



**EEE CONSORTIUM
PREBOARD EXAMINATION (2021 -22)**

Subject: Business Studies

Max. Marks: 40

Grade: XII

Time: 2 hours

Name:

Section:

Roll No:

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.

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| 1 | Explain the importance of the function of management which ensures the continued survival and growth of the enterprise through succession planning for managers. | 2 |
| 2 | Newgen Software Technologies Limited is preparing to make its public offer with an issue size of about Rs. 500 crore. It has decided the offer price for the public to be Rs. 20 per share. Since the company wants to raise funds with utmost convenience, it is offering an entire lot of shares to ICICI Securities Limited for Rs. 12 per share. The further tasks related to public offers will be performed by ICICI Securities Limited. Identify and explain the method of floatation | 2 |
| 3 | Giridhar Ltd. is a highly reputed company. The employees of this organization discussed how they came in contact with this organization. Reena said she was introduced by the Purchase Manager, Mr. John. Indu said she was directly called by the company from her IIM institute. Identify and explain the different sources of recruitment. | 2 |
| 4 | Alpha Ltd. was manufacturing Auto spare parts. To improve the efficiency of employees the company provided training to their employees by inviting an expert who demonstrated the whole process of manufacturing. The expert quoted that all deviations cannot be controlled, so the manager must know which deviation in key areas must be attended to urgently as compared to deviation in non-key areas. He also suggested that human beings are bound to make mistakes as managers should not take strict action on every minute mistake of workers, rather he can fix a range of deviation and act if the deviation is above the specified range.
Name and explain in brief the two ways of analyzing deviation mentioned above | 2 |
| 5 | Ram Murthy, the CEO of 'Goodcare Hospitals', a leading chain of hospitals, decided to reward the good work of the doctors of this organization. For this, he instituted two running trophies. A 'Healthcare Achievers Trophy' to acknowledge and appreciate the tireless efforts of the doctors who rendered selfless services to the patients and another 'Beti Bachao Trophy' to recognize the outstanding work done by the doctors in saving the girl child. The CEO also wanted to improve the health services in rural areas all over the country. He decided that all doctors must | 3 |

work in rural areas for at least six months. He also decided that the paramedical staff should be employed locally.

(a) Identify the incentive provided by 'Goodcare Hospitals' to its doctors through running trophies.

(b) Which need of the doctors will be satisfied through the incentive identified in part (a)? Explain

- 6 Mr. Neelesh is working as a Production Manager in Vohra Ltd. His subordinates are mostly engineers and qualified technicians. As a manager, he is very strict, does not listen to any suggestions or feedback given by his subordinates. He expects them to follow his instructions without any questions and does not allow them to give suggestions. 3
- (a) What leadership style does the manager follow? Explain.
- (b) Is such a leadership style beneficial for the company? Explain.

OR

- 6 M/s Beta Ltd. deals in consumer goods. It employs 100 workers and 10 operative managers who give guidance and support to the workers while operating the machinery. The company has a policy of granting leave as per the requirement of the workers. Workers are generally granted leave on festivals and special occasions. Recently on Puja festival, it received a big order. Workers are keen to take Puja holidays while management is pressing hard for overtime. This matter was placed before the Personnel Manager who called the meeting of operative managers and workers to inform them about the changes in the incentive plan which states payment of double wages for working overtime and triple wages for working on holidays. Workers without any pressure voluntarily took limited holidays and were able to increase their earnings by working overtime and on holidays. During the Board of Directors' meeting, Personnel Manager was asked to update the management for achieving higher output, meeting timely supplies without any confrontation with workers. The personnel Manager replied, "I just used a carrot with no stick approach". By quoting the lines from the above paragraph state any two elements of directing.

- 7 Krishna Ltd. is manufacturing steel at its plant at Noida. Due to economic growth, the demand for steel is also growing. The company is planning to set up a new steel plant at Gurgaon. It needs Rs. 800 crores to start the new plant. It decides to raise Rs. 300 crores 3

through debentures, Rs. 200 crores through a long-term loan from banks, and Rs. 200 crores by issue of equity share to the public. It decided to finance the remaining amount by utilizing its reserves and surplus.

What is the capital structure of this company? Explain how the same is calculated in the above example.

- 8 How does controlling help in judging the accuracy of standards, employees' motivation, and Coordination of action? 3

- 9 A customer purchased a Bajaj fan, however, it stopped functioning within a month. He lodged a complaint with customer care for the value of Rs 4000. But they rejected his plea by saying that the wall fan was being used as a table fan thus it was the customer's negligence. The customer then filed the case with the forum, whereby the forum mentioned that the bill or on the instructional manual wasn't mentioned, whether it was a table fan or a wall-mounted fan. Thus, the company was asked to compensate the customer for his mental agony. 5

- i) Identify and explain the consumer right availed by the customer.
- ii) Which forum do you think he would have addressed his grievance too.

OR

‘Help hand Organization (HHO this is s registered consumer organization too)’ organized a visit of its members to an old age home to inculcate the habit of social work. They found that the living conditions of the old-age home inmates were not hygienic. Therefore, they first decided to clean the premises. During their cleanliness drive, they realized that the place also required pest control. Some of the inmates of the old age home were hesitant as they thought that it may create health problems for them. So the HHO decided to use ethical, safe, and odorless solutions for pest control. They showed to the inmates a pamphlet of the proposed pest control product which promised easy, inexpensive and long-lasting pest control. The members happily agreed, and the pest control was done. It worked for a fortnight but afterwards to their dismay the effect started wearing off. The HHO contacted the pest control company which kept on postponing their visit. After waiting for about 15 days the HHO filed a case in the consumer court. The consumer court was satisfied with the genuineness of the complaint and issued necessary directions to the pest control company.

- a) State any ONE direction which could be issued by the court?
- b) Who else can file a complaint? (Any two)
- c) Who is defined as a consumer under the consumer protection act?
- 10 “Stock exchange contributes to economic development and spread equity cult” Comment. Also, 5
explain any three advantages of the screen-based trading system of the stock exchange.
- 11 Kanan Pvt. Ltd. is a publishing company. Its book on Business Studies for class XII is in great 5
demand. As a result, the employees in the printing department are always racing against time. The employees have to work overtime and on holidays to cater to the demand. Managers in the marketing department are under stress as they have to handle more than two territories. This has led to dissatisfaction among staff members.
- (a) Name and explain the steps of the staffing process which has not been performed properly.
- (b) State the last four steps of the staffing process.
- 12 ‘Milan’ is a popular online matrimonial portal. It seeks to provide personalized match making 5
service. The company has 80 offices in India, and is now planning to open offices in Singapore, Dubai and Canada to cater to its customers beyond the country. The company has decided to opt for the sources of equity capital to raise the required amount of capital.
- In context of the above case:
- a) Identify and explain the type of risk which increases with the higher use of debt.
- b) Explain briefly any three factors because of which you think the company has decided to opt for equity capital.

OR

- 12 Bhuvan inherited a large area of agricultural land in Haryana after the death of his grandfather. He plans to sell this piece of land and use the money to set up a small scale paper factory to manufacture all kinds of stationary items from recycled paper. Being an amateur in business, he decides to consult his friend Subhash who works in a financial consultancy firm. Subhash helps him to prepare a blue print of his future business operations on the basis of sales forecast in next five years. Based on these estimates, he helps Bhuvan to assess the fixed and working capital requirements of business.
- In the context of above case :-
- a) Identify the type of financial service that Subhash has offered to Bhuvan.
- b) Explain its importance (any four)
