

CBSE 12th – 2022-23

Business Studies

General Instructions:

1. This Paper is divided in 4 sections. Section-I, Section-II, Section-III & Section-IV.
2. **Section-I:** This section has 20 MCQs of 1 mark each.
3. **Section-II:** This section has 6 questions of 3 marks each to be answered in 50 to 75 words.
Attempt any one question from Q3 and Q4.
Attempt any one question from Q5 and Q6.
4. **Section-III:** This section has 8 questions of 4 marks each to be answered in about 150 words.
Attempt any one question from Q1 and Q2.
Attempt any one question from Q3 and Q4.
5. **Section-IV:** This section has 6 questions of 6 marks each to be answered in about 200 words.
Attempt any one question from Q1 and Q2.
Attempt any one question from Q3 and Q4.



Section A

1. Providing facilities of Schools, creches and hospitals is the _____ of management.
(a) Social Objective
(b) Organisational Objective
(c) Personal Objective
(d) None of these
2. The main profession of Henry Fayol, in the beginning, was _____.
(a) a mining engineer
(b) managing director
(c) a businessman
(d) an Author

3. Match the following:

(a).	Political forces affect economic forces through changes in economic policies	(i)	Complexity
(b).	LCD television were replaced by ones LED	(ii)	Relative
(c).	Increase in excise duty on petroleum products will not only increase the price of petrol, diesel but also the price of other factors	(iii)	Inter- related
(d).	Demand for sarees will be high in Uttar Pradesh while it will be less in Punjab	(iv)	Dynamic

- (a) (a) - (iii), (b) - (iv), (c) - (i), (d) - (ii)
 (b) (a) - (iv), (b) - (i), (c) - (ii), (d) - (iii)
 (c) (a) - (i), (b) - (ii), (c) - (iii), (d) - (iv)
 (d) (a) - (iii), (b) - (i), (c) - (iv), (d) - (ii)

4. In 2019 alone, Swiggy has launched operations in 300 towns and cities. Swiggy follows a two-step sequence while expanding to a small town. First, it provides more laborious training to restaurants and delivery partners compared to their counterparts in the city. Second, it focuses on building scale in operations and increase the restaurant's reach to a larger base of consumers, including optimizing kitchens, resource planning among others. Identify the type of plan being described in the above lines.

- (a) Procedure
 (b) Method
 (c) Programme
 (d) Strategy

5. Planning is the function of the:

- (a) Accountant
 (b) Manager
 (c) Organization
 (d) Government

6. An IT company currently employing 5,000 people, plans to expand its business through diversification. It aims to become a global leader. To achieve this goal, it has started shifting to a decentralised management system from a centralized one. Thus, function of management is being performed by the company to become a decentralised company.

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

7. _____ is the organisational structure in which no department is responsible for end results.
- (a) Formal
 - (b) Functional structure
 - (c) Informal
 - (d) Divisional structure
8. _____ implies being answerable for the final outcome.
- (a) Responsibilities
 - (b) Accountability
 - (c) Authority
 - (d) None of these
9. _____ ensures that the heads of separate business units in the organisation are responsible for profit or loss of their unit and have authority over it.
- (a) Hierarchy of authority
 - (b) Span of management
 - (c) Divisional structure
 - (d) Functional structure
10. Which of the following is the most serious problem that might arise due to excessive reliance on internal recruitment?
- (a) High Labour turnover
 - (b) Lack of motivation
 - (c) Internal resistance
 - (d) Reduce job performance
11. One of the following is not an element of Directing.
- (a) Division of work
 - (b) Communication
 - (c) Motivation
 - (d) Leadership
12. _____ needs are most basic in the hierarchy of motivation theory and correspond to primary needs.
- (a) Security Needs
 - (b) Basic Physiological Needs
 - (c) Self Actualisation Needs
 - (d) Belonging Needs

