

CBSE Class 12 Business Studies 2019 - 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) Section A: Questions 1–8 carry 1 mark each; answer in one word or one sentence.
- (iii) Section B: Questions 9–13 carry 3 marks each; answer in 50–75 words.
- (iv) Section C: Questions 14–19 carry 4 marks each; answer in about 120 words.
- (v) Section D: Questions 20–22 carry 5 marks each; answer in about 150 words.
- (vi) Section E: Questions 23–25 carry 6 marks each; answer in about 200 words.
- (vii) There is no overall choice. Internal choices are provided in three 1-mark, two 3-mark, two 4-mark, one 5-mark and one 6-mark questions. Attempt only one alternative in each such question.

Section A

1. Give the meaning of functional structure.

2(a). Distinguish between 'Principles of Management' and 'Techniques of Management'.

OR

2(b). Distinguish between 'Time study' and 'Motion study'.

3(a). Name the method of training in which the trainee works under the guidance of a master worker.

OR

3(b). Name the type of barrier of communication which refers to problems and obstructions in the process of encoding and decoding of message into words or impressions.

4(a). What is meant by 'Branding' ?

OR

4(b). What is meant by 'Pricing' ?

5. Archana is a pure vegetarian. She went to a popular food chain shop and asked for a packaged 'Veg-Biryani'. While eating the same she noticed that it had some non-vegetarian content. Neither the advertisement, nor the label on the package showed that the product had non-vegetarian content. Name the consumer right under which Archana can claim for compensation as per the provisions of Consumer Protection Act, 1986.

6. 'Technological Upgradation' affects one of the types of capital requirement of an organisation. Identify the type of capital affected with reference to the above statement.

7. Raj and Riya are working in different departments of Leo Infocom. One day at lunch time Riya told Raj that due to recession many people are going to be retrenched soon from the organisation.

Name the type of communication that took place between Raj and Riya.

8. Raj Auto Ltd. was engaged in manufacturing motor cycles. Its long term objective was to capture the market by increasing sales every year. For this it analysed the pricing policy of the competitors. To achieve this objective it decided to offer a discount of ₹ 3,000 and free insurance on purchase of every motor cycle. This attracted the customers and the sales increased.

Identify the type of plan being followed by Raj Auto Ltd.

9(a). State any three limitations of Planning.

OR

9(b). State any three points of importance of Organising.

10. Mayank, the director of a company, is planning to manufacture stuffed toys for utilising waste material of one of his garments factories. He decided that this manufacturing unit will be set up in a rural area, so that people living in rural areas can have job opportunities. For this he selected Arbaaz, Kriti, Lata and Ritik as heads of Sales, Accounts, Purchase and Production departments respectively. They were differently abled but intelligent and creative persons in designing.

State the next three steps Mayank has to follow in the staffing process after selecting heads of different departments.

11(a). Stock index measures the movement of prices of securities at a stock exchange. Stock index reflects the day-to-day fluctuations in stock prices and are known as barometers of market behaviour of securities.

In the light of this statement, state any three functions of stock exchange.

OR

11(b). To promote orderly and healthy growth of securities market and protection of investors, Securities and Exchange Board of India was set up.

In the light of the given statement, state any three regulatory functions of the Securities and Exchange Board of India.

12. Explain any three points of importance of decentralisation.

13. Sunflag Iron Ltd. is manufacturing steel at its plant in India. It is enjoying increased demand for its steel as economic growth of the country is about 8%. It is planning to set up a new plant to avail the benefits of increased demand. It is estimated that it will require about ₹ 4,000 crore for setting up of plant and about ₹ 600 crore for other expenses to start the new plant.

To collect the above mentioned funds, the sources to be used and the quantity to be collected from different sources had to be considered.

(a) Identify the above discussed concept and give its meaning.

(b) Explain any two factors that affect the concept identified in (a) above.

Section C

14. 'Express Tours Ltd.' is a travel agency which books air tickets on commission basis. It takes two days for Express Tours to get the tickets from airport reservation counter and deliver the same to customers. During the last one year, there has been drastic decrease in its business as most of the customers have shifted to another travel agency, 'Shiva Tours and Travels', which provides tickets within half-an-hour through internet.

(a) Name and explain the dimension of business environment that is being overlooked by 'Express Tours Ltd.'.

(b) Explain another dimension of business environment other than that identified in (a) above.

