

Series : W6ZYG

SET~1

प्रश्न-पत्र कोड
Q.P. Code

66/6/1

रोल नं.

Roll No.

1	7	6	3	9	3	5	8
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परीक्षार्थी प्रश्न-पत्र कोड को उत्तर-पुस्तिका के मुख-पृष्ठ पर अवश्य लिखें।
Candidates must write the Q.P. Code on the title page of the answer-book.

नोट	NOTE
(I) कृपया जाँच कर लें कि इस प्रश्न-पत्र में मुद्रित पृष्ठ 31 हैं।	(I) Please check that this question paper contains 31 printed pages.
(II) प्रश्न-पत्र में दाहिने हाथ की ओर दिए गए प्रश्न-पत्र कोड को परीक्षार्थी उत्तर-पुस्तिका के मुख-पृष्ठ पर लिखें।	(II) 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.
(III) कृपया जाँच कर लें कि इस प्रश्न-पत्र में 34 प्रश्न हैं।	(III) Please check that this question paper contains 34 questions.
(IV) कृपया प्रश्न का उत्तर लिखना शुरू करने से पहले, उत्तर-पुस्तिका में यथा स्थान पर प्रश्न का क्रमांक अवश्य लिखें।	(IV) Please write down the Serial Number of the question in the answer-book at the given place before attempting it.
(V) इस प्रश्न-पत्र को पढ़ने के लिए 15 मिनट का समय दिया गया है। प्रश्न-पत्र का वितरण पूर्वाह्न में 10.15 बजे किया जाएगा। 10.15 बजे से 10.30 बजे तक परीक्षार्थी केवल प्रश्न-पत्र को पढ़ेंगे और इस अवधि के दौरान वे उत्तर-पुस्तिका पर कोई उत्तर नहीं लिखेंगे। #	(V) 15 minute time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the candidates will read the question paper only and will not write any answer on the answer-book during this period.



व्यावसायिक अध्ययन
BUSINESS STUDIES



निर्धारित समय : 3 घण्टे

Time allowed : 3 hours

अधिकतम अंक : 80

Maximum Marks : 80

66/6/1

1

[P.T.O.]

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 questions carrying **3** marks may be from 50 to 75 words.
- (v) Answers to questions carrying **4** marks may be in about 150 words.
- (vi) Answers to questions carrying **6** marks may be in about 200 words.
- (vii) Attempt all parts of a question together.

Questions no. 1 to 20 are Multiple Choice Questions (MCQs), carrying 1 mark each. 20×1=20

1. Read the following statements : Assertion (A) and Reason (R).

Assertion (A) : The principles of management are guidelines to action, but do not provide readymade, straitjacket solutions to all managerial problems.

Reason (R) : Real business situations are neither complex, nor dynamic and are not the result of many factors.

Choose the correct alternative from the options given below :

- (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.
2. Under _____, the consumer has a right to get relief for replacement of the product, removal of defect in the product, compensation paid for any loss or injury suffered by the consumer in case the product/service falls short of his expectations.
- (A) Right to safety
 - (B) Right to seek redressal
 - (C) Right to be assured
 - (D) Right to be heard



3. Match the steps of organising process given in Column I with their explanation given in Column II.

<i>Column I</i>	<i>Column II</i>
1. Identification and division of work	(i) Establish clear relationships to create a hierarchical structure and facilitate co-ordination among various departments.
2. Departmentalisation	(ii) Divide the work into small and manageable activities so that activities similar in nature are grouped together.
3. Assignment of duties	(iii) As per previously drawn plans, identify the work and divide in such a way so that duplication can be avoided and burden of work can be shared among the employees.
4. Establishing authority and reporting relationships	(iv) Define the work of different job positions and accordingly allocate work to various employees.

Choose the correct option from the following :

- (A) 1-(iii), 2-(ii), 3-(i), 4-(iv)
(B) 1-(i), 2-(ii), 3-(iii), 4-(iv)
 (C) 1-(iii), 2-(ii), 3-(iv), 4-(i)
(D) 1-(iv), 2-(i), 3-(ii), 4-(iii)
4. 'To identify the needs of the customers and to take various decisions related to successful marketing of the products and services, it is important to make an analysis of the available opportunities and threats, as well as strengths and weaknesses of the organisation and decide what opportunities can be best pursued by it', highlights one of the functions of marketing, that is :
- (A) gathering and analysing market information
(B) marketing planning
(C) product designing and development
(D) branding