13. Controlling is blind without _____.
- (a) Planning
 - (b) Staffing
 - (c) Capital market
 - (d) Budgeting
14. There is one popular saying that Planning is looking _____ while controlling is looking _____.
- (a) Future, Present
 - (b) Ahead, Back
 - (c) Back, Ahead
 - (d) None of these
15. Business finance is needed to:
- (a) Establish a business
 - (b) Expand a business
 - (c) Run a business
 - (d) All of these
16. ICR = _____
- (a) $\frac{\text{Interest}}{\text{EBIT}}$
 - (b) $\frac{\text{EBIT}}{\text{Interest}}$
 - (c) $\text{EBIT} - \text{Interest}$
 - (d) $\text{EBIT} \times \text{Interest}$
17. Primary and secondary markets:
- (a) Control each other
 - (b) Compete with each other
 - (c) Function independently
 - (d) Complement each other
18. NSE commenced futures trading in the year:
- (a) 2002
 - (b) 2000
 - (c) 2001
 - (d) 1999

19. Describes the product and specify its contents is the function of:
- (a) Labelling
 - (b) Advertising
 - (c) Branding
 - (d) Sales promotion
20. _____ is not a part of the three-tier judicial machinery.
- (a) State Commission
 - (b) District Forum
 - (c) Tehsil Forum
 - (d) National Commission

Section B

21. Mrs. Sadhna Kidwai is the Divisional Manager of the Export Division of Swad Tea Limited. For some time since past, a restriction has been imposed on Export of tea. It is evident that the company's Export business depends on the Government's Policy. Recently there has been a change of Government in the centre. As soon as the new Government took over, it removed the restriction imposed on the Export of tea. With the coming of this news, the Division under Mrs. Kidwai heaved a sigh of relief.
- (a) The change of Government is having its impact on the two dimensions of Business environment, Identify them.
 - (b) Identify one of the characteristics of 'Business Environment' described.
22. Ragunath works as a human resource manager in Vanshika Housing Ltd. a company engaged in the real estate business. He suggests to the Managing Director of the company to start a sports club in the office where friendly indoor matches can be organised amongst the employees on every Saturday.
- In context of the above case:
- (a) Identify the type of organisation that Ragunath is desirous of promoting in the company.
 - (b) State any three advantages of the type of organisation as identified in part (a) of the question.
23. How does management help workers to achieve its personal objectives? State.

OR

State any three responsibilities that a consumer should keep in mind while purchasing using and consuming goods and services.

24. Seeta, Geeta and Babita Ltd is engaged in manufacturing machine components. The target of production is 250 units per day per worker. The company had been successfully attaining this target until two months ago. Over the last two months, it has been observed that daily production varies between 200–210 units per worker.
- Name the function of management and identify the step in the process of this function which helped in finding out that the actual production of a worker is less than the set target.
 - To complete the process of the function identified in and to ensure the performance as per set targets, explain what further steps a manager has to take.

OR

Bhuvan inherited a very large area of agricultural land in Haryana after the death of his grandfather. He plans to sell this piece of land and use the money to set up a small scale paper factory to manufacture all kinds of stationery items from recycled paper. Being an amateur in business, he decides to consult his friend Subhash who works in a financial consultancy firm. Subhash helps him to prepare a blueprint of his future business operations on the basis of sales forecast in next five years. Based on these estimates, he helps Bhuvan to assess the fixed and working capital requirements of the business.

in the context of the above case:

- Identify the type of financial service that Subhash has offered to Bhuvan.
- Briefly state any four points highlighting the importance of the type of financial service identified in part (a).

Section C

25. How do the principles of scalar chain and unity of command help in solving problems faster?

OR

Describe the term 'Delegation' in management. Differentiate between 'Delegation' and 'Decentralisation' on the basis of

- scope

2. essentiality
3. significance
4. control

26. A salesman approaches you to promote the sales of a 'water purifier'. Which communication tool is the marketer using by sending a salesman at your door-step? Explain any two qualities of a good salesman.

OR

Though advertising is one of the most frequently used media of promotion of goods and services, yet it attracts a lot of objections.' Explain any four such objections.

