



S R SAMPLE PAPER 1

Class 12 - Business Studies

Time Allowed: 3 hours

Maximum Marks: 80

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

1. Ankit joins a garment factory as a plant supervisor in Lucknow. He observes that the output of some workers is very low as compared to the standards set for their performance. On analysing the reasons for the same, he finds out that a lot of time of the workers is wasted in getting the requisite material issued from the store. Whereas on asking, the storekeeper complains that there is no harmony in the working of the production department as a whole. Everyday the workers approach him at the last minute to procure different kinds of threads, laces, mirrors, buttons, etc. If it is not available in the store then he has to place an order with the purchase officer. As a result, a lot of time of the workers is wasted. So, in order to integrate the various production activities, henceforth, Ankit ensures that the storekeeper is informed well three days in advance about the requisite material. Consequently, the storekeeper is able to keep the material ready for the workers every morning in accordance with their requirements. [1]

In context of the above case, identify quality of management that Ankit has introduced in the working of die production department as a corrective measure to control the output of the workers.

- | | |
|---------------|-----------------|
| a) Planning | b) Directing |
| c) Organising | d) Coordinating |

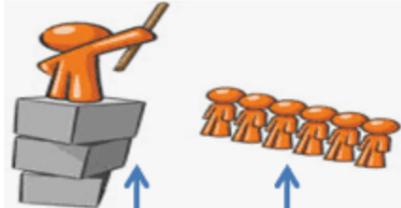
2. The new issues market is also known as: [1]
- | | |
|---------------------|-------------------|
| a) Money market | b) Primary market |
| c) Secondary market | d) Stock exchange |
3. Which one of the following is a limitation of planning? [1]
- | | |
|--------------------------------------|-----------------------------------------|
| a) Planning helps in decision making | b) Planning leads to rigidity |
| c) Planning provides directions | d) Planning reduces risk of uncertainty |
4. The decision involved in expenditures on advertising campaign or research and development programme is called _____. [1]

- a) Capital budgeting decision
- b) Dividend decision
- c) Working capital decision
- d) Financing decision

5. **Planning in the absence of control is meaningless.** What does this statement indicate in respect of both? [1]
- i. Only planning is essential
 - ii. Only controlling is essential
 - iii. Both are essential
 - iv. Both are unnecessary

- a) Only i
- b) Only iv
- c) Both i and iv
- d) Both ii and iii

6. Identify the principle of management followed in the following pictorial representation. [1]



- a) Remuneration
- b) Equity
- c) The Degree of Centralization
- d) Authority and Responsibility

7. It is necessary for an investor to obtain Certificate of Deposits for ₹ _____ lakh. [1]

- a) 10
- b) 50
- c) 25
- d) 5

8. Joining a job marks the beginning of socialisation of the employee at the workplace. The employee is given a brief presentation about the company and is introduced to his superiors, subordinates and the colleagues. He is taken around the workplace and given the change of the job for which he has been selected. This process of familiarisation is very crucial and may have a lasting impact on his decision to stay and on his job performance. Identify the two concepts of one of the functions of management highlighted above. [1]

- a) Promotion and Career Planning
- b) Performance Appraisal and Compensation
- c) Placement and Orientation
- d) Training and Development

9. Which of the following statement is false? [1]

- a. Fixed Assets should never be financed through short-term sources.
- b. Labour intensive organisation require less fixed capital.
- c. Higher growth of an organisation requires less fixed capital.
- d. Working capital affects both the liquidity as well as profitability of a business.

- a) option (c)
- b) option (a)
- c) option (d)
- d) option (b)

10. **Assertion(A):** Division of work is of great importance in Organising. [1]

Reason(R): It makes sure that there is no duplication of work and no burden of work on one person.

- a) Both A and R are true and R is the correct explanation of A.
- b) Both A and R are true but R is not the correct explanation of A.

OR

Jack Welch was chairman and CEO of General Electric between the year 1981 and 2001. During his tenure at GE, the company's value rose 4,000%. When he retired from GE he received a severance payment of 417 million dollar, the largest such payment in history. He once remarked, "If you pick the right people and give them the opportunity to spread their wings, and put compensation as a carrier behind it, you almost don't have to manage them."

In context of the above case:

- a. Identify the style of leadership he is referring to in the above lines.
 - b. State any three features of the style of leadership as identified in part (a) of the question.
23. Mr. Abeer Dahiya, finance manager of Nidhi Logistics Ltd. has a proposal to replace Pentium III computers with Pentium V computers. Which decision of financial management is highlighted in these lines? How are investment decisions crucial for the business? [3]
24. Explain the following rights of a consumer as provided under Consumer Protection Act 1986: [3]
- i. Right to choose; and
 - ii. Right to consumer education.

OR

State any three directions which can be issued by the consumer court to the opposite party if it is satisfied about the genuineness of the complaint.

25. Explain how 'planning is a mental exercise'? [4]

OR

Why are the planning premises required in the planning?

26. "There is a close and reciprocal relationship between planning and controlling." Explain the statement. [4]

OR

Analysing deviations and **taking corrective actions** are the steps in the process of one of the significant functions of management. Identify the function and list the first three steps of the process of the function identified.

