CBSE Class 12 Business Studies 2017 - Set 66/1/1

Question Paper

Conducted by the Central Board of Secondary Education (CBSE)

Time Allowed: 3 Hours **Maximum Marks: 80**

General Instructions

(i) This question paper contains 25 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. On the introduction of 'Goods and Services Tax Act, experts in the field of business started analysing and forecasting its impact on various sectors and industries. Vivek, an established businessman, attended a few seminars and conferences organized by such experts to familiarize himself with this information. He wanted to use these forecasts to reduce the uncertainty in making decisions for the future in his business. Name the step in the planning process that is being discussed in the above paragraph.

2. How do principles of management help managers in taking decisions Scientifically ? State.

3. Beena, a student of management, likes to relate what she learnt in class to real life situations. She observed many situations while watching educational programmes on television that remind her of concepts of Scientific Management. In one such programme, factories manufacturing parts for products like automobiles, computers and mobile phones were being telecast.

Name the technique of Scientific Management that should be adhered to, while manufacturing parts for such products.

4. Give the meaning of 'Laissez Faire' style of leadership.

5. Ravi, the Marketing Manager of Weaver Garments Ltd. does not allow the salesmen working under him to freely express their frank opinion and feelings regarding work related matters.

Identify the organizational barrier to communication that has been created by Ravi.

6. What is meant by a 'Commercial Paper' ?

7. How does 'level of competition' affect the working capital requirement of an organization ? State.

8. Avik is the finance manager of Mars Ltd. In the current year the company earned high profit. However, Avik thinks that it is better to declare smaller dividend as he is unsure about the earning potential of the company in the coming years.

Avik's choice of dividend decision is based on which of the factor that affect it ?

9. After completing her studies in product design, Sarita wishes to start her own business to design products to cater to the mobility and communication requirements of persons with special needs.

She told her friend that she wanted to focus on supplying high quality products at affordable prices. The Unique Selling Proposition (U.S.P.) of the products would be sensitivity to the challenges and needs of the differently abled people.

She wants to employ only differently abled persons in her factory and sales offices across the country. This decision of Sarita provides the base for interpreting her strategy. This also defines the broad parameters within which the company may recruit the persons.

Sarita has also to decide about the exact manner and the chronological order of how the selection of the differently abled applicants will be done.

In the above lines, Sarita is discussing about one of the functions of management. This function has several types. Identify and explain the types Sarita is discussing in the above lines.

10. State any three merits of external sources of recruitment.

11. Describe briefly the following methods of training :

(i) Apprenticeship Training; and

(ii) Internship Training.

12. Differentiate between Capital Market and Money Market on the basis of :

(i) Investment Outlay, (ii) Safety and (iii) Liquidity.

13. Pinnacle Ltd. deals in the sale of stationery and office furniture. They source the finished products from reputed brands who give them four to six months credit. Seeing the demand for electronic items, they are also planning to market these items by opening outlets throughout India. For this, they have decided to join hands with a Japanese electronic goods manufacturer.

Identify and state any two factors that would affect fixed capital requirement of Pinnacle Ltd. as discussed above.

14. Hema is one of the most successful managers of her company, 'Kobe Ltd.' She uses her creativity and initiative in handling challenging situations at work.

The knowledge gained by her during her student days at a renowned management institute as well as through her observation and experience over the years is applied by Hema in a skillful manner in the context of the realities of a given situation. She often reads books and other literature in various fields of management to keep her knowledge updated.

(i) An aspect of the nature of management is being highlighted in the above description. Identify the aspect.

(ii) Explain any three features of the aspect identified in part (i).

15. State any four advantages of formal organization.

16. The last step in the process of controlling is 'taking corrective actions'. Briefly explain the steps in chronological order that are taken in the process of controlling before this step.

17. Sadaf is the Chief Executive Officer of a reputed company. She introduced appropriate skill development programmes and a sound promotion policy for the employees of her company. To motivate and retain the best talent in the company, she designed the jobs of the managers to include greater variety of work content. Identify and explain the two incentives introduced by Sadaf to motivate the employees of her company.

18. Mr. Murthy is the Human Resource Manager of Jai Hind Hospital in Vellore. He has to appoint nurses for the hospital. Since patients in the hospital are of different types, he wants to find out the candidates' maturity and emotions in dealing with the patients. He also wants to know about the candidates' ability to make decisions.

Explain two types of tests that Mr. Murthy can use to meet his requirements.

19. Sindhu Ayurved Ltd., a new and leading manufacturer of herbal and ayurvedic medicines and grocery products has captured a large share of the market in a short span of time. The Research and Development (R & D) department of the company spends considerable time and effort in developing eco-friendly, chemical-free and healthy alternatives for a variety of products of daily use, like toothpaste, biscuits, noodles, soaps, shampoos and detergents etc. Their business orientation differs from competitors who are short sighted and serve only consumer's needs. Instead Sindhu Ayurved Ltd. considers larger issues of long term social welfare, paying attention to social, ethical and ecological aspects of marketing.

(i) Identify and explain the marketing management philosophy adopted by Sindhu Ayurved Ltd.

(ii) State any two values that are being promoted by the company.

20. State any five features of Business Environment.

21. Apaar Foundation is a Non Governmental Organization (NGO) working to improve the lives of children with medical needs, the homeless and victims of natural disasters. Apart from donations in cash, they collect dry ration, old clothes, shoes, toys, books and medicines from donors. At Apaar Foundation's office in Bhopal the material collected is segregated, classified and put in shelves and boxes that are labelled systematically. There is a specific place for each of these items and volunteers put everything at their respective places.

The volunteer work is divided into specific jobs like fund raising, field visits, social media updates and so on. Each volunteer is part of a particular team, depending on their competency and training. Each volunteer becomes specialized in their respective field, leading to efficient utilization of human effort.

(i) Identify and explain two principles of management adopted by Apaar Foundation.

(ii) State two values that Apaar Foundation is displaying and promoting in society through their work.

22. Shyam bought a pain relieving ointment after seeing it being displayed in the chemist's shop. The ointment tube was packed in a cardboard box. Identify the different levels of packaging of the pain relieving medicine, when it was purchased by Shyam. Also state the functions of packaging.

23. Explain any four differences between "Delegation" and 'Decentralisation', specifying the bases of difference.

24. Sudha is an enterprising business woman who has been running a poultry farm for the past ten years. She has saved ₹ Four Lakhs from her business. She shared with her family her desire to utilize this money to expand her business. Her family members gave her different suggestions like buying new machinery to replace the existing one, acquiring altogether new equipments with latest technology opening a new branch of the poultry farm in another city and so on.

Since these decisions are crucial for her business, involve huge amount of money and are irreversible except at a huge cost, Sudha wants to analyse all aspects of the decisions, before taking any final decision.

(i) Identify and explain the financial decision to be taken by Sudha.

(ii) Also, explain briefly the factors that will affect this decision.

25. State any two reliefs that the Consumer court can grant to consumers in case of genuine complaints in each of the following situations :

(i) Divya was charged more than the printed maximum retail price (MRP) for a bottle of water.

(ii) Clara was sold a car with a defective engine.

(iii) Antony suffered injury while using newly bought defective electric heater.

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