



INDIAN SCHOOL SOHAR
FIRST TERM
BUSINESS STUDIES

Date: - 15.9.2015**STD: - XII****Marks: - 80****Time: - 3hrs****General Instructions:-**

- (i) Answers to questions carrying 1 mark may be from one word to one sentence.
- (ii) Answers to questions carrying 3 marks may be from 50 – 75 words.
- (iii) Answers to questions carrying 4 – 5 marks may be about 150 words.
- (iv) Answers to questions carrying 6 marks may be about 200 words.

1. Ram is the manager of the northern division of a large corporate house. At what level of management does he work in the organisation? What is his main task? 1
2. Which technique of Taylor is the extension of the principle of division of work and specialization? 1
3. Management principles are not principles of pure science. Write one difference. 1
4. Which component of capital structure determines the overall financial risk? 1
5. Why are treasury bills known as “Zero coupon bonds”? 1
6. “You do not close a sale; you open a relationship, if you want to build a long term successful enterprise.” Identify the communication tool used by the marketer. State one important feature. 1
7. Rahul purchased a flat for ₹50 Lacs and found it different from what was agreed upon. He wants the money back. Suggest him the appropriate authority to file his complaint in the three tier machinery under Consumer’s Protection Act 1986. 1
8. “A toy car free with Maggi Noodles” is a technique of sales promotion. Name the technique. 1
9. Soniya Ltd was engaged in the business of manufacturing auto components. Lately its business is expanding due to the increased demand for cars. The competition has also increased. In order to keep its market share intact the company directed its work force to work over time. But this created many problems. Due to increased pressure of work the efficiency of workers declined. Sometimes, the subordinates had to work for more than one superior. The workers were becoming indiscipline. The spirit of team work, which had characterised the company previously, began to wane. Identify any three principles(given by Henri Fayol) which were being violated, quoting the lines from the above case 3
10. Ramesh feels that there is no difference between capital and money market as both are components of financial market. Somesh does not agree with him. Who do you think is correct? Why? 3
11. Some products have certain unique features. They fascinate the people of special groups. Identify the kind of product and explain its features. 3
12. “Choice of an appropriate channel of distribution is important marketing decision which affects the performance of the organisation.” Explain any three factors on which the choice of an appropriate channel depends. 3

13. What is meant by consumer protection? State how consumer protection is important from the point of view of the consumer. 3
14. Explain “Differential piece rate” and “ Functional foremanship” as techniques of scientific management 4
15. “Determination of capital structure of a company is influenced by a number of factors.” Explain any four such factors. 4
16. “To promote orderly and healthy growth of securities market and protection of investors, Securities and Exchange Board of India was set up.” With reference to this statement, explain the objectives of the Securities and Exchange Board of India. 4
17. You are appointed as a brand manager of Ford Motors. The company is to introduce a compact small car in the Indian market. The car is yet to be decided. You have been asked to chair a brain storming. Suggest briefly as to what constitutes a good brand name. 4
18. What is meant by Coordination? Explain why coordination is important in an organisation. 4
19. Explain any four instruments used in the primary market to raise capital. 4
20. Explain by giving reason any five reasons why proper understanding of management principles is necessary? 5
21. The aim of marketing and selling is to maximise profit. Yet they differ in their approach. Differentiate between the two. 5
22. Define a consumer. Explain the “Right to safety” and “Right to be informed” . 5
23. Shubh Ltd is a steel manufacturing plant in India. It is enjoying a buoyant demand for its products as the demand for steel has gone up. The company has decided to set up a new plant to cash on the increasing demand. It is estimated that it will require about ₹2000 Cr. To set up and about ₹ 500 Cr. of working capital to start the new plant. 6
1. State the objectives of financial management for this company.
 2. Identify and state the decision taken by the finance manager in the above case.
 3. State any three common factors affecting the fixed capital and working capital requirements of the company
24. Mohan wants to sell 50 shares of Tata Motors. Explain the trading procedures for selling the shares in the stock exchange 6
25. H Tech ltd is a company producing IT services. The company’s profits are enough for the survival and growth. The management believes that a satisfied employee creates a satisfied customer, who in turn creates profits that lead to satisfied shareholders. So it pays competitive salaries and perks to all its employees. All employees are happy working in the organisation because of personal growth and development. The company has a strong sense of social responsibility. It has setup an engineering college in which one third of students are girls to whom the company gives 50% scholarship. Is the management of H Tech ltd fulfilling its objectives? Justify your answer by giving reasons 6