



INDIAN SCHOOL SOHAR
SECOND TERM EXAM
BUSINESS STUDIES

Date: - 01.12.2015

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. In today's scenario, organisations look for individuals with specific qualifications and experience to manage them. It has also been observed that there has been an increase in the corporate form of business there has been increased emphasis on managed business concerns. What does this imply? 1
2. If an organisation does not provide the right place for physical and human resource in an organisation, which principle is violated? What are the consequences of it? 1
3. Even after opening up of the Indian economy in 1991, foreign companies found it extremely difficult to cut through the bureaucratic red tape to get permits for doing business in India, which discouraged them from investing in our country. Identify the dimension of business environment mentioned here. 1
4. Ravi runs a locks manufacturing factory. He manufactures locks used in houses. He wants to expand his business. For this, he wants to enter into the manufacturing of locks for cars and motor cycles. Which type of organisational structure will he choose for his factory and why? 1
5. A company is manufacturing paper plates and bowls. It produces 100000 plates and bowls each day. Due to local festival it got an urgent order of extra 50000 plates and bowls per day. Name the source of recruitment of labour the company needs to fulfil its order. Also state a merit of this method. 1
6. Ms. Snigdha, Production manager of Graphic Designs discusses with her staff about the new export order. All the staff members unanimously agree they will work together to do overtime to complete the order and meet the deadline. State the leadership style followed by Ms. Snigdha. 1
7. Define NGO. Give any two functions of NGOs engaged in promoting consumers' interest. 1
8. Amit is running an advertising agency and earning a lot by providing this service to big industries. State whether the working capital requirement of the firm will be less or more. Give reason to support your answer. 1
9. Name and explain any two methods of recruitment suitable to recruit technical, professional and managerial personnel. Why does an organisation have to tap external sources of recruitment for various positions? 3
10. "Find wants and fill them." "Create products and sell them." are two important concepts of marketing management. Identify and differentiate between the two concepts. 1

11. Deepak purchased a book from a book seller and got the cash memo of ₹400 which he paid for the book. Later, he found that the actual price of the book is ₹380 but the book seller had a sticker of 400 on the original price. Can Deepak recover the extra money that he paid? What other options are available to Deepak against book seller? 3

12. 3

NOTICE
A meeting of all supervisors is scheduled on 30th November 2015

This notice was placed on the notice board in the reception area of Ajay industry ltd. But it did not mention clearly the time of the meeting.

- A. Which barrier of communication is referred to here?
B. Explain any two other forms of barrier to effective communication under the same category.
13. Rani's grandmother who was unwell called her and gave a gift packet. On opening it she found many crumpled share certificates inside. Her grandmother told her that that they have been left behind by her grandfather. As no trading is done in physical form, Rani wants to know the process by adopting which she is in a position to deal with these certificates. 3
- A. Identify and explain the process.

- B. Also give two reasons to Rani why dealing with shares in physical form has been stopped
14. Principles of Taylor and Fayol are mutually complementary. One believed that the management should share the gains with the workers, while the other suggested that employees compensation should depend on the earning capacity of the company and should give them a reasonable standard of living. 4

- A. Identify and explain the principles of Fayol and Taylor referred to in the above paragraph.
15. Deciding the capital structure of a firm involves determining the relative proportion of various types of funds which depends on various factors." Explain any four such factors. 4

OR

Explain the term "Trading on Equity". Why when and how can it be used?

16. Satyam Ltd. Is a large manufacturing unit. Recently, the company has conducted the "time " and "motion" studies and concluded that on an average a worker can produce 120 units per day. However, it has been noticed that average daily production of a worker is in the range of 80 – 90 units. 4

- A. Which function of management is needed to ensure that the actual performance is in accordance with the performance as per "Time "and "motion" studies?
B. State any four features of this function.

17. "Coordination is not a separate function of management. It is the essence of management." In the light of this statement explain the nature of coordination 4

18. "Some learning opportunities are designed and delivered to improve skills and abilities of employees whereas some others are designed to help in the growth of individuals in all respects." Identify the two concepts explained above and distinguish between them.

19. “Understanding of environment by business managers enables them not only to identify and evaluate, but also react to the forces external to their firms.” In light of this statement explain by giving any four points why in the present day competitive market, it is essential for a business enterprise to remain alert and aware of its environment. 4
20. A company manufacturing consumer goods has grown in size. It was a market leader but with change in economic environment and with the entry of MNCs its market size is declining. The company was following a centralised business model as even the minor decisions were in the hands of the top level management. Before 1991 this model was suitable for the company but now the company is under pressure for reforms. 5
- What changes should the company bring about in order to retain the market share? Give its three points of importance
21. A company is manufacturing garments. The manager wants to increase profits by purchasing new high speed machines or increasing the sale price or using waste materials in manufacturing stuffed toys. He decided that using waste materials to increase profit is the best solution for him. 5
- A. Identify the concept of management involved.
- B. Mention and explain the steps involved in the above process by quoting lines from the question.
22. Shubh Ltd is manufacturing steel at its plant in India. It is enjoying a buoyant demand for its goods as economic growth is about 7% - 8% and the demand for steel is growing. The company has decided to set up a new plant to cash on the increased demand. It is estimated that it will require about ₹2000 Crores and about ₹500 Crore of working capital to start the new plant. 5
- A. Identify and state the decision taken by the finance manager in the above case.
- B. Explain the objectives of financial management for this company.
23. “The money spent on advertising is not wasteful, but an investment.” Do you agree with this statement? 6
- Give reasons in support of your answer

OR

- “Determination of price of a product is influenced by many factors.” Explain the factors to which marketers should pay attention before fixing the price of the product.
24. What is meant by motivation? Explain Maslow’s need hierarchy theory of motivation. 6
25. The Indian corporate sector has come face to face with several challenges due to government policy changes in business and industry. Explain any six such challenges 6