15(a). Describe 'Offer through Prospectus' and 'Private Placement' as methods of floatation of new issues in Primary market.

OR

15(b). Describe 'Treasury Bill' and 'Call money' as money market instruments.

16. Anchal purchased a food processing machine for ₹ 3,000 from 'Kajal Machinery Pvt. Ltd.' She found that the machine was not working properly. Despite many complaints, the defect was not rectified by Kajal Machinery Pvt. Ltd.

(a) Identify the consumer right that has been violated by Kajal Machinery Pvt. Ltd.

(b) Suggest the appropriate forum where Anchal can file her complaint.

(c) Can she appeal to the Supreme Court if she is not satisfied with the order of the appropriate forum? Give reason in support of your answer.

17(a). Differentiate between 'marketing' and 'selling' on any four basis.

OR

17(b). Differentiate between 'Production concept' and 'Marketing concept' of marketing on the basis of

(a) Starting point

(b) Main focus

(c) Means

(d) Ends

18. The Managing Director of 'Verma Chemicals Pvt. Ltd.' held a meeting of all the departmental managers. In the meeting, the managing director said that besides doing their current work efficiently, they also had to make themselves capable of shouldering more responsibility in future as the company is going to add an additional product to its existing product line. For the realisation of this objective he invited suggestions from all departmental heads. The Managing Director proposed a plan on the basis of the suggestions received. All the departmental heads carried out the plan.

(a) Identify and give the meaning of the style of leadership referred in the above para.

(b) Explain the other two styles of leadership.

19. 'MICO Automobiles Ltd.' is engaged in manufacturing of auto parts for car manufacturing companies.

The company enjoys good creditworthiness. It now wants to expand its business by investing in new plant and machinery. For this it requires long terms finance. Arsh, the Finance Manager of the company advised the CEO of the company to raise funds by issuing equity shares. It requires huge floatation cost. To meet the expenses of floatation cost the company decided to tap the money market.

(a) Name the money market instrument the company can use for meeting the floatation cost.

(b) Differentiate between 'money market' and 'capital market' on any three basis.

20. Identify and state the techniques of sales promotion used by the marketer in the following cases :

- (a) A free holiday package of ₹ 5,000 on purchase of goods worth ₹ 20,000.
- (b) Payment of ₹ 1,60,000 for the purchase of a bike can be made, ₹ 40,000 immediately and balance in 20 equal instalments of ₹ 6000 each.
- (c) 30 grams extra soap in a cake of bathing soap.
- (d) Get 4 GB memory card free with a 'Popo' mobile phone.
- (e) Lucky draw coupon for a car on purchase of petrol ₹ 2,500 from Indian Oil Corporation petrol pumps.

21(a). State any five impacts of government policy changes on Business and Industry.

OR

21(b). State any five points that highlight the importance of 'Management'.

22. Each employee of 'Bhoomika Ltd.' should manufacture 10 tables per day as per the terms of employment. All the employees met the said target except a few who manufactured between 4 – 6 tables per day. The management took a decision to install Closed Circuit Television (CCTV's) in the factory for monitoring the activities of the employees.

- (a) Identify the managerial function discussed above.
- (b) Explain the steps in the process of the function identified in (a) above.

Section E

23(a). Explain any four characteristics of planning.

OR

23(b). Explain the steps in the process of organising function of management.

24. Mohan is working as a vice-president in Ashoka Ltd. He performs a separate and specialised function having many aspects of human relations. His job is closely linked with organising since after the structure and positions have been decided, people are required to work in these positions. His function is seen as a generic function of management. When he performs his duties, his role is slightly limited.

(a) Identify and explain the meaning of the function being performed by Mohan as the vice-president of Ashoka Ltd.

(b) The function performed by Mohan benefits the organisation in many ways. State any five such benefits.

25. Fayol and Taylor both have contributed immensely to the knowledge of management, which has become a basis for further practice by managers. Taylor thought that by scientifically analysing work it would be possible to find 'one best way' to do it. He is most remembered for his time and motion studies and functional foremanship. He said that the best result would come from the partnership between a trained and qualified management and a cooperative and innovative workforce. Fayol explained what amounts to a manager's work and what principles should be followed in doing this work.

In the light of the above discussion, differentiate between the contribution of Taylor and Fayol on the following basis :

- (a) Perspective
- (b) Unity of command
- (c) Focus
- (d) Expression
- (e) Applicability
- (f) Basis of formation

- End of Question Paper -