

MODEL QUESTION PAPER 2023-24

Class 12 – Business Studies

Maximum Marks: 80
Time Allowed: : 3 hours

General Instructions:

1. This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

S.No	Question	Marks								
1	Human Resource Department of any organisation has to ensure the adequate number of employees available throughout the organisation. At which level a human resource manager works? a) Top-level management b) Middle-level management c) All of these d) Operational management	1								
2	Match the CATEGORY being marketed in Column I with the correct EXAMPLE in Column II. <table border="1" style="margin-left: auto; margin-right: auto;"><thead><tr><th>Column I</th><th>Column II</th></tr></thead><tbody><tr><td>(a) Ideas</td><td>(i) Film festival</td></tr><tr><td>(b) Experience</td><td>(ii) Family Planning</td></tr><tr><td>(c) Events</td><td>(iii) Mountaineering</td></tr></tbody></table> a) (a) – (ii), (b) – (i), (c) – (iii) b) (a) – (iii), (b) – (i), (c) – (ii)	Column I	Column II	(a) Ideas	(i) Film festival	(b) Experience	(ii) Family Planning	(c) Events	(iii) Mountaineering	1
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	<p>c) (a) – (ii), (b) – (iii), (c) – (i) d) (a) – (iii), (b) – (ii), (c) – (i)</p>									
3	<p>Match the following and select the appropriate option.</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">(i) Setting objectives</td> <td style="width: 50%;">(a) Assumption about future</td> </tr> <tr> <td>(ii) Developing Premises</td> <td>(b) Monitoring the plans</td> </tr> <tr> <td>(iii) Evaluating alternatives</td> <td>(c) Increase in sales by 20%</td> </tr> <tr> <td>(iv) Follow-up action</td> <td>(d) Weigh the pros and cons</td> </tr> </table> <p>a) (i) – (c), (ii) – (a), (iii) – (d), (iv) – (b) b) (i) – (c), (ii) – (a), (iii) – (b), (iv) – (d) c) (i) – (d), (ii) – (b), (iii) – (a), (iv) – (c) d) (i) – (d), (ii) – (c), (iii) – (a), (iv) – (b)</p>	(i) Setting objectives	(a) Assumption about future	(ii) Developing Premises	(b) Monitoring the plans	(iii) Evaluating alternatives	(c) Increase in sales by 20%	(iv) Follow-up action	(d) Weigh the pros and cons	1
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4	<p>Mr. Raghav, Finance manager of Manav InfraTech Pvt. Ltd., prepared a detailed plan of financial needs of the firm in coming six months and the sources from where funds will be acquired to meet out these needs as company is planning to open a new branch in other states of India. Identify the financial concept discussed here:</p> <p>a) Working capital b) Business cycle c) Financial planning d) Capital structure</p>	1								
5	<p>Mr. X purchased a car for ₹15 lakhs but he is not satisfied with the quality and performance of the car. The company of the car did not provide any remedy to him. Under which authority of Consumer Protection Act, 2019 can he file an appeal?</p> <p>a) National Commission b) None of these c) District Commission d) State Commission</p>	1								
6	<p>Which of the following is not a feature of controlling?</p> <p>a) The nature and extent of control doesn't remain same at all levels of management. b) Controlling is a continuous process. c) The nature and extent of control remains same at all levels of management. d) Controlling is pervasive.</p>	1								
7	<p>The National Stock Exchange of India was recognized as stock exchange in the year:</p> <p>a) 1992 b) 1993 c) 1995 d) 1994</p>	1								

8	<p>Security Agents Ltd. provides security services. They gave an advertisement in newspaper for hiring males for the post of Security Guard who are reliable and keep client information confidential. 75 candidates approached them and Security Agents Ltd. finalized 10 candidates to be selected after conducting required test and interview. Out of the following, identify the next step to be followed by Security Agents Ltd.</p> <p>a) Reference and background check b) Job offer c) Selection decision d) Medical examination</p>	1
9	<p>Which amount of the following statements is true?</p> <p>i. Higher competition requires larger stocks to meet urgent orders from customers which results into requirement of more working capital. ii. The companies having growth prospects require lesser amount of working capital. iii. If the rate of inflation is high, an organisation is required to invest less in working capital. iv. All of the above</p> <p>a) Option (iv) b) Option (i) c) Option (iii) d) Option (ii)</p>	1
10	<p>In order to make the Annual Day of the school a successful event, the Headmistress of the school segregated all the activities into task groups each one dealing with a specific area. For instance, decorations, refreshments, backstage support, etc. Each group was put under the charge of one teacher. Identify the function of management performed by the Headmistress by dividing the activities and assigning the duties?</p> <p>a) Planning b) Directing c) Staffing d) Organising</p>	1
11	<p>Acquiring a new fixed asset is an example of:</p> <p>a) working capital decision b) Capital budgeting decisions c) financing decision d) Dividend decision</p>	1
12	<p>Which of the following is not a feature of primary market?</p> <p>a) There is no fixed geographical location b) Prices of securities are determined by the issuing company c) Investor can sell securities in the market d) Parties involved are issuing company and the investors</p>	1
13	<p>Principle of _____ requires good superiors at all levels, clear and fair agreements and judicious application of penalties.</p> <p>a) Discipline b) Direction c) Unity of Command d) Order</p>	1

