



## Sample Paper 2022-23

### 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. When an organization is concerned about the personal growth and development of employees which management objective is highlighted? [1]  
a) Social objective  
b) Organizational objective  
c) Personal objective  
d) Growth objective
2. \_\_\_\_\_ point of view lays stress upon the customer's welfare. [1]  
a) Marketing  
b) Product  
c) Production  
d) Social Marketing
3. **Statement I:** Programmes are detailed statements about a project which outlines the objectives, policies, procedures, rules, tasks, human and physical resources required and the budget to implement any course of action. [1]  
**Statement II:** Programmes include the entire gamut of activities as well as the organisations policy and how it will contribute to the overall business plan.  
a) Statement II is correct and Statement I is not correct.  
b) Both the Statements I and II are correct.  
c) Statement I is correct and Statement II is not correct.  
d) Both the Statements I and II are not correct.
4. Fixed capital means that capital which is used in purchasing \_\_\_\_\_ assets. [1]  
a) Short term  
b) Current assets  
c) Fixed assets  
d) Material
5. Ronit Raj, a marketing manager is a patient of diabetes for which he takes medicines regularly. One day, on his tour to Patna, he met with an accident and was hospitalised. Due to doctors' negligence a delicate nerve of his [1]

right leg was cut rendering him crippled throughout his life. Identify the consumer right that has been violated by the doctors under the Consumer Protection Act, 2019 in the above situation.

- a) Right to Choose
- b) Right to be Protected
- c) Right to be Heard
- d) Right to be Informed

6. **Statement I:** Planning means ensuring that activities in an organisation are performed as per the plans. [1]

**Statement II:** Managerial Control implies the measurement of accomplishment against the standard and the correction of deviations to assure attainment of objectives according to plans.

- a) Both the Statements I and II are not correct.
- b) Statement I is correct and Statement II is not correct.
- c) Both the Statements I and II are correct.
- d) Statement II is correct and Statement I is not correct.

7. Maturity period to call money is: [1]

- a) 1 to 30 days
- b) 1 to 15 days
- c) 15 to 1 years
- d) 15 to 90 days

8. \_\_\_\_\_ is included in Internal Source of Recruitment. [1]

- a) Promotion
- b) Both promotion and transfer
- c) Transfer
- d) Campus recruitment

9. Capital structure can be calculated as \_\_\_\_\_. [1]

- a. Debt-equity ratio (i.e. Debt/Equity)
- b. the proportion of debt out of the total capital (i.e. Debt/Debt+Equity)
- c. Both (a) and (b)
- d. Neither (a) nor (b)

- a) Option (a)
- b) Option (d)
- c) Option (b)
- d) Option (c)

10. One of the following is not the importance of organizing: [1]

- a) Role clarity
- b) Performance appraisal
- c) Growth and expansion
- d) Adaptation to change

11. **Statement I:** A long-term investment decision is also called a Capital Budgeting decision. [1]

**Statement II:** Capital Budgeting decision involves committing the finance on a long-term basis.

- a) Statement I is correct and Statement II is not correct.
- b) Both the Statements I and II are correct.
- c) Statement II is correct and Statement I is not correct.
- d) Both the Statements I and II are not correct.

12. A Treasury Bill is basically: [1]

- a) An instrument to borrow short-term funds
- b) An instrument of capital market
- c) An instrument to borrow long-term funds
- d) None of these

13. Why did Fayol introduce the concept of **Gang Plank** in the principle of Scalar chain? [1]



the doctors of his organization. For this he instituted two running trophies. A 'Healthcare Achievers Trophy' to acknowledge and appreciate the tireless efforts of the doctors who rendered selfless services to the patients and another 'Beti Bachao Trophy' to recognize the outstanding work done by the doctors in saving the girl child. The CEO also wanted to improve the health services in rural areas all over the country. He decided that all the doctors must work in rural areas for at least six month. He also decided that the paramedical staff should be employed locally.

- i. Identify the incentive provided by 'Goodcare hospital' to its doctors through running trophies.
- ii. Which need of the doctors will be satisfied through the incentive identified in part (a)? State.

