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| **PRE BOARD EXAMINATION 3 – TERM II(2021-22)** | | | |
| **Subject: Business Studies**  **Grade: XII** | | Max. Marks: 40Time:2 hours | |
| 1 |  | | 2 |
|  | Compensation,  refers to all forms of pay or rewards going to employees. It may be in the form of direct financial payments like wages, salaries, incentives, commissions and bonuses and indirect payments like employer paid insurance and vacations | | **1 mark for identification and 1 mark for explanation** |
| 2 |  | | 2 |
|  | Regulatory Functions (any 2)  1. Registration of brokers and sub-brokers and other players in the market.  2. Registration of collective investment schemes and Mutual Funds.  3. Regulation of stockbrokers, portfolio exchanges, underwriters, and merchant bankers and the business in stock exchanges and any other securities market.  4. Regulation of takeover bids by companies.  5. Calling for information by undertaking inspection, conducting inquiries and audits of stock exchanges and intermediaries.  6. Levying fee or other charges for carrying out the purposes of the Act.  7. Performing and exercising such power under Securities Contracts (Regulation) Act 1956, as may be delegated by the Government of India. | | **1 marks for identification and 1 /2 mark each for explanation** |
| 3 |  | | 2 |
|  | 1. Recruitment 2. Recruitment may be defined as the process of searching for prospective employees and stimulating them to apply for jobs in the organization. The information generated in the process of writing the job description and the candidate profile may be used for developing the ‘situations vacant’ advertisement. The advertisement may be displayed on the factory/ office gate or else it may be got published in print media or flashed in electronic media. This step involves locating the potential candidate or determining the sources of potential candidates. In fact, there are a large number of recruitment avenues available to a firm which would be discussed later when we talk about the various sources of recruitment. The essential objective is to create a pool of prospective job candidates. Both internal and external sources of recruitment may be explored. Internal sources may be used to a limited extent. For fresh talent and wider choice, external sources are used. | |  |
| 4 |  | | 2 |
|  | Two benefits which the company will derive from a good control system are:  Accomplishing organizational goals  Making Efficient use of resources | | **I mark each** |
| 5 |  | | 3 |
|  | 1 Physiological needs  .Disney land offers competitive salaries. This gives employees the means to acquire the basic needs for living. It is also committed to provide a  2. Safety/ security needs  safe and healthy work environment to prevent accidents. It provides clear rule and regulations to employees. For example, how to access the control of the machines is stated clearly to all.  3. Belongingness  There is a RACE Club which provides a variety of interest programs, instructor lead courses and outdoor recreational activities for staff members and their family | | **½ marks for identification and ½ marks for explanation.**  **½+1/2 = 1x3 = 3** |
| 6 |  | | 3 |
|  | 1. Directing (**½ marks)** 2. Non financial incentive -recognition (**½ marks)** 3. *Career Advancement Opportunity:* Every individual wants to grow to the higher level in the organisation. Managers should provide opportunity to employees to improve their skills and be promoted to the higher level jobs. Appropriate skill development programmes, and sound promotion policy will help employees to achieve promotions. Promotion works as a tonic and encourages employees to exhibit improved performance. **(1 mark )**   *Job Enrichment:* Job enrichment is concerned with designing jobs that include greater variety of work content, require higher level of knowledge and skill; give workers more autonomy and responsibility; and provide the opportunity for personal growth and a meaningful work experience. (**1 mark)** | | **(0.5+0.5+2)** |
|  | **Or** | |  |
| 6 |  | |  |
|  | The leadership style followed by Gupta is Democratic or Participative leadership.  Quote for Democratic leadership: ‘He had a meeting with his employees in which accurate and speedy processing of orders was planned. Everybody agreed to work as team because the behaviour of Gupta was positive towards employees of the organization  IMG_256 | |  |
| 7 |  | | 3 |
|  | EBIT - 18,00,000Less Interest 10% of Rs90lacs 9,00,000EBT 9,00,000Tax @ 40 % 3,60,000EAT 5,40,000EPS \*=5,40,000 0.36 per share15,00,000\*EPS = EAT/ Number of shares Hence, we can say that the company gained for shareholders as compared to last year EPS. | | **2+1 =3**  **One for reason, one for calculation, one for the correct answer.** |
| 8 |  | | 3 |
