D.A.V. CENTENARY PUBLIC SCHOOL

CLASS –XII

SUBJECT – BUSINESS STUDIES

SESSION - 2016-17

Time Allowed : 3 hours Max. Marks : 80

General Instructions :-

1.Answer to questions carrying 1 mark may be from one word to one sentence.

2. Answer to questions carrying 3 marks may be from 50 -75 words.

3. Answer to questions carrying 4-5 marks may be about 150 words.

4. Answer to questions carrying 6 marks may be about 200 words.

5. Attempt all parts of a Question together.

1.Give any one reason for why the principles of management are called contingent? ( 1)

2.Why it is said that “Principles of management are universally applicable?” (1)

3.Itis written on the notice board of a co. that “Smoking is prohibited here.”Identify the concept mentioned here. ( 1)

4.”Directing is a measure to make planning successful.”Give one reason to support your answer. ( 1)

5.What do you mean by financial risk? ( 1)

6.What is the full form of NESI? ( 1)

7.Sahil purchased a motor bike for rs. 60000 from an automobile co., But there was a defect in it , due to which the Bike was not working. In spite of so many complaints , the defect was not rectified.

Suggest him the appropriate authority , where he could file a complaint under consumer protection act? ( 1)

8.Monika purchased a medicine of a reputed brand for rs. 500. But she got allergic reaction on her body ,while the medicine was being taken .Now , Monika wants to exercise her “right “. Identify the right under which she can be protected. (1)

9. What do you mean by business environment? ( 3)

10. What is meant by controlling ? Describe its importance. ( 3)

11. “Explain the style of leadership in your own words.”. ( 3)

12. ABC Ltd. Is a real estate co., which was formed in 1950. In about 66 years of it’sexistence , the co. has managed to curve out a niche for itself in this sector. Lately , this sector is witnessing a boom due to the fact that indian economy is on the rise.The incomes of middle class are rising. More people can afford to buy homes for themselves due to easy availability of loans & accompanying tax concessions.

To expand its business in India &abroad , the co. weighs various options to raise money through equity offerings in India. Whether to tap equity or debt market,whether to raise money from domestic market or international market or combination of both? When to raise the necessary finance from money market or capital market?

It is also planning to list itself in New York stock Exchange to raise money through ADRs. To make its offerings attractive , it is planning to offer host of financial plans & products to it’s stakeholders & investors & also expand its listings at NSEI after complying with the regulations of SEBI.

1. What benefits will the co. derive from listing at NSEI?
2. What are the objectives of NSEI? (3)

13. Rohit took a life insurance policy. Unfortunately, in a car accident , he got expired. His wife , who was his nominee for insurance claims went to insurance co. for getting claim of insurance , But in spite of so many visits, insurance co. did not pay the claim to her and not even gave any satisfactory answer.

(i)Which value of a customer is affected in this case?

(ii)Is the above customer eligible to file a complaint?

(iii)Specify the name of act under which he can file a case in redressal forum? (3)

14. What do you mean by functional organization structure? Describe it’s importance. (4)

15. “Organisation is the harmonious adjustment of specialized parts for the accomplishment of some common purpose or purposes.”In the light of this statement , explain any 4 points of importance of organizing. (4)

16. “Some learning opportunities are designed & delivered to improve skills & abilities of employees , whereas some others are designed to help in the growth of individuals in all respects.”Explain the concepts, described in above statement.

(4)

17. Mrs. Reena works in a reputed co. So, she is able to save a major part of her earnings . Her friends are constantly advising her to invest in shares. But , she is not aware about the nittygritties regarding the functioning of the stock exchange.

So, she decided to invest in equity through the primary market, assuming that this will help her to earn stable dividends. But her father , who was a retired bank officer told her that even dividends are not stable , as they are affected by several factors.

(i)Is Mrs. Reena’s father right in his assertion?

(ii)Explain the following as factors affecting “dividend decision .”:-

(a)Stability of dividend (b)Legal constraints

(c)Access to capital market (d)Growth opportunities (4)

18. XYZ Ltd. Is a reputed co. , which believes in constantly updating their technology. So that latest and modern designs could be incorporated in their products. To keep in line with their mission, the co. has just imported certain high tech machines from Japan . But the workers of a factory are unable to work on new machines & are always demanding help from the supervisor.The supervisor is overburdened with their frequent calls & ignores the problems of the workers.