27. Mr. Gul Muhammad set up a factory for manufacturing parts of washing machines in his village after completing his education of MBA. This gave employment to about 50 people in his village. The scale of Gul Muhammad's business was small. He had kept all the decision-making rights with himself so far as the different business activities were concerned. Mr. Akbar Shah, the Sarpanch of the village, had helped him a lot in setting up the factory. He often happened to meet Mr. Shah. Many a time he saw Mr. Shah working as the Sarpanch. During this course, the special thing that he observed was that all the rights of spending the grant given by the Government for the welfare of the village were with the Panchayat only. Mr. Gul compared this situation with his own business and concluded, The government has given all the decision taking rights to its subordinate, i.e, village panchayat, whereas all the decision taking rights he has kept with himself instead of giving them to his subordinates. [4]
- Mr. Gul thought deeply over this situation and arrived at this conclusion, Because the Government is a very big organisation, it is imperative that the decision taking rights to be given up to the lower level. On the other hand, the scale of his business is very small, hence he can easily take all the decisions himself. And as the scale of his business grows, he too will hand over the rights of taking decisions to his subordinates.
- a. Identify and explain the principle of management described in the paragraph given above.
 - b. Identify any one value in the paragraphs given above which through a business has influenced society.
28. Explain assumptions of Maslow's need hierarchy theory. [4]

29. State the advantages of dematerialisation of shares. [4]
30. Explain the following rights of a consumer provided under The Consumer Protection Act, 2019: [4]
- i. Right to be Informed
 - ii. Right to be Heard

31. **Entertainment India Ltd.** has been incorporated with the objective of entertaining people by organising festivals, programmes and other similar events depicting the rich cultural heritage of the country. The company management has renowned personalities from the field of art, literature and culture. They decided to give a platform to young budding musicians, poets and artists. The company decided its organisations structure by grouping similar jobs together. Thereafter, the heads of different departments were also appointed. Nisha, one of the heads, did an analysis of the number, type and qualification necessary for people to be appointed. The information generated in the process of writing the job description and the candidate profile was used to develop **Situations vacant** advertisement. This was published in print media and flashed in electronic media. This brought in a flood of response. [6]

Explain the other steps which Nisha has to perform to complete the process being discussed above.

OR

Atul is working in an organisation. 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 organisation.

Name and explain the method of training Atul is undergoing.

32. Describe the main constituents of a new economic policy (economic reforms). [6]

OR

On 8 November 2016, the Government of India announced the demonetization making all Rs. 500 and Rs. 1,000 banknotes of the Mahatma Gandhi Series invalid past midnight. The government claimed that the action would curtail the use of illicit and counterfeit cash to fund illegal activity and terrorism. The BSE SENSEX and NIFTY 50 stock indices fell over 6 percent on the day after the announcement. The decision was heavily criticized by members of the opposition parties, leading to debates in both houses of parliament and triggering organized protests against the government in several places across India. People seeking to exchange their banknotes had to stand in lengthy queues, and several deaths were linked to the inconveniences caused due to the rush to exchange cash. After demonetization, the demand for point of sales (POS) or card swipe machines has increased. E-payment options like PayTM have also seen a rise.

In the context of the above case:

- i. Identify and explain the various dimensions of the business environment which relate to the above-mentioned case.
 - ii. List any through two values that the government seeks to promote through demonetization.
33. E-Solutions Ltd. started its operations in the year 2000. At the time of its inception, the company had only ten employees with two departments, a Production Department, and an Administration department. The products supplied and the services provided by the company started gaining popularity over the years. The management had faith in the abilities of the employees and thus they allowed them freedom of action. The management recognized that the decision-makers at different levels of the organization need to be given more autonomy. They took a policy decision that there will be less control of superiors over subordinates. This increased the role of the subordinates in the organization and now they were in a position to take numerous as well as important decisions. As a result, its business has diversified into many areas. Presently, it has its operations throughout the [6]

country with seven branches overseas. Its organizational structure has now changed into a divisional structure and ten thousand people are working with the company.

- a. Identify the concept of management which helped the company to diversify into many areas and branches abroad.
- b. Explain five points of importance of the concept identified in (a) above.

34. Mediquip Ltd. is a company dealing in distribution of medical equipments. The company recently imported 15000 units of sugar testing machines to test the sugar levels without taking blood samples. For deciding the marketing strategy, the Chief Executive Officer of the company called a meeting of the marketing heads of different zones. [6]

In the meeting, Sandeep, the North Zone Marketing Head, suggested that since the machines were sophisticated they need to visit hospitals personally, to explain its working to the hospital staff who would be using the machines. He also suggested that additional trained people may be recruited for the same.

Himanshu, another Zonal Head, added that since lot of money had been spent on the import of the machines, the company was short of funds to pay to the additional staff as suggested by Sandeep.

Rahul, a newly appointed Zonal Head of South Zone suggested that since the size of the order is not large, a detailed study of the factors determining the choice of channels of distribution is required before making the right choice.

- a. Identify the factors influencing the choice of channels of distribution which were discussed in the meeting.
- b. Also, explain briefly the other consideration to be taken care of in each factor identified in part (a).

TO GET THE SOLUTION OF THIS PAPER AT RS 25 CLICK HERE

<https://cbsestudymaterial.myinstamojo.com/product/4731365/sample-paper-1-solution-bst-912ea/>