14	<p>R-Ox Ltd. wants to increase their market share by 4.5% in next two years. It spent a lot of money to hire specialized people for framing their plans, collecting important facts about environment who took lot of time to frame plans for the company. The competition has started increasing, and it is not able to beat its competitors because it has already spent a huge amount. The plan failed and company suffered a huge loss. Identify the limitation of planning stated in the given case.</p> <p>a) Planning is a time-consuming process. b) Planning involves huge cost. c) Planning may not work in a dynamic environment. d) All of these.</p>	1
15	<p>That part of management which is connected with the financial activities is called _____ management.</p> <p>a) Working capital b) Personnel c) Production d) Financial</p>	1
16	<p>Which of the following is the function of financial market?</p> <p>a) Mobilization of savings and channeling them into the productive lines b) All of these c) Facilitating price discovery for the financial assets d) Providing liquidity to financial assets</p>	1
17	<p>The work performed by Top Level Management is _____.</p> <p>a) Easy b) Oversee the efforts of workforce c) Complex and Stressful d) Concerned with control of operative employees</p>	1
18	<p>The government has been doubling down on its efforts to switch to 100% electric vehicles by 2030. Many companies such as Tata Motors, Kinetic Motors, Maruti Suzuki, and Hyundai Motors are all readying their EV models for a 2020 launch in order to support the plan. Identify the type of plan being described in the above lines.</p> <p>a) Strategy b) Programmed c) Objective d) Method</p>	1
19	<p>Samara Ltd. has Debt Equity ratio of 3 : 1 whereas Gehlot Ltd. has Debt Equity ratio of 1 : 1. Name the advantage Samara Ltd. will have over Gehlot Ltd., when the rate of interest is lower than the rate of return on investment of the company.</p> <p>a) Low risk b) Greater flexibility c) Trading on equity d) Low cost of equity</p>	1
20	<p>Controlling function of an organization is:</p> <p>a) Backward looking b) Forward looking</p>	1

	c) Forward as well as backward looking d) None of the above	
21	<p>Three groups of employees of ‘Gama Limited’ are working at different posts. The first group of employees is responsible for the welfare and survival of the organisation. In order to discharge its responsibility properly, this group continuously keeps a watch over the Business Environment. With a view to coping with the changes going on in the Business Environment, this group immediately discusses the change to be brought about in the company’s plans. The second group of employees is responsible for maintaining quality and safety standards, and minimising wastages. The responsibility of the third group of employees is to explain the policies decided by the top management and developing the feeling of cooperation among all the departments of the company.</p> <p>a. Identify the concept of management described in the paragraphs given above. b. Identify the three types of concept identified in 6a’ by quoting the relevant lines.</p>	3
22	<p>Sunidhi has started a designer studio in the basement of her residence after completing her masters in fashion designing. She has appointed ten employees to take care of the various aspects of the work. She interacts regularly with each employee to tell exactly what is expected of him/her and what he/she needs to do to be regarded as a good performer. At the same time, she allows a free work environment wherein the employees openly chit chat with each other in order to fulfil their social and emotional needs. Sometimes, these interactions also lead to spreading rumours which are not authentic.</p> <p>In context of the above case:</p> <p>a. Name and explain the two types of communication being referred to in the above paragraph. b. How does effective communication increase managerial efficiency?</p>	3
23	<p>State any three points of importance of financial planning.</p> <p style="text-align: center;">OR</p> <p>Give the meaning of Financial Management. State its main objective.</p>	3
24	<p>State any eight reliefs available to a consumer under the provision of CPA, 1986.</p> <p style="text-align: center;">OR</p> <p>State any two functions performed by non-governmental organisation for consumer protection.</p>	3
25	<p>A company is manufacturing garments. The manager wants to increase the profits by:</p> <p>i. Purchasing new high-speed machines, or ii. Increasing the sales price, or iii. Using waste material in manufacturing stuffed toys. He decided that ‘using waste material’ to increase the profit is the best solution for him.</p> <p>a. Identify the concept of management involved. b. Mention the steps involved in the above process. c. To complete the process of the concept identified in (a), what further steps does the manager have to take?</p> <p style="text-align: center;">OR</p> <p>Wazir Ahmed joins ‘Ashiyana Ltd.’ a company dealing in real estate, as a human resource manager. Through a series of interactions with his team during lunch breaks, he comes to know that quite a few managers at middle and senior levels have recently left the organisation as their promotions were overdue. Therefore, in order to reinstate the confidence of the staff, he lays out a clear cut plan consisting of a set of general guidelines for both time bound and performance related appraisals of the managers at all levels. Moreover, he develops standardized processes containing a series of steps</p>	4