5. 'The principle of management which emphasizes on obedience to organisational rules and employment agreements necessary for the working of the organisation' is called :
- (A) Division of work
 - (B) Discipline
 - (C) Scalar chain
 - (D) Remuneration of employees
6. The increase in profit earned by the equity shareholders due to the presence of fixed financial charges is known as :
- (A) Trading on equity
 - (B) Financial risk
 - (C) Financial planning
 - (D) Financial leverage
7. Identify the *incorrect* statement with respect to 'functional foremanship' as a technique of scientific management :
- (A) It advocates separation of planning and execution functions.
 - (B) Speed boss, gang boss, repair boss and inspector work under the production incharge.
 - (C) It is an extension of the principle of unity of command to the shop floor.
 - (D) Each worker takes orders from eight foremen in the process of production.



8. Read the following statements carefully :

Statement I : A single-use plan is used for activities that occur regularly over a period of time.

Statement II : Policies are a general form of standing plans that specify the organisation's response to a certain situation.

In the light of the above statements, choose the correct alternative from the following :

(A) Statement I is true and Statement II is false.

(B) Statement I is false and Statement II is true.

(C) Both Statement I and Statement II are true.

(D) Both Statement I and Statement II are false.

9. If an investor wishes to buy or sell any security, he/she has to first approach a registered broker or sub-broker and enter into an agreement with him. An investor has to sign a broker-client agreement and a client registration form before placing an order to buy or sell securities. Thereafter, the investor has to open a 'Demat' account or 'Beneficial owner' account with a depository participant for holding and transferring securities in the demat form and a bank account for cash transactions in the securities market. The first two steps of 'Trading and Settlement procedure' in stock market have been discussed in the above lines.

Place the next four steps in the correct order :

(i) The broker will then go online and connect to the main stock exchange and match the share and best price available.

(ii) After the trade has been executed, within 24 hours the broker issues a contract note.

(iii) The investor then places an order with the broker to buy or sell shares. Clear instructions have to be given about the number of shares and the price at which the shares should be bought or sold.

(iv) When the shares can be bought or sold at the price mentioned, it will be communicated to the broker's terminal and the order will be executed electronically.

Choose the correct option from the following :

(A) (iii), (i), (iv), (ii)

(B) (i), (ii), (iii), (iv)

(C) (iv), (ii), (iii), (i)

(D) (iii), (iv), (i), (ii)



10. Raghu, on waking up early in the morning, often complained about back pain. When his pain persisted, he consulted a doctor who advised him to purchase a good quality orthopedic mattress. That would ensure correct spinal alignment and reduce the back pain.

Raghu surveyed the market and purchased a good quality orthopedic mattress. As the price of the mattress was very high, he wanted to avoid paying GST. The shopkeeper suggested that he can do so if he does not take a receipt for the purchase of the mattress. Raghu readily agreed for the same.

After few months of using the mattress, his back pain recurred. He realised that the mattress had caved in from the centre. He approached the shopkeeper who refused to entertain Raghu.

Raghu wanted to approach the court for redressal of his grievance. However, one of his friends told him that he would not be able to do so as he had not fulfilled one of his responsibilities.

From the following, identify the responsibility which Raghu failed to fulfill :

- (A) Respect the environment. Avoid waste, littering and contributing to pollution.
 - (B) Ask for a Cash Memo on purchase of goods and services.
 - (C) Assert yourself to ensure that you get a fair deal.
 - (D) Learn about the risks associated with products and services, follow manufacturers instructions and use the product safely.
11. Which of the following is *not* a limitation of planning function of management ?
- (A) Planning leads to rigidity.
 - (B) Planning reduces creativity.
 - (C) Planning guarantees success.
 - (D) Planning may not work in a dynamic environment.



12. Seeing the increasing demand for automobiles in Buleti, 'Veso Cars', a global car manufacturing company planned to expand its operations and sell its cars there. However, the government of Buleti imposed high import duties on foreign made cars to protect local manufacturers from foreign competition. This attitude of the Buleti government towards foreign car manufacturers increased the cost of importing cars, making it less affordable for 'Veso Cars' to sell its cars at competitive prices in Buleti.

The component of business environment highlighted above is :

- (A) Political environment
(B) Social environment
(C) Legal environment
(D) Economic environment
13. Identify the *incorrect* statement with respect to importance of 'Directing' :
- (A) It helps to initiate action.
(B) It helps to bring stability and balance in the organisation.
(C) It facilitates introduction of needed changes in the organisation.
 (D) It establishes standards for controlling.

