

Roll No.

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Candidate must write the Q.P. Code on the title page of the answer-book.

- Please check that this question paper contains 10 printed pages.
- Please check that this question paper contains 34 questions.
- Q.P. Code given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- **Please write down the serial number of the question in the answer-book before attempting it.**
- 15 minute time has been allotted to read this question paper. The students will read the question paper only and will not write any answer on the answer-book during this period.

BUSINESS STUDIES

Time allowed : 3 hours

Maximum Marks : 80

General Instructions:

Read the following instructions very carefully and strictly follow them:

- (i) This question paper contains **34** questions. **All** questions are **compulsory**.
- (ii) Marks are indicated against each question.
- (iii) Answers should be brief and to the point.
- (iv) Answers to the questions carrying **3** marks may be from 50 to 75 words.
- (v) Answers to the questions carrying **4** marks may be about 150 words.
- (vi) Answers to the questions carrying **6** marks may be about 200 words.
- (vii) Attempt all parts of a question together

SECTION : A

1. JWS Steel Limited is a steel manufacturing company located in India. It is enjoying buoyant demand for its products as economic growth is about 9 to 10 percent and demand for steel is growing. The company has decided to set up a new plant to cash on the increase demand. It is estimated that it will require about 5,000 crores to set up and about ` 1,000 crores of working capital to start the new plant.

Identify the decision taken by the financial manager in the above case?

- (a) Financial decision
- (b) Investment decision
- (c) Dividend decision
- (d) Capital structure decision

2. Who among the following is not considered a consumer under the Consumer Protection Act, 2019?

- (a) Any user of goods when such use is made with the approval of the buyer.
- (b) A person who avails of any service for a consideration which has been promised.
- (c) A person who buys any goods for a consideration which has been paid.
- (d) A person who avails of a service for a commercial purpose.

3. Management consists of a series of composite but separate functions, viz., planning, organising and controlling. This highlight the following feature of management_____.

- (a) Pervasive
- (b) Goal-oriented
- (c) Continuous
- (d) Multi-dimensional

4. Which of the following is not an advantage of delegation?

- (a) Employee's development
- (b) Effective management
- (c) Better control
- (d) Basis of management hierarchy

5. With delegation, _____ is transferred from superior to subordinate but _____ remains with the superior only.

- (a) Accountability; Responsibility
- (b) Responsibility; Accountability
- (c) Authority; Accountability
- (d) Responsibility; Authority

6. Statement I: Continuity of planning is related with the planning cycle.

Statement II: A plan is framed, implemented and is followed by another plan and so on.

Choose the correct option from the options given

- (a) Statement I is true and Statement II is false
- (b) Statement II is true and Statement I is false
- (c) Both the statements are true
- (d) Both the statements are false

7. Statement I: A consumer should look for ISI mark on electrical goods.

Statement II: Consumer protection is not important for businessmen.

Choose the correct option from the options given below:

- (a) Statement I is true and Statement II is false
- (b) Statement II is true and Statement I is false
- (c) Both the statements are true
- (d) Both the statements are false

8. A consumer can file a suit in _____, when the value of goods and service along with the compensation claimed does not exceed ` 1 crore.

- (a) State Commission
- (b) National Commission
- (c) District Commission
- (d) Supreme Court

9. Which of the following is not a limitation of Planning?

- (a) Basis of control
- (b) Costly
- (c) Rigidity

(d) Time consuming

10. _____ is a joint programme between the educational institutes and the business firms.

(a) Apprenticeship programme

(b) Vestibule training

(c) Internship training

(d) None of these

11. _____ is not an advantage of packaging of a product.

(a) Facilitates use of product

(b) Helps in promotion of product

(c) Status symbol

(d) Prevents from spoilage, pilferage, damage, etc.

12. Match the techniques of scientific management in Column I with their objectives in Column II.

Column I

Column II

A Method study

(i) Elimination of unnecessary movements

B Motion study

(ii) Determination of standard time for a well defined job

C Time study

(iii) Find out one best way of doing the job

(a) (iii), (ii), (i)

(b) (iii), (i), (ii)

(c) (ii), (iii), (i)

(d) (i), (ii), (iii)

13. Which is the incorrect statement among the following?

(a) Delegation means abdication.

