CBSE EXAMINATION PAPER-2022

BUSINESS STUDIES

(Solved)

Time allowed : 3 hours | Maximum Marks : 53

General Instructions :

Read the following instructions carefully and follow them :

i. This question paper contains **15 questions.** All questions are **compulsory.**

ii. This question paper is divided into **3 sections.**

iii. **Section A** – questions number **1 to 4** are short answer type i

iv. **Section B** – questions number **5 to 9** are short answer type ii

v. **Section C** – questions number **10 to 15** are long answer

vi. There is no overall choice given in the question paper. However, an internal choice has been provided in few questions.

vii. Use of calculator is NOT allowed.

Section A

Question 1.

KLM Bank Ltd. is a leading bank with various branches across the country.

On 27th Jan. 2022, it faced a sudden temporary shortage in cash balance in

one of its branches. On the same day, it was decided by its directors to

borrow funds from another bank for two days to maintain its cash reserve

ratio.

Identify and explain the money market instrument used by KLM Bank

Ltd. to meet its short term funds requirement.

[2 Marks]

Question 2.

Identify and state the function of management which ensures that the

organisational resources are being used effectively and efficiently for the

achievement of pre-determined goals.

[2 Marks]

Question 3.

Give the meaning of 'Formal Communication'.

[2 Marks]

Question 4.

Identify and state the step in the process of staffing under which the charge

of the job is given to the selected employee and he/she is introduced to his/her

superiors, subordinates and colleagues.

[2 Marks]

Section B

Question 5.

Explain how controlling helps in 'accomplishing organisational goals' and judging accuracy of standards'.

[3 Marks]

Question 6.

Nandita Srivastava is the Human Resource Manager of 'TM Infrastructure Ltd." It is one of the largest construction companies in India. The company handles projects worth more than ₹ 18,000 crore.

The responsibilities of Nandita Srivastava include searching and hiring suitable people for different posts in the organisation. To measure certain characteristics of potential candidates, who apply for various vacancies, she is required to conduct a series of selection tests appropriate for different posts. These tests will help her to predict for which job the applicant will be successful, if hired. Explain any

two types of selection tests that may be conducted by Nandita Srivastava to select the most suitable persons.

[3 Marks]

Question 7.

What is meant by non-monetary incentives ? State any two non-monetary incentives.

[3 Marks]

Question 8.

State any three benefits of training to the organisation.

[3 Marks]

Question 9.

State any three factors affecting working capital requirements of a company.

[3 Marks]

Section C

Question 10.

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

(1) Right to seek redressal

(1) Right to consumer education.

[5 Marks]

Question 11.

State any five reliefs available to a consumer under the Consumer Protection Act, 2019 when consumer court is satisfied about the genuineness of the complaint.

[5 Marks]

Question 12.

Differentiate between ‘Capital Market’ and ‘Money Market’ on the basis of :

(i) Participants

(ii) Instruments

(iii) Investment Outlay

(iv) Duration

(v) Liquidity

[5 Marks]

Question 13.

Anurag Tiwari is a famous news reader. He has recently started a news company ‘Axis Media Corporation Ltd.'. The aim of this company is to launch a 24-hour Hindi news channel to broadcast latest news from India and around the world. For this new venture, the company will have to decide how to invest funds in different assets. The purchase of few assets like equipment, computers, vehicles, etc. will involve committing the finance on a long-term basis. It will affect earning capacity of the business in the long run. Therefore, the company needs to take the decision to invest in such assets with utmost care.

(a) Identify and state the type of investment decision discussed in the above paragraph.

(b) State any three factors which affect the decision identified in (a) above.

[5 Marks]

Question 14.

‘Reliable Labs Ltd.’ is a trusted name in diagnostic services with seven branches spread across the city of Pune. The directors of this company have projected that with the rise in health consciousness in the society and the rising burden of chronic diseases, the demand for diagnostic tests is expected to grow in future. Considering this, they decided to open branches of their diagnostic labs in Ahmedabad. It was estimated that it will require ₹ 100 crore of additional funds. The directors have to take the decision about how much funds should be raised from equity capital and how much from debt. It will affect the overall cost of capital and the financial risk of the company.

(a) Identify and state the financial decision discussed in the above paragraph.

(b) State any three factors that should be kept in mind by the Board of Directors of ‘Reliable Labs Ltd.’, while taking the decision identified in (a) above.

[5 Marks]

Question 15.

Gautam Natarajan is the founder of ‘Brewed Beans Coffee’, a famous chain of 21 outlets in South India, selling high quality filter coffee. He is known for his leadership and vision. He believes that

human resources, are the most important assets of an organisation. He often quotes, “The right people can help you take your business to the top, the wrong people can break your business.” This is the reason he considers the function of management that fills the various positions in the organisation structure to be the most critical and fundamental to organisational performance.

(a) Identify the function of management that has been emphasised by Gautam Natarajan.

(b) State any four points of importance of function identified in (a) above.

[5 Marks]