

Total No. of Printed Pages—7

HS/XII/Com/Bs/NC/20

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BUSINESS STUDIES

(New Course)

(**Commerce**)

Full Marks : 80

Time : 3 hours

The figures in the margin indicate full marks for the questions

General Instructions :

- (i) Question Nos. **1** to **11** (including all sub-questions of Question No. **1**) carry *1* mark each.
- (ii) Question Nos. **12** to **16** carry 3 marks each. Answer to these questions may be in *50* to *75* words.
- (iii) Question Nos. **17** to **19** carry 4 marks each. Answer to these questions may be in about *120* words.
- (iv) Question Nos. **20** to **22** carry 5 marks each. Answer to these questions may be in about *150* words.
- (v) Question Nos. **23** to **25** carry 6 marks each. Answer to these questions may be in about *200* words.

1. Choose and write the correct answer: 1×10=10

(a) Liberalisation means

- (i) integration among economies
- (ii) reduced government controls and restrictions
- (iii) policy of planned disinvestments
- (iv) None of the above

(2)

- (b) Which of the following is an internal source of recruitment?
- (i) Direct recruitment
 - (ii) Casual caller
 - (iii) Promotion
 - (iv) Campus recruitment
- (c) Grapevine is
- (i) formal communication
 - (ii) barrier to communication
 - (iii) lateral communication
 - (iv) informal communication
- (d) Companies with a higher growth pattern are likely to
- (i) pay lower dividends
 - (ii) pay higher dividends
 - (iii) dividends are not affected by growth considerations
 - (iv) None of the above
- (e) Policy formulation is the function of
- (i) top level managers
 - (ii) middle level managers
 - (iii) operational management
 - (iv) All of the above

(3)

- (f) Centralisation refers to
- (i) retention of decision-making authority
 - (ii) dispersal of decision-making authority
 - (iii) creating divisions as profit centers
 - (iv) opening new centers or branches
- (g) Higher working capital usually results in
- (i) higher current ratio, higher risk and higher profits
 - (ii) lower current ratio, higher risk and profits
 - (iii) higher equity, lower risk and lower profits
 - (iv) lower equity, lower risk and higher profits
- (h) The National Stock Exchange of India was recognised as stock exchange in
- (i) 1992
 - (ii) 1993
 - (iii) 1994
 - (iv) 1995
- (i) Which of the following types of plan also acts as a control device?
- (i) Budget
 - (ii) Contingency plan
 - (iii) Strategic plan
 - (iv) Tactical plan

(4)

(j) Which marketing philosophy gives more importance to 'consumer welfare' instead of consumer satisfaction?

(i) Selling concept

(ii) Production concept

(iii) Societal marketing concept

(iv) Product concept

2. State any two elements of marketing mix. 1
3. What do you understand by the term 'management strategy'? 1
4. What do you understand by the term 'span of management'? 1
5. A firm wants to increase its sales by 20% for the coming year. What type of plan is involved in it? 1
6. Why should a consumer look for I.S.I. mark while buying electrical goods? 1
7. What do you understand by scalar principle? 1
8. Give one important characteristic of management. 1
9. State any one limitation of planning. 1
10. Mention one right of a consumer under the Consumers' Protection Act. 1

(5)

11. Mention one factor that determines the price of a product. 1
12. Mr. M. Gupta is the manager of a large corporate house. At what level does he work in the organisation? State any two functions he will perform as a manager in the organisation. 3
13. Distinguish between Policy and Procedure. 3
- Or*
- Distinguish between Policy and Rule.
14. Explain briefly any three characteristics of directing. 3
15. Explain the factors affecting the financing decision. 3
16. Product is a bundle of utilities. Do you agree? Comment. 3
17. Why is training important for an organisation? Explain. 4
18. What are the functions of a stock exchange? 4
19. The production manager of Bharat Ltd. instructs a salesman to go slow in selling the products whereas the marketing manager is insisting on fast selling to achieve the target. Which principle of management is being violated in this case? State any two consequences of violation of this principle. 4

Or

An organisation follows the principles of management. What are the positive effects of the following principles of management in the organisation?

- (a) Unity of direction
(b) Espirit de corps

(6)

- 20.** Why is it important for business enterprises to understand their environment? Explain. 5

Or

Explain the impact of changes in government policy on business and industry.

- 21.** Explain the steps in the controlling process. 5

- 22.** Distinguish between primary market and secondary market. 5

Or

Diana Softwares Ltd. is a reputed name in the market for the last ten years. Now it wants to set up new projects for expansion and modernisation of existing projects. For this purpose, it is opting for two different methods of floating new issues.

Firstly, securities are sold to issuing houses or stock-brokers at an agreed price which they resell to investing public. Secondly, one share is offered against five shares (which shareholders already possess) to the existing shareholders. This is a privilege given to them.

- (a) In which type of capital market the above issue of securities is covered?
- (b) Give the name of methods used for issue of securities by Diana Softwares Ltd.
- (c) Mention the essential function of the market indicated here.
- (d) Who are the investors in this market?
- (e) List two more methods of issuing securities in this market.

(7)

- 23.** What is meant by functional structure of an organisation? Explain any two of its advantages and limitations. 6

Or

Why is delegation considered essential for effective organising?

- 24.** “The barriers to effective communication exist in all organisations to a greater or lesser degree.” Explain any six measures to overcome these barriers. 6

Or

David is working as a senior legal consultant in Bharat Ltd., and earning ₹1 lakh per month. Some additional facilities are also given by the company. His basic needs are satisfied and his job is on a permanent basis. The company will also pay pension after his retirement. But in spite of all these, David is not satisfied with his life. According to Maslow’s need hierarchy, which needs are still to be satisfied?

- 25.** Explain the role of Consumer Organisation and Non-Governmental Organisations (NGOs) in protecting and promoting consumer interest. 6

Or

Briefly explain the redressal agencies under the Consumers’ Protection Act.

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