|  | 1. (i) It is the controlling function of management   (ii) The first in the process is “Comparing actual performance with the performance of the standard”.  b) The next two steps are :  (i) Analyzing deviations: The deviations from the standards are analysed and assessed to identify the reasons for deviations.  (ii) Taking corrective action: The manager will take corrective action so that the deviations do not occur again. The workers may be given the required training to ensure the achievement of goals | | **Part (a) half mark each and part (b )1 mark each** |
| 9 |  | | 5 |
|  | A complaint before the appropriate consumer forum can be made by:   1. Any consumer can file a complaint on his/her own and does not need the services of advocate/ professionals; 2. Any registered consumers’ association; 3. The Central Government or any State Government; 4. One or more consumers, on behalf of numerous consumers having the same interest; and 5. A legal heir or representative of a deceased consumer. 6. A complaint under Section 2 (b) of the Consumer Protection Act 1986 | |  |
|  | **OR** | |  |
|  | 1. Right to be informed about the products in the market. In a situation where important details about the product such as ingredients, expiry date and batch number are not provided, consumers have the right to seek this information from the manufacturer 2. i) Buy only standardised goods as they provide quality assurance. 3. Learn about the risks associated with products and services, follow manufacturer’s instructions and use the products safely. 4. Read labels carefully so as to have information about prices, net weight, manufacturing and expiry dates, etc. 5. Assert yourself to ensure that you get a fair deal. 6. Be honest in your dealings. 7. Choose only from legal goods and services and discourage unscrupulous practices like black-marketing, hoarding etc. 8. Ask for a cash memo on purchase of goods or services. This would serve as a proof of the purchase made | | (1+4) |
| 10 |  | | 5 |
|  | A)In the given para, mobilisation of savings and channeling them into the most productive uses is the function of Financial market.  B). The other functions performed by the financial market are as under :  Price discovery – Financial Market includes both the suppliers and investors of funds. Financial market helps in determining current market prices of various securities on the basis of demand and supply.  Liquidity – Financial market provides ready market for the sale and purchase of financial assets. Financial assets can be converted into cash at any time.  Lesser cost of transactions – Financial market is a common platform where buyers and sellers enter into transactions. It helps to save time, effort and Financial of investors and lenders of funds. | | **(part (a)1/2mark for identification )**  **+**  **(part (b)1.5 mark each)** |
| 11 |  | | 5 |
|  | 1. First two steps of staffing.   Are estimating manpower requirement and recruitment.(1 mark)  The second last step is  Promotion and career planning-(2 mark)  It becomes necessary for all organizations to address career-related issues and promotional avenues for their employees. Managers need to design activities to serve employees’ long-term interests also. They must encourage employees to grow and realize their full potential. Promotions are an integral part of people’s careers. They refer to being placed in positions of increased responsibility. They usually mean more pay, responsibility, and job satisfaction. different tests given to the applicants by Mr. Thaha   1. 1st interest test(1/2 mark each)   2nd trade test  3rd -intelligence test  4th personality test | | **(part (a)1mark +2 mark)**  **+**  **(part (b)1/2mark each)** |
| 12 |  | | 5 |
|  | Dividend decision: Dividend is that portion of profit which is distributed to shareholders. The decision involved here is how much of the profit earned by company (after paying tax) is to be distributed to the shareholders and how much of it should be retained in the business  Factors affecting dividend decision are: explain   1. Earnings The analyst forecast for the bank’s net profit was Rs 3,100 crores; the bank reported a paltry RS 702 crores 2. Cash Flow Position affecting the cash flows of the bank. 3. Stock Market reaction The stock market reacted negatively 4. Preference of Shareholders. to meet expectations of shareholders | | **1+4 = 5**  **One marks for meaning+ one marks each for four correct factors.** |
|  | **OR** | |  |
| 12 | Ans: (a) Factors affecting fixed capital requirement are: explain   1. Growth prospects,   The company is now planning to open five new showrooms   1. Financing alternatives, In Bengaluru t intends to take the space for the showroom on lease 2. level of collaboration, it has collaborated with a popular home furnishing brand, ‘Creations 3. Scale of operation. The company deals in a wide product range of home and office furniture through its eight showrooms in Delhi   (b )Working capital requirements will increase with increase in scale of operations and growth prospects.( electricity expenses, rent/lease, payment to staff etc) | | **(1 X4) + 1 = 5** |

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