14. Read the following statements : Assertion (A) and Reason (R).

Assertion (A) : A buyer buys a product or service for what it does for him/her or the benefit it provides to him/her.

Reason (R) : From the customer's point of view, a product is a bundle of utilities which is purchased because of its capability to provide satisfaction of a certain need.

Choose the correct alternative from the options given below :

- (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. 'Green Tech Solutions', a manufacturer of eco-friendly products had an organisational structure with separate departments for production, marketing, sales, etc. Each department had its own objectives, policies and style of working. The company was facing challenges as the production department would focus on producing goods without consulting the sales department and the marketing department developed advertising campaigns without considering the production timelines, leading to confusion and conflicts. To resolve this, the Chief Executive Officer, Madhur arranged inter-departmental meetings explaining to the respective managers that they have to consult each other while performing their activities. All the departmental managers agreed to this.

By linking the activities of all the departments, the Chief Executive Officer was able to ensure that the right products are available when needed, marketing efforts match with the product availability and sales targets are achieved.

The concept of management followed by the Chief Executive Officer to resolve confusion and conflicts between departments was :

- (A) Organising (B) Coordination
(C) Planning (D) Staffing

16. Read the following statements carefully :

Statement I : Planning and Controlling are both backward-looking as well as forward-looking functions.

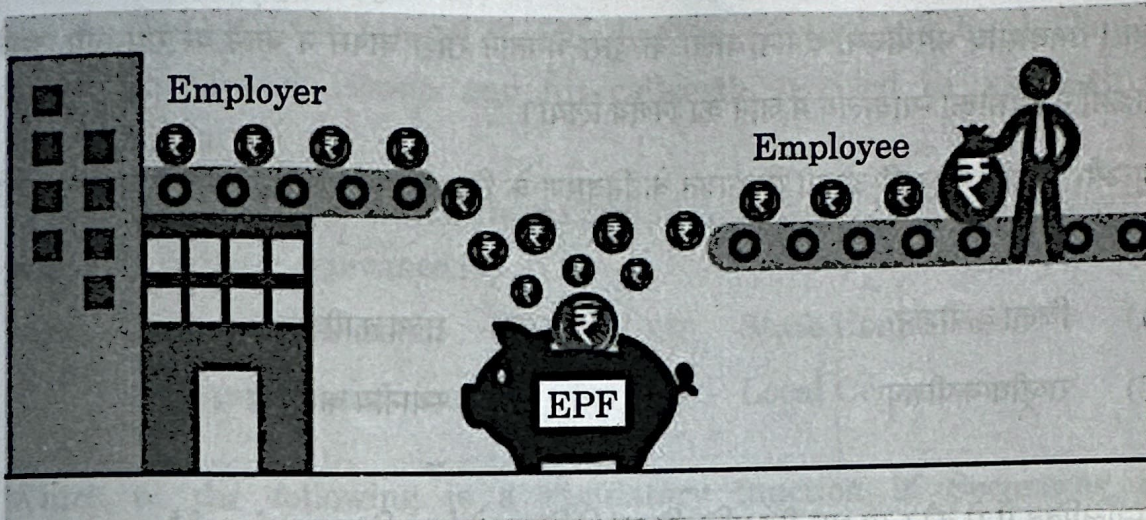
Statement II : Planning is prescriptive whereas Controlling is evaluative.

In light of given statements, choose the correct alternative from the following :

- (A) Statement I is true and Statement II is false.
(B) Statement I is false and Statement II is true.
 (C) Both Statement I and Statement II are true.
(D) Both Statement I and Statement II are false.



17. Identify the financial incentive shown in the picture given below :



- (A) Stock option
- (B) Perquisites
- (C) Productivity-linked wage incentive
- (D) Retirement benefits

Note : The following question is for the Visually Impaired Candidates only in lieu of Q. No. 17.

An incentive offered over and above the wages/salary to the employees is known as :

- (A) Productivity-linked wage incentive
- (B) Bonus
- (C) Profit sharing
- (D) Stock option

18. After moving to Dama from his home town in Rasha, Ramu and his family were staying in a rented accommodation for the last 5 years. Ramu and one of his office colleagues decided to buy a flat each in close proximity to their office. After a lot of research, they settled for a housing project which would cost them ₹ 1.25 crore each for a three bedroom flat. The housing project developers promised to deliver their flats within 36 months. An amount of ₹ 20 lakh each was paid to the developers of the housing project at the time of booking the flat. Since the payment schedule was time bound, they paid additional ₹ 80 lakh each over a period of 2 years. The balance of ₹ 25 lakh was to be paid at the time of registration. Despite having taken the major part of the cost of the flats, the housing project developers hadn't started the construction work.