	<p>specified in a chronological order for its implementation.</p> <p>In context of the above case:</p> <ol style="list-style-type: none"> Identify the two different types of plans that Wazir Ahmed proposes to implement in order to reinstate the confidence of the staff by quoting lines from the paragraph. Distinguish between the two types of plans as identified in part (a). 	
26	<p>There are two managers, Rahul and Pawan. Rahul is saying that ‘Controlling is forward looking whereas according to Pankaj ‘Controlling is looking back’. Who is correct? Explain why?</p> <p style="text-align: center;">OR</p> <p>Vishesh works as an interior designer. He gets a contract to redesign a play school. He employs three painters on the site assuming that an average painter will be able to paint 10 desks in a day. At the end of the first day of their work, Vishesh finds that the painter A, painter B, and painter C have painted 12, 14 and 15 desks respectively. On comparing the actual performance with the planned performance, he realises that the standard set by him is too low. Consequently, he decides to review and revise the standard and raise it.</p> <p>In the context of the above case:</p> <ol style="list-style-type: none"> Identify the function of management being performed by Vishesh. “Planning and controlling are both backwards-looking as well as forward-looking functions.” Explain the statement with reference to the above paragraph. <p>There are three departments, Arts, Science and Commerce in a college. Dr. Sahil Budhiraja is the head of all the three departments. He is an M.Com., PhD. Dr. Rekha Sood is the Principal of the college. She always keeps this in mind that whatever message she is to convey to the teachers should be routed through the medium of head of the department. All teachers have also been instructed that they too should communicate with the Principal through the medium of head of the department. Thus there is a pre-defined arrangement of communication in the college. Dr. Budhiraja is looking after three departments of different nature. He is not able to control them properly. A principal is also not satisfied with his performance.</p> <p>Identify and explain two principles of management mentioned in the above paragraph. Quote the lines of the identified principles.</p>	4
27	<p>Neha was a regional sales manager in ‘Good Look Garments Ltd. ‘for ten years. On the retirement of the marketing manager, Neha applied for the same post as she was extremely ambitious and had dedicated all her energies to obtain the post of a marketing manager. However, the top management of the company decided to fill this post by selecting a better person from outside the company. Because of this Neha was heart-broken and her performance declined.</p> <p>When the new marketing manager joined, one of her major problems was how to motivate and inspire Neha to her former level of performance.</p> <p>Suggest any three non-financial incentives that the new marketing manager may use to motivate Neha.</p>	4
28	<p>These days, the development of a country is also judged by its system of transferring finance from the sector where it is in surplus to the sector where it is needed most. To give strength to the economy, SEBI is undertaking measures to develop the capital market. In addition to this there is another market in which unsecured and short-term debt instruments are actively traded everyday. These markets together help the savers and investors in directing the available funds into their most productive investment opportunity.</p> <ol style="list-style-type: none"> Name the function being performed by the market in the above case. Also, explain briefly three other functions performed by this market. 	4