27. Johnson Brothers Ltd. manufactures bearings used in different machines. Mr. Roshan Sodhi, Director of the company, has decided to install an imported plant making best quality bearing at low cost. The plant was installed. When production started with the help of the new plant, he realised that he did not succeed in his objective. On scrutiny, it transpired that the employees had not understood properly the mechanism of a new plant. Mr. Sodhi decided to remove this shortcoming of the employees. Consequently, soon this weakness of the employees was removed. But Mr. Sodhi was not yet satisfied with the performance of the employees. He once again resorted to scrutinise the matter. This time, he found that while operating the machines, the tools required by the employees were not found at their proper place. Due to this reason, there had also occurred unnecessary wear and tear of machines. He also noticed many employees wandering hither and thither aimlessly instead of working at their proper place. In the meanwhile, he also received a complaint that an employee had been thrown out of service because of little deficiency in his performance and was not given any hearing to defend himself, whereas many other employees with similar nature of performance were still working in the company.
- (a) Identify and make us understand the measure adopted by Mr. Sodhi to improve the skill of the employees.
 - (b) Which principle of management is being violated by the company? Give the meaning of this principle.
 - (c) What values are being ignored by the company?
28. Reshma is the manager of the Southern Division of a large corporate house. At what level does she work in the organization? What are her basic functions?
29. Sandhya is a successful manager at Mansions Enterprises. She has a team of twelve people working under her. She encourages them to set their own objectives and take decisions. She respects their opinions and supports them, so that they can perform

their duties and accomplish organizational objective. To manage and exercise effective control she uses forces within the group. As an intelligent manager, at times she also makes uses of positive aspects of informal communication. This way, she is able to unify diverse interests and ensure that targets are met.

- (i) There are many theories and styles of influencing people's behaviour. Identify the style used by Sandhya which is based on the use of authority.
- (ii) ii. State the two positive aspects of the communication discussed, above which Sandhya is using as an intelligent manager.

30. Ramesh had recently completed his graduation from a well-known institute in Kolkata. He was too much interested in Graphic Designing and Printing therefore he pursued a side course along with his graduation. Now, he set up a Printing Industry ' Ramesh Printers Ltd' in a rural area where printing facility was not available. Its main business was to print visiting cards and advertisement banners. One negative factor that is affecting this industry to some extent is that the preferences of customers are changing. They are shifting from Traditional Marketing to Digital Marketing as most of the businesses have become online. It has also been noticed that in Printing Industry only those companies are making huge profits that have adopted modern technology. Recently, government has made such changes in tax policy that will have a positive impact on the Printing Industry. The Managing Director of ' Ramesh Printing Ltd.' made a thorough study of the business environment and accordingly, he made necessary changes in the working of their business.

- (i) "One negative factor that is affecting this industry to some extent is that the preferences of customers are changing." Which dimension of Business Environment is highlighted here?
 - (a) Political Environment
 - (b) Legal Environment
 - (c) Economic Environment
 - (d) Social Environment
- (ii) "Recently, government has made such changes in tax policy that will have a positive impact on the Printing Industry." Dimension of Business Environment is referred to here?
 - (a) Political Environment
 - (b) Legal Environment
 - (c) Economic Environment
 - (d) Technological Environment

- (iii) "It has also been noticed that in Printing Industry only those companies are making huge profits that have adopted modern technology." Identify the dimension of Business Environment highlighted here?
- (a) Political Environment
 - (b) Legal Environment
 - (c) Economic Environment
 - (d) Technological Environment
- (iv) Which value is highlighted here in this case?
- (a) Saving Environment
 - (b) Rural Development
 - (c) Gender Equality
 - (d) Sympathy towards others



Section D

31. State any three advantages and any two limitations of Planning.
- OR**
- State any five functions of labelling.
32. Explain in brief the various steps involved in the process of staffing.
- OR**
- Explain the relationship between controlling and planning functions of management.
33. Tata International Ltd. earned a net profit of Rs.50 crores. Ankit, the finance manager of Tata International Ltd. wants to decide how to appropriate these profits. Discuss any five factors which will help him in taking -this decision.
34. A company uses a financial instrument for bridge financing. The instrument here is short-term, low risk, unsecured and highly liquid. It needed to buy machinery for which it issued equity. This turned out to be expensive as this issue involved floatation costs. The company is a large and creditworthy and this method has come up as a great help to it.
- (a) Identify the financial instrument highlighted in the above case.
 - (b) The instrument highlighted in (a) above is of which market?
 - (c) Name any two types of floatation costs which are generally involved.
 - (d) State the purpose for which this instrument can be used.
 - (e) Name two instruments of that market which is for the short-term funds, which are issued at discount and redeemed at par.