(i)Explain the role of the supervisor in the organization.

(ii)Suggest some remedy in this case to the supervisor.

(iii)State the importance of a skilled supervisor for a co. (1+1+2)

19. M Ltd. Co. is selling a large variety of products in the Indian Market .Their products include shampoos, toothpastes , soaps etc. It charges a comparatively higher price than its competitors as it sells quality products . Besides , it offers regular discounts to its customers & easy credit terms to its retailers.it has 5 of its own retail shops . It also sells its products through various grocery stores so that the products are made available to customers at the right place, in the right quantity & at the right time.It regularly uses different communication tools to increase its sales.

The above para describes the combination of variables used by M Ltd. Co. to prepare its market offering.Identify& explain the variables. (4)

20. Mr. A is working in ABC Ltd. Co. as the production manager & successfully running his department. He has a special attachment to his subordinates.He has created such an environment that no one becomes a hurdle in anybody’s work. But all of them are ever ready to help one another. Mr. A has been observing a change in market for the last few days. In the past, they used to produce any goods according to their will & with a little bit of effort could sell them . But, now there is a change . Now they have to produce goods as desired by the people.Therefore, it may be said that now the place of company’s will has been taken over by the consumers’ will. When Mr. A investigated to know the reason for this change , he came to know that on account of positive policies of the government , running the business had become easy. Due to this ,several new people had entered the business. Consequently, competition had increased & now the control of the market had slipped out of the hands of producers into the hands of consumers.

(a)Identify the concept of management, described here and write about its meaning.

(b)Identify the impact of the positive policies of the govt. on business. (5)

21. Mr. Aditya Sharma is working as a General Manager in a co. The whole responsibility of finding the solution of the problems of all kind is handelled by him.Suddenly,sales of his co. began to decrease rapidly. So, it was the responsibility of the G.M. to tackle this problem of falling sales. Now , in order to keep himself away from the routine activities of the co. , he gave some of his authorities to his departmental managers . He gave them this freedom also that if they wanted, they could give some of these authorities to their own subordinates.

The departmental managers were already feeling themselves overburdened with the workload. Therefore, they handed over some of their authorities to their subordinates.As a consequenceofthis ,on the one hand ,the GM got time to solve the serious problem & on the other hand, the feeling of responsibility was aroused in the subordinates. Within a few days , the growth rate of the co. appeared to have become fast.

Identify the concept of management described in the paragraph given above & also explain the 2 points of its importance spoken about here. (5)

22. Define motivation. Describe financial and Non – Financial incentives for motivation. (5)

23. What is meant by scientific management? Explain the principles of scientific management given by Taylor. (6)

24. “Beta Ltd. “ is producing electronic goods. This co. is able to generate enough profits. There is availability of enough cash in the co. & good prospects for growth in future.It is a well managed organization & believes in quality , equal employment opportunities & good remuneration practices. It has many shareholders who prefer to receive a regular income from their investments.

It has taken a loan of Rs. 50 lakhs from ICICI Bank & is bound by certain restrictions on the payment of dividend according to the terms of loan agreement.

The above discussion about the co. leads to various factors,which decide how much of the profits should be retained & how much has to be distributed by the co.

Quoting the lines from the above discussion ,identify& explain any 4 such factors.

(6)

25. Mr. B is a vegetarian. He went to a newly opened snacks corner. He asked the waiter for a menu , but the waiter informed him that the menus are in printing. Mr. B , specifically asked for the options available for vegetarians. The waiter informed him about the available options & Mr. B chose a particular sandwich. He again specifically asked the waiter , if the sandwich was veg.,to which the waiter replied in affirmative. While eating, he found that the snack had non- vegetarian content.The packaging of the product did not display that the product had non –vegetarian content.

(i)What values are affected by this?

(ii)Will Mr. B be able to claim compensation? Which right of the consumer is violated here ? (6)