Ramu and his colleague asked the housing project developers to refund the amount paid. On refusal of refund of the amount paid by the housing project developers, Ramu and his colleague decided to approach the consumer court.

The redressal agency which Ramu and his colleague should approach for redressal of their grievance is :

- (A) District Commission (B) State Commission
(C) National Commission (D) Local Commission

19. Which of the following is a regulatory function of Securities and Exchange Board of India ?

- (A) Registration of brokers and sub-brokers and other players in the market
(B) Training of intermediaries of the securities market
(C) Promotion of fair practices and code of conduct in securities market
(D) Conducting research and publishing information useful to all market participants

20. 'Alpha Manufacturing Ltd.' is a company manufacturing high quality car spare parts. The company has a well-established production line and its products are highly demanded in the market. However, it was noticed that the defect rate in the manufacturing process was higher than the standard of 10 per 1,000 pieces produced. In spite of best efforts, the Production Manager was not able to reduce the defect rate. So, he decided to revise the standards.

The step of the controlling process, followed by the Production Manager after not being able to reduce the defect rate, will be :

- (A) Taking corrective action
(B) Measurement of actual performance
(C) Analysing deviations
(D) Comparing actual performance with standards



21. (a) Explain the following points of importance of 'Controlling' function of management : 3
- (i) Ensuring order and discipline
 - (ii) Judging accuracy of standards

OR

- (b) State any three points of importance of 'Staffing' function of management. 3

22. Sweets has been the mainstay for several large homegrown restaurant brands. Increased life expectancy of people and increased awareness for health care amongst consumers has increased the demand for healthy food options. Young consumers are moving away from consuming traditional sweets to buying more western style premium products which are baked or steamed. With this shift in consumer preferences, 'Shree Restaurants', a well known restaurant brand, is gearing itself up for playing a greater role in the healthy packaged foods market. In addition to traditional sweets, the company is also planning to expand to healthy savoury and sweet items and some ready-to-eat items. These new healthy products are expected to change people's lifestyles.

Identify and explain the two features of Business Environment highlighted in the above case. 3

23. (a) Explain the following internal sources of recruitment : 3
- (i) Transfers
 - (ii) Promotions

OR

- (b) Explain the following methods of training : 3
- (i) Internship training
 - (ii) Vestibule training



24. 'Verso Cars' opened their new car showroom in Kainvad. They appointed Tarun as a General Manager for managing their operations. He was responsible for meeting sales targets, keeping a check on inventory, building customer relations, ensuring compliance with regulations, etc. However, the high volume of work made it impractical for him to handle it all by himself. To meet the company's goals, and to ensure that all work is accomplished, he appointed Nikhil as a Sales Manager. Nikhil was given the authority to take decisions inherent in his managerial position and to tell people what to do and expect them to do it. He not only had to ensure that sales targets are met but was also to guide sales representatives and had to report directly to Tarun. As a result, Tarun was able to concentrate on more important matters and ensure that all work is accomplished.

- (a) Identify the concept followed by Tarun which helped him in achieving the company's goals.
- (b) Explain any two points of importance of the concept identified in (a) above.

3

25. (a) Explain the following points of importance of 'Planning' function of management :

4

- (i) Planning provides direction.
- (ii) Planning reduces the risk of uncertainty.

OR

(b) Explain the following features of 'Planning' function of management :

4

- (i) Planning is futuristic.
- (ii) Planning is a mental exercise.



26. Rushil opened 'RK Hair and Beauty Salon' in a reputed locality and appointed fifteen people as salon staff. However, within just a few months, he observed that the employees were leaving the salon one by one and the business was not able to meet even the monthly targets.

Rushil asked his manager to find out the reason. The manager reported that quite often, according to the requirement, the hair stylist was asked to do the work of a makeup artist and a makeup artist was asked to do nail care, etc. As a result, the employees were not happy and wanted to work at a salon where work was divided according to their competence and would enhance their specialisation.

The manager also added that there was neither any fixed place for hair care, skin care or nail care materials nor for the employees. This created confusion and hindrance in the work and led to further dissatisfaction amongst the staff. As a result, the employees kept leaving the salon leading to high employee turnover ratio and a shortage of experienced staff.

Identify and explain the two principles of management discussed above that are not followed in 'RK Hair and Beauty Salon'.

