



V & C Patel English School
Half yearly Exam

Max.Marks: 80

Date:18 -09-2017

Std.: XII

Subject: Business Studies

Time: 3 hr.

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.
- (v) Attempt all parts of a question together

- Q:1 A.K Steels Ltd.has decided to contribute to swatch Bharat Abhiyan by installation of 200 dustbins in Raipur industrial area. Which objective of management is highlighted by this act of company? (1)
- Q:2 A technique proposed by Taylor aims at motivating a worker to reach atleast the standard performance- Which is it? (1)
- Q:3 Dreams can be turned into reality only when managers think in advance what to do and how to do'. Name the function of management indicated by this statement (1)
- Q:4 A textile company is diversifying and starting a steel manufacturing plant. State with reason the effect of diversification on fixed capital requirement of the company (1)
- Q:5 Wipro Ltd. has conducted a meeting to decide regarding disposable of profits as how much should be retained and how much should be paid out to investors
Which type of financial decision will be taken by them? (1)
- Q:6 A TV manufacturing company is spending substantial amount of money to persuade the target customer to buy its TV sets through advertising, personal selling and sales promotion techniques. Identify the element of marketing mix referred here (1)
- Q:7 A marketer of televisions, before making the sale, does a lot of other activities such as planning the type and model of televisions to be produced, the price at which it would be sold and selecting the distribution outlets at which the same would be available. Based on the statement, give difference between 'Marketing' and 'Selling' (1)
- Q:8 A firm dealing in 'Gel Pen' has a turnover of 1 lakh pens per day. The firm believes in making the product available at every nook and corner of the city at a reasonable price. As a result the firm is earning huge profit.
Identify marketing management philosophy adopted by firm (1)

- (b) Innovative techniques are being developed to manufacture water purifier at competitive rates
- (c) Incomes are rising and children at home are also drinking purified water.
- (d) The government is also showing positive attitude towards this business

Identify the different dimensions of business environment by quoting from the above details
Explain the same (4)

Q:16 'Understanding of environment by business managers enables them not only to identify and evaluate, but also to react the forces external to their firms'- In the light of the statement, explain any four points of importance of business environment (4)

Q:17 'Unforeseen events and changes, rise in cost and prices, environmental changes, governmental intervention, legal regulations, all affect business plan'- In the light of the above statement state any four limitations of planning (4)

Q:18 Explain any four factors that the company should consider while deciding its capital structure (4)

Q:19 What information is generally placed on the package of a food product? Design a label for one product of your choice (4)

Q:20 Identify the following sales promotion schemes:

- (a) Fun junction is giving a discount voucher of Rs 500 on purchase of children's wear for Rs 5000 and above
- (b) In the Sunday edition of the newspaper Rohit received a sachet of the sunscreen to be launched by a leading cosmetic company
- (c) Scratch a card and get a gold coin with the purchase of cold drink
- (d) Purchase goods of Rs 50,000 and get a holiday package of Rs 10,000 free
- (e) LG offered a scheme of 15 equal monthly installments without any interest charges (5)

Q:21 Two years ago Nishant, completed his degree in Textile Engineering. He worked for sometime in a company manufacturing readymade garments. He was not happy in the company and decided to have his own readymade garments manufacturing unit. He set the objectives and the targets and formulate action plan to achieve the same. One of his objectives was to earn 80% profit on the amount invested in the first year. It was decided that raw materials like cloth, thread, button etc. will be purchased on two months credit. He also decided to follow the steps required for marketing the products through his own outlets. He appointed Ritesh as a production manager, who decides the exact manner in which the production activities are to be carried out. Ritesh also prepared a statement showing the requirement of workers in the factory throughout the year. Nishant informed Ritesh about his sales target for different products area wise for the forthcoming quarter. A penalty of 200 per day was announced for the workers who found smoking in the factory premises

.Quoting lines from the above para identify and explain the different types of plans discussed. (5)

Q:9 Molina, a floor manager at a departmental store very often speaks to people at all levels without bothering about the official channel of communication and also passes on instructions regarding her department and also the other departments

(a) Which principle is overlooked by Molina?

