

## Business Studies (054)

### Term II (2021-22)

#### Class XII

Maximum Marks: 40

Time: 2 Hours

#### General Instructions:

- (i) This question paper contains 12 questions.
- (ii) Question numbers 1-4 are of 2 marks. These are Short Answer Type Questions and are to be answered in 30-50 words.
- (iii) Question numbers 5-8 are of 3 marks. These are Short Answer Type Questions and are to be answered in 50-80 words.
- (iv) Question numbers 9-12 are of 5 marks. These are Long Answer Type Questions and are to be answered in 80-120 words.
- (v) There is no over-all choice in the question paper. However internal choice has been given in 1 question of 3 marks and 2 questions of 5 marks each.
- (vi) This question paper contains Case/Source Based questions.

1. Gujarat Textiles Ltd.' needs to raise a fund of 80 crore. It cannot afford the cost of a public issue, so it was decided to allot its equity shares to institutional investors like LIC and some selected investors. Identify and explain the method of floating new issues used by Gujarat Textiles Ltd. 2
2. One of the functions of management completes one cycle of management process and improves planning in the next cycle in the light of the problems that were identified in the existing plans. Identify and state the function of management discussed above. 2
3. Give the meaning of 'Free Rein style of Leadership'. 2
4. Identify and state the step in the process of staffing which creates a pool of prospective job seekers for vacancies in the organisation. 2
5. Explain how controlling helps in 'making efficient use of resources' and 'improving employee motivation'. 3

6. The Human Resource Department of 'Oberoi's Airlines Pvt. Ltd. has recently selected 11 pilots. The new pilots have to handle sophisticated equipment. For this, the Human Resource Manager wants to design an off-the-job training programme which will help them to improve their performance on their jobs. Identify and explain the method of training that can be used by the company in the given situation. 3

7. What is meant by financial incentives? State any two financial incentives. 3

OR

State any three benefits of training to employees.

8. State any three factors affecting dividend decision of a company. 3

9. Explain the following rights of a consumer as per the Consumer Protection Act, 2019: 5

(i) Right to seek redressal

(ii) Right to safety

OR

State any five responsibilities that should be kept in mind by a consumer while purchasing, using and consuming goods and services.

10. Explain 'Commercial Paper' and 'Treasury Bills' as Money Market Instruments. 5

11. The Human Resource Manager of Alfa Ltd., a leading air-conditioner manufacturer requires employees for various posts. He wanted to opt for a source of recruitment where background of potential candidates is sufficiently known. He knew that applicants introduced by present employees or their friends and relatives may prove to be a good source of recruitment. 5

(i) Identify the external source of recruitment discussed in the above paragraph.

(ii) State any four advantages of external sources of recruitment.

12. NB Ltd. is India's largest manufacturer of cement. Its operations are spread throughout the country with 17 modern cement factories. It has a workforce of 9,000 persons. 5

Since its inception, the company has been a trendsetter for the cement industry. The company is planning to grow in the long run and wants to double its capacity in the next 3 years.

For this the Finance Manager has to decide about the quantum of finance to be raised from various long-term sources. For this he needs to identify various available sources of funds and the proportion of funds from each source.

- (i) Identify the financial decision to be taken by the Finance Manager.
- (ii) State any four factors which would affect the decision identified in (i) above.

OR

Myra Ltd., manufacturing televisions, is planning to expand its business and requires 250 crore for the same. A number of projects are available to the company to invest in and each project has to be evaluated carefully. The Finance Manager of the company, has assessed the projects in terms of the rate of return from each project and wanted to select the one with the higher rate of return. But before selecting the project he has to take into consideration other factors also.

- (i) Identify and state the financial decision discussed in the above paragraph.
- (ii) Explain two other factors that the Finance Manager should consider before selecting the project.