23. G. Motors is the manufacturer of sophisticated cranes. The Production manager of the company reported to the Chief Executive Officer, Ashish Jain that one of the machines used in manufacturing sophisticated cranes had to be replaced to compete in the market, as other competitors were using automatic machines for manufacturing cranes. After a detailed analysis, it was decided to purchase a new automatic machine having the latest technology. It was also decided to finance this machine through long term sources of finance. Ashish Jain compared various machines and decided to invest in the machine which would yield the maximum returns to its investors. [3]
- a. Identify the financial decision taken by Ashish Jain.
  - b. Explain any three factors affecting the decision identified in (a) above.

OR

Explain how the

- i. Risk consideration and
- ii. Tax rate affect the choice of capital structure

24. In one of the cases, the Goa State Commission held that "The Consumer Protection Act is not for entertaining or compensating speculative transactions or losses". It held that compensation cannot be given under the Consumer Protection Act to those involved in the sale and purchase of shares, which are commercial transactions. The order follows an appeal by a Mumbai-based stock broker India Infoline Limited against an order of the Goa District Consumer Forum. Initially, the judgement of the Goa District Consumer Forum had awarded damages to Panaji- resident Vaman Nagesh who had lost money in share trading through a stockbroker India Infoline Limited. [3]

In the context of the above case:

- a. Why do 'commercial transactions' not fall under tire purview of 'consumer' under the Consumer Protection Act?
- b. Why do you think that the above-mentioned case was initially filed in the Goa District Forum by Vaman Nagesh?
- c. Where do you think Vaman Nagesh could have filed a further appeal in case he was not satisfied with the judgement passed about his case by the Goa State Commission?

OR

Which responsibility of a consumer has not been fulfilled in the following cases?

- i. Despite it was written on the cover of the face cream that it should be used only after a patch test, Rina applied it on her face and developed an allergy.
- ii. The loose spices purchased by Aditi were adulterated.

iii. Sahil found a worm in chocolate but did not tell anyone as he thought it is a small amount, so there is no point in making a complaint.

iv. Neeta desperately wanted to watch the movie so purchased the tickets from a black marketeer.

v. Rohit did not take cash memo for his mobile to save GST.

25. Give the meaning of 'procedure' and 'rule' as types of plans. [4]

OR

Give the meaning of 'objectives' and 'budget' as types of plans.

26. Textile manufacturer Super textiles reported a 43% fall in its profits in the fourth quarter ended 31 March 2017, which is beyond the acceptable range 25% decided by the company. This was due to higher fuel cost and lower yield on account of demonetization. The company aims to implement cost-saving measures by restructuring contracts and its business processes to meet its targets in the future. [4]

a. Name the function of management discussed above.

b. Also, identify and explain the steps of the function of management discussed above.

OR

Sanyam Textiles Private Limited is an export-oriented Towels and Rugs manufacturing unit based in Kota in the state of Rajasthan. It has a fully integrated plant encompassing Dyeing, Weaving, Finishing, Printing, Embroidery which enables the transformation of cotton yam into amazing towels/bath mats. The clientele includes departmental stores and importers right

across the globe with customers in 18 countries encompassing all continents. However, the company is experiencing a downward trend from the past six months since many of its export orders have been rejected because they were not being completed within a stipulated time. The company has now hired Mr. Jacob as a consultant to look into the reasons for such

circumstances. The prime reasons which have been identified by Mr. Jacob are as follows:

a. The workers are using mobile phones extensively as the internet packages are available at very economical rates these days.

b. The workers don't feel encouraged enough as their wages have not been revised in the present year.

c. In one of the accidents which took place in the factory last year, two workers lost their limbs, but the company didn't pay them sufficient compensation because of which many of the old workers left the job as their morale was reduced.

d. Most of the workers in the factory are new and are not well versed in their work.

On the basis of the above analysis Jacob has advised the management to give regular increments to the workers, reframe the accidental policy of the company to be able to do more justice to the workers in case of any eventuality, install cameras at appropriate places for better supervision of workers so that they do not waste time and also provide training to the new workers.

In the context of the above case:

a) Identify the functions of management being discussed in the above paragraph.

b) State any two points highlighting the importance of one of the functions of management as identified in part (a) of the question.

27. Damini D'Souza took over the reins of 'Kinsa Retail' as its Managing Director in India. 'Kinsa Retail' with its headquarter at Japan has been in the retail business for the last 40 years. It has regional offices in many countries that take care of the shops in that region. As it is a large organisation, the regional officers have been given the powers to decide and spend funds sanctioned to them by the headquarter for the welfare of the customers of their [4]

region.

