CBSE Class 12 Business Studies 2014 - 66/1 - Annual

Question Paper

Conducted by the Central Board of Secondary Education (CBSE)

Time Allowed: 3 Hours **Maximum Marks: 90**

General Instructions

(i) This question paper contains 30 questions.
(ii) Answers to questions carrying 1 mark may be from one word to one sentence.
(iii) Answers to questions carrying 3 marks may be 50–75 words.
(iv) Answers to questions carrying 4–5 marks may be about 150 words.
(v) Answers to questions carrying 6 marks may be about 200 words.
(vi) Attempt all parts of a question together.

Questions

1. What is meant by 'Management of Work' ?

2. What is determined by 'Time-Study' ?

3. What is included in 'Legal Environment' of Business ? State.

4. Give the meaning of 'Method' as a type of plan.

5. Give the meaning of 'Responsibility' as an element of delegation.

6. Define 'organizing' as a function of management.

7. How are employees motivated to improve their performance when the organization uses internal sources of recruitment ? State.

8. 'Providing for social security and welfare of employees' is one of the specialised activities performed by Human Resource Management. Mention any two other specialised activities of Human Resource Management.

9. What is meant by 'Decoding' as an element of communication ?

10. Give any two characteristics of 'Organizational Climate' that influence the behaviour of individuals and act as a non-financial incentive.

11. What is meant by 'Financial Risk' ?

12. State the objective of 'Financial Management'.

13. Huma is working in a company on a permanent basis. As per the job agreement she had to work for 8 hours a day and was free to work overtime. Huma worked overtime, due to which she fell ill and had to take leave from her work. No one showed concern and enquired about her health. She realised that she was fulfilling only some of her needs while some other needs still remained to be fulfilled.

(i) By quoting the lines from the above para, identify the needs of Huma which she is able to fulfil.

(ii) Also explain two other needs of Huma followed by the above needs, which still remained to be satisfied.

14. Explain any three functions performed by a supervisor that are vital to any organization.

15. 'Stock Exchange not only contributes to the economic growth, but performs many other functions.' Explain any three such functions.

16. ABC Crackers Ltd., a fire-cracker manufacturing company launched some new products on the eve of Diwali in the market, which attracted many buyers. To meet the increased demand the company employed people from nearby villages where there is a lot of unemployment. Because of the good behaviour of the management with the employees, more and more people wanted to join the company. As the products were in great demand in the market, a competitor imitated the products. The products of the competitor were not accepted by the consumers as it was a status symbol to buy the products of ABC Crackers Ltd. because of their quality.

(a) Identify and explain the product-related decision because of which consumers preferred the products of ABC Crackers Ltd.

(b) Also identify any two values which ABC Crackers Ltd. wanted to communicate to the society.

17. State any six reliefs available to a consumer under the Consumer Protection Act, 1986.

18. Explain the following Rights of Consumers :

(i) Right to Consumer Education

(ii) Right to Choose

19. Mega Ltd. was manufacturing water-heaters. In the first year of its operations, the revenue earned by the company was just sufficient to meet its costs. To increase the revenue, the company analysed the reasons of less revenues. After analysis the company decided

(i) to reduce the labour cost by shifting the manufacturing unit to a backward area where labour was available at a very low rate.

(ii) to start manufacturing solar water-heaters and reduce the production of electric water-heaters slowly. This will not only help in covering the risks, but also help in meeting other objectives too.

(a) Identify and explain the objectives of management discussed above.

(b) State any two values which the company wanted to communicate to the society.

20. Explain the concept of 'Business Environment' and any three features of it.

21. State any four advantages of external sources of recruitment.

22. Give the meaning of 'Investment' and 'Financing' decisions of financial management.

23. State any five features of planning.

24. Differentiate between 'Capital Market' and 'Money Market' on the basis of the following :

(i) Meaning

(ii) Liquidity

(iii) Safety

(iv) Expected Return

(v) Duration

25. What is meant by 'Personal Selling' ? Explain any three qualities of a good salesman.

26. Principles of Taylor and Fayol are mutually complementary. One believed that the management should share the gains with the workers, while the other suggested that employees compensation should depend on the earning capacity of the company and should give them a reasonable standard of living.

Identify and explain the principles of Fayol and Taylor referred to in the above para.

27(a). Differentiate between formal and informal organization on the basis of the following :

(i) Meaning

(ii) Origin

(iii) Authority

(iv) Behaviour

(v) Flow of communication

(vi) Nature

OR

27(b). With the help of any four points, explain the importance of 'Decentralization' in an organization.

28(a). Explain the relationship between planning and controlling.

OR

28(b). Explain the various steps in the process of controlling.

29(a). Explain the following as factors affecting the requirements of working capital :

(i) Nature of business

(ii) Scale of operations

(iii) Seasonal factors

(iv) Production cycle

OR

29(b). Explain the following as factors affecting the choice of capital structure :

(i) Cash flow position

(ii) Cost of equity

(iii) Floatation costs

(iv) Stock-market conditions

30(a). Explain the following functions of marketing :

(i) Product designing and development

(ii) Standardization and Grading

(iii) Customer Support Services

(iv) Pricing of products

OR

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

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