(b) Delegation empowers an employee to act for his superior.

(c) Delegation helps in expansion and growth of organisation.

(d) Delegation is a pre-requisite to the efficient functioning of an organisation.

14. Assertion (A) Managers need to be given some flexibility to be able to cope with the changed circumstances.

Reason (R) Planning reduces creativity.

Alternatives

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is true, but Reason (R) is false
- (d) Assertion (A) is false, but Reason (R) is true

15. Which of the following is not an advantage of functional organisational structure?

- (a) Ease in fixation of responsibility
- (b) Departmental control and coordination
- (c) Ease in training of employees
- (d) Occupational specialisation

16. Even after the best efforts of the employees, the standards could not be achieved. An effective control system of management found that they needed to be re-framed as they were unrealistic. Which point of importance of control is highlighted?

- (a) Controlling helps in judging accuracy of standards.
- (b) Controlling helps in making efficient use of resources.
- (c) Controlling helps in accomplishing organisational goals.
- (d) Controlling helps in ensuring order and discipline.

17. Computronics Informatics Limited issued prospectus for the subscription of its shares for ` 800 crores in October 2022. The issue was oversubscribed by 10 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 ` 15 crores and banned its two executive directors from dealing in securities market for 3 years. Which function is performed by SEBI in the above case?

- (a) Protective function
- (b) Development function

(c) Both (b) and (c)

(d) Regulatory function

18. Prakash has achieved his monthly sales target well in advance. A letter of appreciation was given to him by the company. His name and photograph was also exhibited on the notice board.

Which type of incentive is given to Prakash by the Company?

(a) Employee recognition programme

(b) Employee participation

(c) Employee empowerment

(d) Career advance opportunity

19. Identify the characteristic of profession being highlighted in the picture given below:



(a) Restricted entry

(b) Professional association

(c) Ethical code of conduct

(d) Well defined body of knowledge

20. Arrange the following steps in the process of Planning in the correct sequence:

(i) Developing premises

(ii) Identifying alternative courses of action

(iii) Setting objectives

(iv) Evaluating alternative courses

Choose the correct option:

(a) (ii), (iii), (i), (iv)

(b) (iii), (i), (iv), (ii)

(c) (iii), (i), (ii), (iv)

(d) (iv), (ii), (i), (iii)

SECTION : B

21. Puneet, the finance manager of Sahara Ltd., is involved in preparation of the financial blueprint for future operations. He is directed by the seniors to ensure that enough funds are available at right time. Because if surplus/ excess funds are available, it will add to the cost and may encourage wasteful expenditure. On the other hand, if funds are short, then firms will not be able to honour their commitments and carry out plans. He is taking into consideration the growth, performance, investments and requirement of funds for a given period. He is working on both short-term and long-term plans. After completing the process of estimating the funds requirement of the company, he specifies the source of funds also. Last year also, he got lot of appreciation for his successful effort.

(a) In which process, Puneet is currently involved?

(b) Is the above concept equivalent to or substitute for financial management? Why?

(c) Mention two importance of the concept in which Puneet is involved.

22. Explain how controlling helps in

(i) accomplishing organisational goals.

(ii) judging accuracy of standards.

Or

Explain any three importance of directing in an organisation

23. Ms. Payal Batra is the General Manager of Mehar Textiles. With a views to run her business in a careful manner, she divided all activities into seven departments. These departments were Marketing, Purchase, Production, Personnel, Finance, Accounting and Sales. Later on, she realised that accounting and sales department can be merged into finance department. Thus, all business activities were divided into five departments. Ms. Payal is now thinking on the lines as to which are the departments, out of these five that will have significant role in the success of the business. After complete analysis, he concluded that marketing, production and finance were the department on which success of the business depends. It meant that even after some shortcoming occurred in the departments of purchase and personnel, it would not

affect much the success of the business. Thereafter, Ms. Payal determined deviation tolerance limits of these three main departments. It meant that if deviation of these departments remains within this tolerance limit, then it will be looked after by the concerned manager. However, in case the deviation is beyond this limit then the same will be brought to the notice of General Manager.

(a) Identify two functions of the management referred in the above paragraph.

(b) Describe the relevant concepts of identified functions.

