

AMRITA VIDYALAYAM

AMRITA PRE BOARD EXAMINATION 1 - 2018 - '19

Class : XII

Marks : 80

Time : 3 hrs

BUSINESS STUDIES

FOUNDATIONS OF BUSINESS AND CORPORATE ORGANISATIONS

FINANCE AND TRADE

GENERAL INSTRUCTIONS:

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

1. 'The management principles can be applied to all types of activities'. Which characteristic of management is highlighted by this statement? **1**
2. Pragya bought an iron of a reputed brand for ` 1,500 but it caused an electric shock while it was being used. Pragya wants to exercise her 'Right'. Identify the Right under which she can be protected. **1**
3. If an organization doesn't provide the right place for physical and human resources which principle is violated? **1**
4. Identify the decision taken in financial management which affects the liquidity as well as profitability of business. **1**
5. Name the process concerned with searching for prospective candidates for vacant jobs in an organization. **1**
6. Shakthi industries used to import animal fat for manufacturing Vanaspathi ghee. However, due to public protest, the company was forced to stop using animal fat in making ghee. Which dimension of business environment is relevant here? **1**
7. Name the market where new securities are issued for the first time. **1**
8. Name the type formal communication in which two Departmental Heads communicate with each other. **1**
9. A company is manufacturing washing machines. There is a well defined system of jobs with a clear and definite authority, responsibility and accountability in the company. But the people are not allowed to interact beyond their officially defined roles. As a result, the company is not able to adapt to the changing business environment. The workforce is also not motivated due to lack of social interaction. The company is facing problems of procedural delays and inadequate recognition of creative talents.
 - a) Suggest how the organization can overcome the problems faced by it. **1**
 - b) Give any two benefits it will derive from your suggestions. **2**
10. ABC Crackers Limited, a fire cracker manufacturing company, launched some new products on the eve of Diwali in the market which attracted many buyers. To meet the increasing demand, the company employed people from nearby villages where there was a lot of unemployment. Because of the good behaviour of the management with the employees, more and more people wanted to join the company. As the products were in great demand in the market a competitor imitated the products. The products of the competitor were not accepted by the consumers as it was a status symbol to buy the products of ABC Crackers Limited because of their quality.
 - a) Identify and explain the product - related decision because of which consumers preferred the products of ABC Crackers Ltd.

- b) Also, identify any two values which ABC Crackers Ltd, wanted to communicate to the society. 3
11. Briefly explain any three impact of government policy changes on business and industry. 3
12. Give any three points of difference between recruitment and selection. 3
13. 'Planning is certainly important as it tells as where to go, it provides direction and reduces the risk of uncertainty by preparing forecasts'. This statement enumerates some of the points highlighting the importance of planning. State and explain any three points of importance of planning. 3
14. What is meant by dividend decision? Explain any three factors which affect it. 4
15. Explain any four points of importance of decentralization. 4
16. Anuja and Anoop completed their MBA and started working in a multinational company at the same level. Both are working hard and are happy with their employer. Anoop had the habit of backbiting and wrong reporting about his colleagues to impress his Boss. All the employees in the organization knew about it. At the time of performance appraisal the performance of Anuja was judged better than Anoop. Even then their Boss decided to promote Anoop stating that being a female Anuja will not be able to handle the complications of a higher post.
- a) Identify and explain the principle of management which was not followed by this company. 2
- b) Identify the values which are being ignored quoting the lines from the above para. 2
17. MM Ltd is manufacturing small cars at its plant in Pune. The demand of its cars is increasing at the rate of 20% annually. It is planning to set up a new manufacturing unit at Indore. For this the company would require about ` 1,500 crores as fixed capital and ` 100 crores as working capital. The company has already arranged for the working capital. State any four factors that the finance manager should keep in mind while arranging its fixed capital. 4
18. Explain any four limitations of planning. 4
19. Explain any four semantic barriers of communication. 4
20. What are the remedies available to consumers under the Consumer Protection Act 1986? 5
21. 'SEBI is the regulator of Indian capital market'. Comment. 5
22. What are the various steps involved in the process of controlling. Explain. 5
23. Real Alliance Ltd is a well known company in India. It is able to earn adequate revenues to cover costs. Its capital base, number of employees and production turnover have increased manifolds over the years. The rate of profitability of the business is also creditable. The employees of the company are happy and satisfied with their remuneration, working conditions, promotion policy etc. As a part of its moral obligation, the company has taken many initiatives for providing employment to specially abled persons and promoting literacy in the villages adopted by it. Identify and explain various objectives of management being fulfilled by Real Alliance Ltd. 6
- OR
- Explain the techniques of scientific management.
24. What are the factors determining the price of a product? Explain. 6
- OR
- Explain any six commonly used sales promotion activities.
25. What is meant by non financial incentives? Explain any five. 6
- OR
- Explain the merits of external source of recruitment.