as the firm is responding to the changes taking place in society and offering services accordingly making its survival and growth intact</p>	1
4	<p>Assertions (A) :The business Environment is affected by demographic factors</p> <p>Reason (R) : Changes in Population size and composition impact business operations</p> <p>(a) Both A and R are correct</p> <p>(b) A is correct R is incorrect</p> <p>(c) Both A and R are correct and R is the correct explanation of R</p> <p>(d) Both A and R are correct and R is not the correct explanation of R</p>	1
Ans.4	<p>(b) Both A and R are correct and R is the correct explanation of R</p> <p>Explanation: as it related to social dimensions of business environment involving changes in structure of population may affect any business as it relates to change in habit, tradition , culture and preference</p>	1
5	<p>Assertion (A): Managers need to be given some flexibility to be able to cope with the changed circumstances.</p>	1

	<p>Reason (R): Planning reduces creativity.</p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</p> <p>(b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).</p> <p>(c) Assertion (A) is true but Reason (R) is False</p> <p>(d) Assertion (A) is False but Reason (R) is true.</p>	
Ans.5	<p>b)</p> <p>Explanation: Managers need to be given some flexibility to change the course of action according to present situation. But Planning is rigid in nature it does not allow creativity. Both Assertion and reason are true, but reason does not explain why managers need to be given some flexibility.</p>	1
6	<p>While 'selecting an alternative' under the planning process, which of the following are considered?</p> <p>(a) Combination of plans may be selected instead of one best course.</p> <p>(b) Subjectivity and manager's experience or judgment plays a role.</p> <p>(c) The most feasible, profitable plan with least negative consequences is chosen.</p> <p>(d) All of the above</p>	1
Ans.6	<p>(d) ALL of the above</p> <p>Explanation: The best plan, which is the most profitable plan and with minimum negative effects, is adopted and implemented. In such cases, the manager's experience and judgement plays an important role in selecting the best alternative</p>	1
7	<p>Which of the following statements is true regarding planning?</p> <p>(a) Once plans are made to decide the future course of action, the management may not be in a position to change them.</p> <p>(b) Planning is a one-time process.</p> <p>(c) Planning is required only at Top Level of Management as plans are made by Top Level of Management.</p> <p>(d) Planning always leads to success.</p>	1
Ans.7	<p>(A)</p> <p>Explanation: Once plans are made to decide the future course of action, the management may not be in a position to change them. But planning is continuous, pervasive and may not lead to success. It may be revised to cope up with changes but at a point of time it is</p>	1

	rigid	
8	<p>Niket, a proofreader in Jai Publications, has been given a target of reading at least 50 pages per day. She has a habit of doing things differently. While doing her work and idea struck her that a summary of a chapter in the form of a map where all the concepts related to the chapter would be interlinked, should be given in starting of each chapter. It will give students gist of the chapter as well as provide a competitive edge over the other publishers. But instead of appreciating her idea, her boss scolded her and asked to complete the work as per prescribed format. Out of the following, identify the limitation of planning stated in the above paragraph.</p> <p>(a) planning reduces creativity (b) planning involves huge cost (c) planning is a time-consuming process (d) planning does not work in dynamic environment</p>	1
Ans.8	<p>(a)</p> <p>Explanation: Planning reduces creativity as Planning is an activity which is done by the top management. Usually the rest of the members just implements these plans. It may not happen always but it can be a trend followed in many organisations</p>	1
9	 <p>Which feature of Planning is depicted in the figure</p> <p>(a) Planning is primary function of management (b) Planning is pervasive (c) Planning is futuristic (d) None of the above</p>	1
Ans.9	<p>(d)</p> <p>Explanation: the above picture focuses on Planning focusses on achieving objectives so none of the option given in a, b and c is correct</p>	1
10	<p>Which of the following is not a standing plan</p> <p>(a) Policy (b) Procedure (c) Programme (d) Rule</p>	1

Ans.10	Ans: (c) Explanation: Programmes are specific and can be implemented only one time	1
--------	---	---