24. A recent rate cut in the interest on loans announced by the Banks encouraged Amit, a science student of Progressive School to take a loan from State Bank of India to experiment and develop cars to be powered by fuel produced from garbage. He developed such a car and exhibited it in the Science Fair organised by Directorate of Education. He was awarded first prize for his invention. Identify and briefly explain two dimensions of business environment discussed in the above case.

Or

‘In the present day market, the retailers have direct link with the suppliers who replenish their stocks as and when needed and at the same time the manufacturers follow flexible manufacturing system.’ This has been possible due to the changes in one of the dimensions of business environment.

Identify and explain the dimension.

SECTION : C

25. “If we delegate the authority, we multiply it by two; if we decentralise it, we multiply it by many”. How?

Or

Explain the elements of delegation.

26. ‘It is balancing and keeping together the team by ensuring suitable allocation of tasks to the members and seeing that the tasks are performed with harmony among the members.’ Which concept is being referred to? Discuss its features.

Or

Explain the Fayol’s management principle of 1. ‘Initiative’ and

2. ‘Stability of Personnel’.

27. Agra Leather Works (ALW), after a lot of research work, developed a synthetic substitute for leather. By doing this, it not only took into account the sentiments of people but also ensured that animals are not hurt. It launched a complete new range of bags in the market. It named its bags 'Pure-Sure' which clearly conveyed to the consumers the message- 'Pure for Sure'. To enable the consumers identify its bags, even from a distance, it covered them in a specially designed translucent covers that would not only protect it from the dust but will also attract the consumers.

(a) Identify and briefly explain the elements of Product mix discussed in the above case, by quoting the relevant lines.

(b) Explain the marketing philosophy followed by ALW.

28. Capital budgeting decisions are capable of changing the financial fortunes of a concern. Justify giving reasons.

29. Identify the barriers to effective communication in the following cases

(i) During a brainstorming session, a team member immediately rejects a colleague's idea without giving it a fair chance.

(ii) The sales manager while addressing the fresh graduates, explained the threats and problems company was facing. He used lot of technical words which he had learnt in his MBA classes.

(iii) Soft Fashion Pvt Ltd follow scalar chain. No employee is allowed to divert from the defined path of communication.

(iv) The national sales manager, during his visit to the southern zone, spoke to the sales manager in Hindi.

30. Mr. Lalit, the Marketing Manager, spends a lot of time in planning for the long-term goals of his department as he has given complete autonomy to its salesmen to make their own decisions while they are in the field?

1. Identify and briefly explain the style of leadership displayed by Mr. Lalit.

2. State any three benefits of that leadership style.

SECTION : D

31. Training is a life long necessity both for the employees as well as for the organisation. Justify the statement by giving three arguments each in favour of the employees and the organisation.

32. Discuss the principles of Scientific Management.

Or

Name the concept of management that binds together all the functions of management. Discuss its features.

33. Read the statements given in point (i) and (ii) and answer the questions that follows

(i) Aramex specialises in courier services. Its 'wide range of express package and parcel service' help business firms to make sure that the goods are made available to the customers at the right place at the right time.

(a) State with reason, whether the working capital requirements of Aramex will be high or low

(b) Explain briefly any two factors that affect the working capital requirements of a company.

(ii) Sudeep is planning to open a scissors manufacturing company with his father. For this purpose, he decides to meet a person who owns huge chunk of property, to take a piece of land for his company on lease from him.

(a) State giving reason, how much fixed capital will be required for establishing a company mentioned in above case?

(b) Explain briefly any two factors that affect the fixed capital requirement of a company.

34. Timed is a leading brand of watch. Recently, it is facing increasing competition in the market. The customer's taste and preferences has also been changing. To cater the market, the company is planning to launch a smart watch that have all the features of a mobile phone. It can be used for viewing notification and sending messages through it. It can track your activities and fitness goal. It is a GPS enabled device which can be used for listening music or giving instruction to Google Assistant. This product will be launched under a new logo. The pricing of the product is also done so as to obtain market share leadership. The company is planning to launch this product with aggressive promotion or newspaper, magazines, television and press releases.

(a) State and briefly explain the concept discussed in the meeting in the given case.

(b) Discuss the elements of the above concept discussed in the above passage.