29	<p>Harish purchased a medicine from ‘Bhatia Medical Stores’ for his son, who had high fever. Even after giving the medicine his son’s condition did not improve and he had to be hospitalised. Doctor informed Harish that the medicine given to his son was spurious. Harish complained about this to Bhatia Medical Stores’. As a result, ‘Bhatia Medical Stores’ decided to file a complaint against the manufacturer in the consumer court. Can ‘Bhatia Medical Stores’ do this? Give reason in support of your answer. Also explain who is a consumer as per ‘Consumer Protection Act 1986’.</p>	4
30	<p>Mr Naresh recently completed his MBA from one of the Indian Institutes of Management in Human Resource Management. He has been appointed as Human Resource Manager in a Truck, Manufacturing Company. The company has 1,500 employees and has an expansion plan in hand that may require additional 500 persons for various types of jobs. Mr Naresh has been given the complete charge of the company’s Human Resource Department.</p> <p>List out the specialised activities that Mr Naresh is supposed to perform as the Human Resource Manager of the company.</p> <p style="text-align: center;">OR</p> <p>Ashish, the Marketing Head, Raman, the Assistant Manager, and Jyoti, the Human Resource Manager of Senor Enterprises Ltd. decided to leave the company. The Chief Executive Officer of the company called Jyoti, the Human Resource Manager and requested her to fill up the vacancies before leaving the organization. Informing that her subordinate Miss Alka Pandit was very competent and trustworthy, Jyoti suggested that if she could be moved up in the hierarchy, she would do the needful. The Chief Executive Officer agrees for the same. Miss Alka Pandit contacted Keith Recruiters who advertised for the post of marketing head for Senor Enterprises Ltd. They were able to recruit a suitable candidate for the company.</p> <p>Raman’s vacancy was filled up by screening the database of unsolicited applications lying in the office.</p> <ol style="list-style-type: none"> i. Name the internal/external sources of recruitment used by Senor Enterprises Ltd. to fill up the above-stated vacancies. ii. Also, state any one merit of each of the above-identified sources of recruitment. 	4
31	<p>Naman and Govind after finishing their graduation under the vocational stream decided to start their own travel agency which will book Rail Tickets and Air Tickets on a commission basis. They also thought of providing tickets within ten minutes through the use of the internet. They discussed the idea with their Professor Mr. Mehta who liked the idea and suggested them to first analyze the business environment which consists of investors, competitors and other forces like social, political, etc. that may affect their business directly or indirectly. He further told them about the technological improvements and shifts in consumer preferences that were taking place and hence they should be aware of the environmental trends and changes that may hinder their business performance. He emphasized on making plans keeping in mind the threat posed by the competitors so that they can deal with the situation effectively. This alignment of business operations with the business environment will result in better performance.</p> <ol style="list-style-type: none"> a. Identify and state the component of the business environment highlighted in the above Para. b. State any two features of the business environment as discussed by Professor Mehta with Naman and Govind. c. Also, state two points of importance of the business environment as stated by Professor Mehta in the above situation. <p style="text-align: center;">OR</p> <p>The government of India announced the Demonetization of ₹ 500 and ₹ 1,000 currency notes with effect from the midnight of November 8, 2016. As a result, the existing ₹ 500 and ₹ 1,000 currency notes ceased to be legal tender from that date. New currency notes of the denomination of ₹ 500 and</p>	6

	<p>₹ 2,000 were issued by Reserve Bank of India after the announcement. This step resulted in a substantial increase in the awareness about and use of Point of Sale machines, e-wallets, digital cash and other modes of cashless transactions. Also, increased transparency in monetary transactions and disclosure led to a rise in government revenue in the form of tax collection.</p> <ol style="list-style-type: none"> i. Enumerate the dimensions of the business environment highlighted above. ii. State the features of Demonetization. 	
32	<p>Voltage fluctuations have been common and quite high in India. They harm our electrical appliances like televisions, refrigerators, and air conditioners, often leaving them in a permanently damaged condition. N-Guard Company decided to manufacture stabilizers for North India where the voltage fluctuation ranges from 220 V to 230 V.</p> <p>Once the demand for North India was taken care of, they decided to launch stabilizers of varying voltages from 90 V – 260 V for meeting the requirements of voltage fluctuations in other regions of India also. Three engineers were appointed for the South, West and East regions of India, as the voltage was different in all the three regions. Though all the engineers were appointed to manufacture stabilizers, the product differed from region to region.</p> <ol style="list-style-type: none"> a. Identify the organizational structure of the N-Guard Company. b. State any two advantages and two limitations of the structure identified in the above para. 	6
33	<p>Advertisement is an important business activity. On the one hand, it makes available to the people information regarding different new and old products and on the other, it is also a source of living for many persons. Impressed by these traits of advertisement Tanu, Manu and Sanchit, three students of Class-XII made up their mind to go ahead with project work on an advertisement. All the three conversed with the people about advertisement. Each one of them, on the basis of his survey, concluded as under:</p> <ol style="list-style-type: none"> i. Tanu opined that advertisement costs get transferred to consumers in the form of high prices. ii. Manu was of the opinion that advertisement showed reality in a twisted form. iii. Sanchit maintained that advertisement was turning people from reality to artificiality. <ol style="list-style-type: none"> a. What do the above remarks about advertisement hint at? Clarify it. b. Identify two values that advertisement presents to society. 	6
34	<p>Choco Ltd. offers a wide variety of chocolate products. It has an action program of not selling its products by their generic name but under different names like Choco-silk bar, Choco-Munchy and Choco-crunchy etc. for different customer segments. All these names have great popularity and acceptability in the markets. As the company policy the products were offered at reasonable and affordable prices for targeting a mass customer base. During the festive season the company launched a massive promotional campaign to increase its revenue and achieve its communication objectives. The company introduced free gifts for the customers. Their on-ground sales team delivers the product not only to the departmental stores but also to small shops, so that all segments of customers can easily get the products. They also provide information and support services to customers to ensure repeat sales. From the viewpoint of the management function, briefly explain any four activities of marketing which the firm will be involved in, apart from the above-mentioned ones it's already performing.</p>	6