CBSE Class 12 Business Studies 2014 - Set 66/2/2

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 1-mark questions may be from one word to one sentence.
(iii) Answer 3-mark questions in 50–75 words.
(iv) Answer 4–5-mark questions in about 150 words.
(v) Answer 6-mark questions in about 200 words.
(vi) Attempt all parts of a question together.

Questions

1. Define 'Financial Management'.

2. What is meant by 'Feedback' in the concept of communication ?

3. How does 'Cost of Debt' affect the capital structure of a company ? State.

4. Why do employees become lethargic when the organization uses internal sources of recruitment ? State.

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

6. 'Maintaining labour relations and union-management relations' is one of the specialised activities performed by Human Resource Management. Mention any two other specialised activities of Human Resource Management.

7. What is meant by 'Management of Operations' ?

8. Give the meaning of 'Accountability' as an element of delegation.

9. What is included in 'Technological Environment' of business ? State.

10. Give the meaning of 'Procedure' as a type of plan.

11. Define organization as a structure.

12. What is determined by 'Fatigue Study' ?

13. 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 children from nearby villages. Although the products were in great demand, appropriate safety warnings for use were not mentioned on the labels, which led to many accidents.

(i) Identify and explain the important product related decision that was not taken into consideration by the company.

(ii) Also state any two values which were violated by the company.

14. How are consumer grievances redressed by the three-tier machinery under Consumer Protection Act, 1986 ? Explain.

15. Explain any three organizational barriers to effective communication.

16. Explain the following Money Market Instruments :

(i) Treasury bill

(ii) Commercial paper

(iii) Call money

17. State any three points of importance of consumer protection from the point of view of consumers.

18. Kavya is working in a company on permanent basis. As per the job agreement she had to work for 8 hours a day and was free to work overtime. Kavya worked overtime. But even after working for long hours and putting in her best efforts, no recognition was given to her by her boss. Due to overtime 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) Identify and explain the needs of Kavya discussed in the above para, by quoting the lines.

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

19. What is meant by the 'Business Environment' ? Explain any three features of business environment.

20. Give the meaning of 'Investment' and 'Dividend' decisions of financial management.

21. 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 revenue. 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.

22. How is training in an organisation beneficial 'for employees' ? State by giving any four reasons.

23. State any five features of planning.

24. What is meant by 'Physical Distribution' ? Explain its major components.

25. Principles of Taylor and Fayol are mutually complementary. One believed that the management should scientifically select the person and the work assigned should suit his/her physical and intellectual capabilities, while the other suggested that the work can be performed more efficiently if divided into specialised tasks.

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

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

(i) Safety

(ii) Expected Return

(iii) Investment outlay

(iv) Participants

(v) Duration

27(a). Explain any four points which highlight the importance of controlling.

OR

27(b). Explain the relationship between planning and controlling.

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

(i) Marketing Planning

(ii) Product designing and development

(iii) Pricing of products

(iv) Standardisation and Grading

OR

28(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.

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

(i) Meaning

(ii) Origin

(iii) Authority

(iv) Behaviour

(v) Flow of communication

(vi) Nature

OR

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

30(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

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

(i) Cash flow position

(ii) Cost of equity

(iii) Floatation cost

(iv) Stock-market conditions

- End of Question Paper -