

SUBJECT : BUSINESS STUDIES (SET-I)

Time : 3 Hrs.

M.M.: 80

General Instructions :

- (1) *Answers to questions carrying 1 mark may be answered in one word to one sentence.*
- (2) *Answers to questions carrying 3 marks may be from 50-75 words.*
- (3) *Answers to questions carrying 4-5 marks may be about 150 words.*
- (4) *Answers to questions carrying 6 marks may be about 200 words.*

- Q1. "The understanding of business environment helps the managers to identify 'threats'. What is meant by 'threats' here? (1)
- Q2. What role does publicity as a technique of promotion play? (1)
- Q3. What do you mean by "Trade mark"? (1)
- Q4. Mansi, a shoe manufacturer for school students, decided to maximise her profit by producing and distributing at large scale and thereby reducing the average cost of production. Identify the marketing management philosophy adopted by Mansi and mention the main focus. (1)
- Q5. What are the steps required to open a demat account? (1)
- Q6. Explain 'credibility of source' as a barrier to effective communication. (1)
- Q7. Ms Bharti passed her M.B.B.S. examination in the first division in 2007. Later on in the year 2010 she passed her M.S. examination as an eye surgeon. She was awarded a gold medal in this examination. After completing her studies she joined a big hospital as an eye surgeon. She is performing 10 operations successfully everyday. Now, tell what aspect of Ms Bharti's above experience is science and what aspect is art. (1)

Q8. What kind of strategic decisions are taken by business organisations? (1)

Q9. Identify the method of sales promotion in the following cases:

- (a) A mobile company offers a discount of ₹1000 to clear off excess inventory.
- (b) A company offers a pack of $\frac{1}{2}$ kg of sugar with the purchase of a 5 kg bag of wheat flour.
- (c) Scratch a card and get a gold coin with the purchase of a cold drink. (3)

Q10. "An important task in the marketing of goods relates to designing the label as it provides useful and detailed information about the product." In the light of the above statement, draw a label for a packet of 'Juice' and highlight the important information to be provided on it. (3)

Q11. "Training is beneficial both for the organisation, as well as for the employee." Explain any three benefits of training towards the organisation and any three towards the employees. (3)

Q12. "Management is regarded as an Art by some, as science or as an inexact science by others. The truth seems to be somewhere in between." In the light of this statement, explain the true nature of management. (3)

Q13. In a particular company, no importance had been attached to the suggestions given by the subordinates. In 2011, the company appointed Mr. Lotus as its Chief Executive Officer. He was an M.B.A. degree holder from I.I.M. Ahmedabad with an experience of a decade. On assuming the charge of his office, he started a sort of campaign asking for suggestions from every big or small employees of the company. In a very short time, there were about 10,000 suggestions. After studying them intensively, about 1500 suggestions were implemented in different fields. This campaign fetched the company an additional profit of 50 crore rupees.

- (a) Explain that principle of management which will have been working behind Mr. Lotus thinking.

(b) What will be the effect of implementing these suggestions on the employees? (3)

Q14. The directors of a company want to modernise its plant and machinery by making a public issue of shares. They wish to approach stock exchange, while the finance manager prefers to approach a consultant for the new public issue of shares. Advise the directors whether to approach stock exchange or a consultant for new public issue of shares and why? Also advise about the different methods which the company may adopt for the new public issue of shares. (4)

Q15. "All managers are leaders, but all leaders are not managers." Do you agree with this statement? Give any three reasons in support of your answer. (4)

Q16. "To promote orderly and healthy growth of securities market and protection of investors, Securities and Exchange Board of India was set up." With reference to this statement explain the objectives of SEBI. (4)

Q17. Physical distribution includes some components for physically moving the goods from manufacturers to the customers. Explain these components. (4)

Q18. 'Delegation is the entrustment of responsibility and authority to another and the creation of accountability for performance.' In the light of this statement identify and explain the essential elements of delegation. (4)

Q19. You are the finance manager of a company. The board of directors have asked you to decide the dividend policy for the company. Explain the factors that you would take into consideration while determining the dividend policy for the company. (4)

Q20. You are a Management Guru. You have been asked by a business firm to make its managers understand the importance of controlling. Give any five arguments. (5)

Q21. Nishant, the director of a garments company, is planning to manufacture bags for the utilisation of waste material from one of his garment units. He has decided that this

manufacturing unit will be set-up in a rural area of Orissa where people have very few job-opportunities and labour is available at very low rates. He has also thought of giving equal opportunities to men and women. For this he wants four different heads for Sales, Accounts, Purchase and Production. He gives an advertisement and short-lists 10 candidates per post after conducting different selection tests.

- (a) Identify and state the next three steps for choosing the best candidate out of the candidates short-listed.
- (b) Also identify two values which Nishant wants to communicate to the society by setting up this manufacturing unit. (3+2=5)

Q22. Which function of management is known as 'Management-in-action'? Discuss its importance. (5)

Q23. The Board of Directors has asked you to design the capital structure of the company. Explain any six factors that you would consider while doing so. (6)

OR

Differentiate between Marketing and Selling.

Q24. Pranav is engaged in 'Transport-business'. Identify his working capital requirements stating the reason in support of your answer. Also, explain other factors affecting working capital requirements of a company. (6)

OR

'Planning is of vital importance in the managerial process.' Do you agree? Explain, in brief, any five reasons in support of your answer.

Q25. What functions does marketing perform in the process of exchange of goods and services? Explain. (6)

OR

'Money spent in advertisement is a waste.' Do you agree with this statement? Give reasons in support of your answer.