'Kinsa Retail' wants the highest possible standards of ethical conduct being followed, for which a code of conduct is in place for putting values into practice. All employees as well as Board members are required to act in accordance with the highest standards of personal and professional integrity when acting on behalf of the company. Non-compliance involves a heavy penalty including termination of employment.

Explain any two principles of general management being followed by 'Kinsa Retail'.

28. 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 demoralised 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 behaviour and felt that her performance could be improved. She started involving Smita in decision-making issues related to the organisation and made her a part of high-level joint-management committee. Smith was now punctual in office and her performance started improving.
- i. Identify the function of management being performed by Rita.
  - ii. Name the elements of the above function of management which helped Rita to improve Smita's behaviour.
  - iii. State any three features of the element identified in (ii) above.

29. What is meant by money market? Explain any two instruments used in money market. [4]

30. Vasvi purchased a bottle of pickle from the local grocery shop. The information provided on the bottle was not clear. She fell sick on consuming it. She filed a case in the District Forum under the Consumer Protection Act and got the relief. [4]
- a. Identify the important aspect neglected by the marketer in the above case.
  - b. Explain briefly the functions of the aspect identified in (a) above.

31. Define staffing as a function of management and state its importance. [6]

OR

Mr Naresh recently completed his MBA from one of the Indian Institutes of Management in Human Resource Management. He has been appointed as Human Resource Manager in a Truck, Manufacturing Company. The company has 1,500 employees and has an expansion plan in hand that may require additional 500 persons for various types of jobs. Mr Naresh has been given the complete charge of the company's Human Resource Department. List out the specialised activities that Mr Naresh is supposed to perform as the Human Resource Manager of the company.

32. After completing for his education, Arun joins his father in their family business of manufacturing cookware. As a businessman, his father is rigid in his approach and has fixed ideas about various issues. He tends to maintain a distance from the factory workers. However, Arun is more receptive to the needs of the workers and doesn't seem to believe in any class differences. He believes that the prosperity of their business greatly depends upon the prosperity of their workers and vice versa. At the same time, he has a good understanding of the business environment. Therefore, he introduces a new range of green pans that provide a healthy cooking surface, as they are manufactured with all-ceramic or silicon coating and are considered safer than the traditional petroleum-based nonstick surfaces which may contain toxic substances. Although the new cookware range is highly-priced, he expects a ready market for it as both the purchasing power of people and their preference for better quality [6]

products has increased over the years.

In the context of the above case answer the following:

- a. Identify the nature of management which is being reflected in the different styles of management in practice adopted by Arun and his father.
- b. Name and explain the related principle of scientific management.
- c. State the related dimensions of the business environment.

OR

India's craft heritage is surviving because of its customs and traditions. Craft products made by craftsmen of Rajasthan, Gujarat, Assam, etc. are not only used in the country but are also exported to the USA, Germany, UK, France and other countries of the world. The volume of exports of these products gives India an advantage in the balance of payments and the much needed foreign exchange. The Prime Minister desires that the handicraft industry should be expanded by linking it with technology. The focus should be on changing the manufacturing process, ensuring durability and adopting innovations.

Quoting the lines from the above paragraph, explain any four dimensions of the business environment.

33. Aman, Avneesh and Amrish have decided to start a business of manufacturing toys. They identified the following main activities which they have to perform: [6]

- 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

You are required to:

- a. Identify the functions 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.

34. **Pushpanjali Ltd.** is manufacturing chocolates, biscuits, cakes and other similar products. The company is not generating enough profits. Saurabh, the Marketing manager of the company got a survey conducted to find out the reasons. The findings of the survey revealed that in spite of better quality, the customers were not able to distinguish the products of the company from its competitors. Though the customers wanted to buy the products of 'Pushpanjali Ltd.' again and again because of its good quality, but they were not able to identify its products in the market. Because of this, the sales of the company could not pick up resulting in inadequate profits. Saurabh, the Marketing manager now realised that 'Pushpanjali Ltd.' had forgotten to take one of the most important decisions related to the product. [6]

What decision should 'Pushpanjali Ltd.' take so that its customers are able to identify its products in the market?

Explain the benefits that may result to 'Pushpanjali Ltd.' and its customers if the above decision is taken.

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