

PRE BOARD (SEMESTER 2) 2022 - SET A

CLASS: XII
Time: 2 Hours.

BUSINESS STUDIES (054)

MM: 40
No. of Pages: 3

General Instructions:

This is a Subjective Question Paper containing 12 questions.

This paper contains 4 questions of 2 marks each, 4 questions of 3 marks each and 4 questions of 5 marks each.

2 marks questions are Short Answer Type Questions and are to be answered in 30-50 words.

3 marks questions are Short Answer Type Questions and are to be answered in 50-80 words.

5 marks questions are Long Answer Type Questions and are to be answered in 80-120 words.

This question paper contains Case/Source Based Questions

- Q1. Once the employees have been placed on the job it is necessary to provide them with the necessary skills to help them grow. Identify and briefly explain the step in the process of one of the functions of management which is being referred to above. 2
- Q2. ABC Ltd. issued prospectus for the subscription of its shares for Rs. 500 crores in 2021. The issue was oversubscribed by 20 times. The company issued shares to all the applicants on pro-rata basis. Later SEBI inspected the prospectus and found some misleading statement about the management of the company in it. SEBI imposed a penalty of Rs. 5 crores and banned its three executive directors for dealing in securities market for three years.
(a) Identify the specific function and its type performed by SEBI.
(b) State two more functions of SEBI of the type identified in part (a). 2
- Q3. Explain the method of recruitment which is suitable for filling casual vacancies when there is rush of work or when some permanent workers are absent. 2
- Q4. Explain how controlling only completes one cycle of management process and improves planning in the next cycle. 2
- Q5. The top management of Rama Ltd. is engaged in finding out the ways to diversify their product line in the market but they do not involve the middle and supervisory level of management. These two levels of management are neither allowed to deviate from their plans nor are they permitted to act on their own. Due to this ideology of management the employees at middle and supervisory level are unhappy and not feeling motivated.
a) Identify and explain the leadership style followed by the top management of Rama Ltd.
b) State when is this style of leadership most suitable and why. 3
- Q6. Explain any three features of Motivation.

OR

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- a) Briefly explain what is “Grapevine” in the field of management.
b) State one merit and one demerit of the same. (2+1) 3
- Q7. Explain how do the following factors affect the requirement of working capital in an organization:
a) Business Cycle
b) Seasonal factors
c) Credit allowed 3
- Q8. Axis Ltd is a large company engaged in assembly of air-conditioners. Recently the company had conducted the ‘time’ and ‘motion’ study and concluded that on an average a worker can assemble 10 air-conditioners in a day. The target volume of the company in a day is assembling of 1000 units of air-conditioners. The company is providing attractive allowances to reduce labour turnover and absenteeism. All the workers are happy. Even then the assembly of air-conditioners per day is 800 units only
a) State the function being performed in the above case.
b) Explain the next step in the process of the function discussed above 3
- Q9. a) Explain the redressal machinery available at the state level and the national level under the Consumer Protection Act 2019.
b) When can a consumer approach the Supreme court for redressal? (4+1)
OR
Briefly explain any five rights of a consumer under the Consumer Protection Act 2019. 5
- Q10 India’s largest domestic investor Life Insurance corporation of India came to government’s rescue by subscribing 70%of Hindustan Aeronautics’ Rs 4200-crore initial public offering.
a) Which market is being reflected in the above case?
b) State which method of floatation in the above identified market is being highlighted in the above case?
c) Explain three other methods of floatation. 5
- Q11 Sheetal Kunj Ltd. imported a new hi-tech machine from Germany for manufacturing high quality auto components in a cost effective manner. But during the production process, the manager observed that the quality of production was not as per the standard. On investigation, it was found that the workers are not using the machine to its full utility.
a) Suggest which method can be used to develop the skills and abilities of employees for producing high quality products by using this hi-tech machine.
b) State how the organization will benefit from your suggestion. (Any 3 pts) 5
- Q12 HCL Technologies is one of the leading information technology outsourcing services providers in India. The company provides business consultancy and outsourcing
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services to its clients. It has built a strong reputation for itself. Over the past 10 years, the company has been paying dividends at high rate to its shareholders as it has enjoyed consistent rate of earnings. However, this year, although the earnings of the company are high, its liquidity position is not so good. Moreover, the company plans to undertake new ventures to expand its business.

a) State any four reasons highlighted above because of which you think HCL technologies has been paying dividends at high rate to its shareholders over the past five years.

b) Comment upon the likely dividend policy of the company this year by stating one reason highlighted in the case (not discussed in part a) in support of your answer.

OR

Aman Ltd, was running a successful business of manufacturing and selling electric bulbs. It decided to diversify in the field of electric cables. For this, it needed to install a new plant, the minimum cost of which was Rs 20 crores.

It had retained earnings amounting to Rs.5 crores but the rest was to be raised from the market. The finance manager was given the responsibility to decide the different sources from where the remaining financial requirements could be fulfilled.

Which financial decisions are involved in the above case? Explain.

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