(b) Give short meaning of it

(c) What will be its adverse effect?

(3)

Q:10 A company, which manufactures a popular brand of toys, has been enjoying good market reputation. It has functional organization structure with separate departments for production, Marketing, R&D etc. Lately to use its brand name and also to cash on new business opportunity it is thinking to diversify into manufacturer of new ranges of electronic toys for which a new market is emerging

Prepare a report regarding organization structure giving concrete two benefits the company will derive from it (3)

Q:11 Pranjal, is the HR manager in X company. One of his responsibilities includes sanctioning leaves of employees. The firm follow policy of granting leaves to only 10 out of 75 workers in a given day. Since he was so stuck in other important work, he asked his assistance Mr. Bandari to look after this matter. Mr Bandari granted leave to 14 workers and as a result, the factory manager was upset

Who will be at blame? Why?

(3)

Q:12 A company has equity capital of Rs 10,00,000 (1,00,000 equity shares of Rs 10 each). Its earning before interest and taxes is Rs 1,50,000. The company needs Rs 5,00,000 for expansion of business. The prevailing tax rate is 30%. It has decided to go for debt funds which are available in the market @ 7%

Should the company proceed with its plan? Give reasons (3)

Q:13 Apple (mobile company) prices their innovative products higher during their initial release, because the company knows steeper prices won't decrease customer demand for the latest gadgets, and they can benefit from higher short-term profit margins

Explain the two factors affecting the above decision (3)

Q:14 Angel Cosmetic Pvt.Ltd has the policy of frequent turnover of employees. The employees are removed from their jobs frequently to avoid making them permanent and to pay them increment and higher salaries. This leads to a sense of insecurity among them. They are always on a look out for a more stable organization. Thus they are not able to give their maximum contribution to the job

Answer the following questions:

(a) Identify the principle given by Fayol which is being violated here

(b) Explain the same principle

(4)

Q:15 The Court passed an order that all schools must have water purifier for the school children as:

(a) Society in general is more concerned about quality of life

Q:22 Kamal, Khan and Devid are partners in a firm engaged in the distribution of dairy products in Madhya Pradesh. Kamal is a holder of Senior Secondary School Certificate from Central Board of Secondary Education with Business Studies as one of his elective subjects. Khan had done his post-graduation in Hindi literature and Devid in Dairy Farming. One day there was a serious discussion between Khan and Devid regarding the nature of 'Management as a Science'. Khan argued that Management was not a science whereas Devid was of the opinion that Management was a science. Kamal intervened and corrected both Khan and Devid about the nature of Management as a Science with the help of his knowledge of Business Studies. Explain, how Kamal would have been able to satisfy both Khan and Devid (5)

Q:23 'Adharshila Vidyalaya' believes in holistic development of students and encourages team building through a mix of curricular, co-curricular and sports activities. On its Founders' Day a stage performance had to be put up. A committee of ten prefects was constituted to plan different aspects of the function. They all decided to use recycled paper for decoration. As there was a spirit of unity and harmony and all members supported each other with mutual trust and belongingness, the programme was systematically planned and executed. Arvind, one of the prefects, realised that unknowingly the group had applied one of the principles of management while planning and executing the programme. He was so inspired by the success of the function, that he asked his father to apply the same principle in his business. His father replied that he was already using this principle.

(a) State any five features of management highlighted in the above paragraph

(b) Identify any two values which 'Adharshila Vidyalaya' communicated to the society (6)

Q:24 A company manufacturing bedsheet was set up in 1995. Till date it follows the formal organization structure. Due to this it is facing a lot of problems in its day to day working like: delay in decision making, dissatisfied and demotivated work force, red tapism and very high employee turnover. All this leads to a stagnant company which is not able to cope up the changing times.

On the basis of the given information, answer the following questions:

(a) What would be your advice to the company with regard to changes that it should bring about in its structure, to keep pace with the current times?

(b) What benefits would the company derive by making these changes?

(c) Using your own judgement, advise the company which field should it diversify into to improve the profit? (6)

Q:25 State the factors that will affect the working capital requirements of a company. (6)