

# INTERNATIONAL INDIAN SCHOOL – DAMMAM

## II Term Examination November 2014

Subject: Business Studies

Time: 3 hours

Class: XII

Marks: 80

### SET - A

#### **General Instructions**

- ❖ *Answers to questions carrying 1 mark may be from one word to one sentence.*
- ❖ *Answers to questions carrying 3 marks may be about 50-75 words.*
- ❖ *Answers to questions carrying 4-5 marks may be about 150 words.*
- ❖ *Answers to questions carrying 6 marks may be about 200 words.*
- ❖ *Attempt all parts of a question together.*

1. What do you mean by dematerialization of securities? 1
2. Give the meaning of 'supervision' as an element of directing. 1
3. As per modern view, what is *Market*? 1
4. Define Induction Training. 1
5. Name the organization which has the benefit of "Easy to fix responsibility" 1
6. Write any two functions of Human Resource Management 1
7. Besides seniors, with whom can subordinates communicate under Inverted 'V' type of communication 1
8. To tackle the uncertainty in respect of availability and timing of funds, what is required in financial management? 1
9. Distinguish between the concepts Product and Production in marketing keeping following as the basis: 3  
i) main focus ii) means iii) ends

10. "Money market is essentially a market for short term funds". Discuss 3
11. Investment decision can be short term or long term. Explain long term investment decision and state any 2 factors affecting this decision. 3
12. Explain briefly the various leadership styles. 3
13. Blue Birds Ltd offers its employees shares at a price which is less than the market price. 3
- a) Name and explain the type of incentive offered to the employees.
  - b) Explain two more incentives of the same category
14. Explain the concept of functional structure and state any 3 advantages of this type of organization structure. 4
15. Harish, the Director of a Company is planning to manufacture stuffed toys for utilizing waste material of one of his garment factories. He decided that his manufacturing unit will be set up in rural areas so that people of that area will have more job opportunities. For this, he selected Rehman, Anita Banerjee, Harpreet Kaur and Umesh(a differently abled but very intelligent and creative person in designing) as heads of Sales, Accounts, Purchase and Production departments respectively. 4
- i) Identify and state the next two steps that Harish has to follow in the staffing process after selecting heads of different departments.
  - ii) Identify any two values that Harish wants to communicate by setting up this manufacturing unit.
16. Sita, Geeta and Babitha Ltd are engaged in manufacturing machine components. The target of production is 250 units per day per worker. The company had been successfully attaining this target until two months ago. Over the last two months it has been observed that daily production 4

varies between 200 to 210 units per worker.

- i) Name the function of management and identify the step in the process of this function which helped in finding out that the actual production of a worker is less than the set target.
- ii) To complete the process of the function identified in (i) and to ensure the performance as per set targets explain what further steps a manager has to take.

17. 'Controlling is considered important for many reasons'. Explain any 4 such reasons. 4
18. Explain any four functions of Marketing 4
19. Huma is working in a company on a permanent basis . As per the job agreement she had to work for 8 hours a day and was to free to work overtime. Huma worked overtime, due to which she fell ill and had to take leave from her work. No one showed concern and enquired about her health. She realized that she was fulfilling only some of her needs while some other needs still remained to be fulfilled. 4
- i) By quoting lines from the above para, identify the needs of Huma which she is able to fulfill.
  - ii) Also explain two other needs of Huma followed by the above needs, which still remain to be satisfied.
20. 'Delegation is a key element in effective organising'. How? State by giving 5 reasons. 5
21. What do you mean by Trading on Equity? Why, When and How it can be used by business organizations? Explain with the help of an example. 5
22. State the meaning of Primary market. Explain briefly the different methods of floating new issues in the primary market. 5

- 23 Training is a life long necessity for the employee as well as for the organization. Justify the statement by giving 3 arguments each in favor of the employees and the organization **6**

**OR**

What do you understand by internal and external sources of recruitment? Despite internal sources being economical why do companies not always use this source? Explain any 4 reasons.

24. The board of directors has asked you to design the capital structure of the company. Explain any 6 factors you would consider while doing so. **6**

**OR**

You are the financial manager of a newly established company. The directors have asked you to determine the amount of working capital requirement for the company. Explain any 4 factors you will consider while determining the working capital requirement of the company.

25. "Securities and Exchange Board of India (SEBI) is the watch dog of the securities market". Do you agree? Give reasons in support of your answer. **6**

**OR**

In today's commercial world the Stock Exchange performs many vital functions which leads the investors towards positive environment. Explain how by giving reasons.