

Sample Questions 2020-21

Class 12th

Business Studies (054)

MM – 80

Time: 3 Hours

General Instructions:

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- 1 This question paper contains 34 questions.**
- 2. Marks are indicated against each question.**
- 3. Answer 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.**

Questions

| Q | | Marks |
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| 1 | Hemram purchased medicine from Hindustan Medical Store for his wife who had high fever. Even after giving the medicine his wife's condition did not improve and he had to be hospitalised. Doctor informed Hemram that the medicine given to his wife was spurious. Hemram complained about this to Hindustan Medical Stores. As a result, 'Hindustan Medical Store decided to file a complaint against the manufacturer in the consumer court. Can Hindustan Medical Store do this? Give reason to support your answer. | 1 |
| 2 | Which of the following is a feature of Demonetisation? (a) Tax administration measure (b) Channelising savings into the formal financial system (c) Development of less-cash economy (d) All of the above | 1 |

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| 3 | <p>Identify the feature of coordination being highlighted in the given statement: "Coordination is not a onetime function; it begins at the planning stage and continues till controlling." (a) Coordination ensures unity of action (b) Coordination is an all-pervasive function (c) Coordination is a continuous process (d) Coordination is a deliberate function</p> | 1 |
| 4 | <p>A business has to offer wider choice in purchasing enhanced quality of goods and services in order to maintain an edge over its competitors. The implementation of the new economic policy with liberalisation, privatisation and globalisation has posed various challenges for the corporate sector. One of the important challenges is explained in the above lines. Identify it. (a) Increasing competition (b) More demanding customers (c) Necessity for change (d) Market orientation</p> | 1 |
| 5 | <p>Keeping in view the changes in the consumer demands and preferences 'Eshtyle Bakery' has reduced the sugar and fat content in its products. This approach of business shows that management is (a) An intangible force (b) A group activity (c) A dynamic function (d) A multidimensional activity</p> | 1 |
| 6 | <p>'Yummy' began its business by offering the classic combo of hamburgers and fries. But over time, their customers wanted healthier foods, so 'Yummy' responded and began offering healthy alternatives such as salads, fruits, wraps and oatmeal. If 'Yummy' hadn't responded, they may have lost customers that wanted to eat healthier foods. The above case highlights one of the points related to the importance of the business environment and its understanding by managers. Identify it. (a) It helps in coping with rapid changes. (b) It helps in improving performance. (c) It helps the firm to identify threats and early warning signals. (d) It enables the firm to identify opportunities and get the first mover advantage.</p> | 1 |
| 7 | <p>The Bihar government has developed surveillance networks using the latest satellite technology. Under this system, the state's mining department would be in a position to check illegal mining activities across the state. The state government is also considering the use of drones in its proposed campaign against illegal mining. Identify the related dimensions of the business environment. (a) Economic dimension and Legal dimension (b) Social dimension and Economic dimension (c) Technological dimension and Political dimension (d) Political dimension and Economic dimension</p> | 1 |
| 8 | <p>When the deviations between the actual performance and the planned performance are within the limits (a) A limited corrective action is required (b) No corrective action is required (c) A major corrective action is required (d) None of the above</p> | 1 |

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| 9 | Which of the following is not a single use plan? (a) Budget (b) Programme (c) Method (d) All of the above | 1 |
| 10 | The need for the controlling function is felt in (a) Business organisations (b) Political organisations (c) Social organisations (d) All of the above | 1 |
| 11 | Which of the following is not a demerit of formal organisation? (a) It may lead to procedural delays. (b) It may lead to spreading of rumours. (c) It emphasises on following rigidly laid down policies. (d) It places more importance on work rather than the relationships. | 1 |
| 12 | Sanjeev Munder runs a Play School from her residence. Recently, he placed an order online for 200 chalk boxes. The boxes were delivered to him in a corrugated box. Identify this level of packaging which facilitated movement of the product. (a) Primary package (b) Secondary packaging (c) Transportation packaging (d) None of the above | 1 |
| | Answer Question number 13-16 with reference to the information given here. Kumar Ltd. is a large credit worthy firm manufacturing TV for the Indian market. It is planning to invest in new machines to cater to the new market outside India. They require long term finance, so they decide to raise funds by issuing equity shares. The issue of equity shares involves huge flotation cost. To meet the expenses Kumar Ltd decides to look forward to the money market | |
| 13 | Name the money market instrument the company can use to raise to meet the flotation cost. A. Commercial paper B. Certificate of deposit C. Treasury bill D. Call money | 1 |
| 14 | What is the duration for which Kumar Ltd can get the money from the above-mentioned instrument? A. One day to 15 days B. 15 days to 1 year C. 1 year to 5 years D. 5 years to 15 years | 1 |
| 15 | It is issued by A. Reserve bank of India B. The company which needs money C. The commercial bank with the company which needs funds D. Third party on behalf of the bank | 1 |