27. 'BNG Ltd.' is a reputed company that manufactures consumer durables. It has a large scale manufacturing unit where products like electric kettles, toasters, blenders, electric irons, etc. are manufactured. Since the production is at a large scale, the average cost of production is low. As a result, the products are widely available across areas at affordable prices contributing to its strong profit margins.

On the other hand, 'KMV Ltd.', another reputed consumer durables manufacturer in the same business is also earning good profits. However, 'KMV Ltd.' focuses on producing the products which are superior in quality, performance and features. It has a dedicated Research and Development team which continually works to bring improvement in the quality of its products.

- (a) Identify and explain the marketing management philosophy followed by 'BNG Ltd.' and 'KMV Ltd.'.
- (b) Differentiate between the two marketing management philosophies identified in (a) above on the basis of the following :
 - (i) Main focus
 - (ii) Ends



28. Shreedar had worked as an Operations Manager at a cab aggregator firm for ten years, gaining in-depth knowledge of the business. He then decided to leave the job and started his own cab aggregator business 'Easy Cab' with his friend Mukesh. Shreedar became the Chief Executive Officer and Mukesh the Chief Operating Officer in 'Easy Cab'. They decided to initially offer their services only in Goregram. To finance the venture, they applied for a loan to purchase electric cars for their fleet aiming to provide a sustainable and eco-friendly way to travel.

- (a) Identify the level of management at which Shreedar and Mukesh are working in 'Easy Cab'.
- (b) State any three functions required to be performed by both Shreedar and Mukesh at the level of management they are working. 4

29. (a) State any four features of 'Motivation' as an element of Directing. 4

OR

- (b) Explain the following non-financial incentives : 4
- (i) Job enrichment
- (ii) Employee participation

30. 'Nurata Ltd.' is a leading manufacturer of clothing in India, known for good quality casual wear as well as formal wear for children. The company is earning good profits and now wants to expand its business by entering into the business of electronics and home appliances too. The management decided to create separate business units, where each unit head would be responsible for a specific product category and for its performance. All key functions, such as marketing, finance, production, etc. would be handled within each unit.

- (a) Identify the organizational structure adopted by 'Nurata Ltd.' on expansion of its business.
- (b) State any two advantages and one disadvantage of the organizational structure identified in (a) above. 4



31. Sara recently received her degree in automobile engineering and decided to join her father's electric vehicle business. They were not only selling electric vehicles but also providing related services like charging vehicles and their maintenance, etc. Sara had worked on a practical project related to electric vehicles during her automobile engineering course and won first prize for it. She was impressed by electric vehicles because of their potential to revolutionize the automotive industry as these are more sustainable and eco-friendly alternative to traditional vehicles.

She was exploring the possibility of entering into partnerships with the government for electric vehicle charging stations. This could be shared investment, with the government providing land and incentives and her company contributing technical expertise and operational management. Sara shared her thoughts and ideas with her father. She prepared a proposal to collaborate with the government for setting up electric vehicle charging stations. The proposal contained her ideas, feelings and suggestions which she intended to convey to the government. She then converted her ideas, feelings and suggestions into words and pictures. She used clear concise language and visual aids such as charts and graphs, to make complex information more understandable. She now had to choose a path through which her proposal would be transmitted to the government. Sara had a face-to-face meeting with the government and presented her ideas directly.

- (a) The above case highlights an element of one of the functions of management. Identify and explain the element.
- (b) Quoting lines from the above case, name the four elements of the concept identified in (a) above.
- (c) State three other elements of the concept identified in (a) above, not discussed in the above case.



32. (a) Explain the following factors affecting working capital requirements of a business :

6

- (i) Nature of business
- (ii) Credit availed
- (iii) Operating efficiency
- (iv) Seasonal factors

OR

(b) Distinguish between 'Money Market' and 'Capital Market' on any six basis.

6

33. After completing his civil engineering degree, Sankalp decided to start his own business. He started a construction company 'Sankalp Builders'. He entered into an agreement for construction of residential flats on a land of 30 acres. Building of the flats on such a large scale required expensive machinery like bulldozers, excavators, etc. He had the option to buy the machinery or take it on lease. Though Sankalp was in favour of buying, his father advised him to take the decision with caution as construction machinery becomes outdated very fast and needs to be replaced. He also told Sankalp that in future he may think of diversifying his operations and would need funds for that too.

Identify and state any four factors discussed above affecting the fixed capital requirements of 'Sankalp Builders'.

6

34. (a) Explain any four major components of physical distribution.

6

OR

(b) Explain any four communication tools used by the marketers to inform and persuade customers about their firm's products.

6