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| 16 | <p>Select the statement which is not true for the money market instrument chosen above.</p> <p>A. It is a negotiable instrument B. Sold at discount C. Redeemed at par D. It is also called Zero coupon bond</p> | 1 |
| | <p>On the basis of the information given here answer the questions from 17-20. Manufacturer - Wholesaler - Retailer - Customer</p> | |
| 17 | <p>Identify the type of channel of distribution</p> <p>A. Direct channel B. One level channel C. Two level channel D. Three level channel</p> | 1 |
| 18 | <p>How many types or methods of channel of distribution are available to make goods and services available to customers?</p> <p>A. 4 B. 5 C. 8 D. 9</p> | 1 |
| 19 | <p>Which of these is not a factor determining the choice of channel of distribution of the products to the customers?</p> <p>A. Market factors B. Company characteristics C. Social factors D. Environmental factors</p> | 1 |
| 20 | <p>Which of the most commonly used distribution channels for most consumer goods?</p> <p>A. Direct channel B. One level channel C. Two level channel D. Three level channel</p> | 1 |
| 21 | <p>Joshwin, is the CEO of a Publishing house. He decides to have a meeting of all the key employees of different departments in the organisation. The main motive is to tell the employees to keep the target of 10% increase in sales as the main objective when they work throughout the year. The meeting is full of ideas regarding the employees and processes involved. The company successfully comes out at the end of the year with flying colours.</p> <p>What features of management are highlighted here? Also identify the lines in which these characteristics have been highlighted.</p> | 3 |
| 22 | <p>Nishant Agrawal recently completed his M.B.A. from one of the Indian Institutes of Management in Human Resource Management. He has been appointed as HR Manager in a shoe making 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. Nishant has been given the complete charge of the company's HR department</p> <p>List out the specialised activities that Nishant is supposed to perform as the HR Manager of the company.</p> | 3 |

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| 23 | State whether controlling is a goal-oriented process or an action-oriented process. | 3 |
| 24 | <p>Raghubar Flour Mills wanted to raise funds so it reached out to facilities and institutional arrangements through which long term funds (debt + equity) were raised and invested. A lot of thinking was done whether the company should have gone for debt or equity. Finally, it decided to go for equity. The owner of the company decided to follow the guidelines of SEBI.</p> <p>(a) Which concept of the financial market is highlighted in the starting of the case? (b) Name two objectives of SEBI.</p> | 3 |
| 25 | <p>Jignesh Jain is working with 'Tough Security Services Ltd.' He is also recruiting security guards for the company. The company provides security services in Bengaluru at short notice to various companies. The guards are recruited on a temporary basis. The guards provided by this company are known for their honesty and punctuality. Jignesh Jain is well known in his village for providing employment to unskilled people.</p> <ol style="list-style-type: none"> 1. Name the source of recruitment used by 'Tough Security Services Ltd.' 2. State any one disadvantage of this source of recruitment. 3. Identify the need of 'Security Guards' which is being fulfilled by the company as per Maslow's need hierarchy. 4. Identify any two values communicated to the society in the above stated case. | 4 |
| 26 | <p>Walia's are a distributor of tea. They have opened a company which deals in tea selling. They categorized tea to be sold into three categories: Black, Blue, and Red. Their relative Wadhwa's on the other hand is running a mobile manufacturing company. Their company strictly produces mobile according to the predetermined specifications. The mobiles of each variety are of the same size, looks and performance.</p> <p>(a) In the above case which function of marketing has been highlighted? (b) Name the four advantages of the above highlighted function.</p> | 4 |
| 27 | Controlling is an indispensable function of management.' explain this statement with the help of any four points. | 4 |
| 28 | What are the disadvantages of functional structure? | 4 |
| 29 | What is meant by dividend decision? explain the factors affecting the dividend decision | 4 |

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| 30 | <p>Explain any three consumer rights meant for the protection of the consumer.</p> <p align="center">or</p> <p>Describe the following rights of a consumer:(a) right to be informed. (b) right to seek redressal(c) right to choose</p> | 4 |
| 31 | <p>What is the difference between techniques of management and principles of management?</p> | 6 |
| 32 | <p>Param has been running a successful business of manufacturing Ethnic wear for men and women including kurta-pajama, sarees, and lehengas. His friend Rajesh who is engaged in the business of providing web designing solutions to his clients, suggests him to explore the option of selling his products online. Param agrees to his suggestion and decides to venture into online business, keeping in view the various e-commerce regulations in order to avoid imposition of any penalty. In order to facilitate the sale of his products, Param decides to offer multiple payment options such as cash on delivery, credit or debit card transactions, net banking to the buyers etc.</p> <p>In context of the above case:</p> <p>(a) Identify the two different types of plans mentioned in the above paragraph that relate to the online portal that Param intends to start by quoting lines from the paragraph.</p> <p>(b) Distinguish between the two types of plans as identified in part (a).</p> | 6 |
| 33 | <p>The activities and employees in 'Beni casual.', a footwear manufacturing company in Noida, can be broadly grouped into five departments namely; production, purchase, marketing, accounts and personnel. Over the years the company has grown and expanded its operations manifolds. Badal, the managing director of the company intends to diversify into the leather bags segment. So, its management has decided to restructure its operations. They plan to create separate product divisions for each product line wherein the functioning of each division will be further divided into five departments namely; production, purchase, marketing, accounts and personnel.</p> <p>In context of the above case: How is the company's future organisational structures likely to be different from the existing one? State any four points of differences between the two types of organisational structures.</p> | 6 |

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| 34 | <p>Speedster India Limited, is an automobile manufacturer in India. It makes 1 lakh motor bikes every year. That's one bike every 13 seconds. It has a sales network of company approved retailers that spreads across 600 cities in India.</p> <p>In the context of above case:</p> <ol style="list-style-type: none">1. Identify the type of the channel of distribution adopted by the company.2. State the market related factors that are likely to affect the decision of a marketer about the choice of channel of distribution. | 6 |
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