



**INDIAN SCHOOL DARSAIT**  
**MODEL PAPER 2, AUGUST 2017**  
**BUSINESS STUDIES (054)**



Class: XII

Max. Marks: 80

Date: 27 -08-2017

Time: 3 hrs

**General Instructions:**

- (i) Answers to questions carrying 1 mark may be from one word to one sentence.
- (ii) Answers to questions carrying 3 marks may be from 50 – 75 words.
- (iii) Answers to questions carrying 4-5 marks may be about 150 words.
- (iv) Answers to questions carrying 6 marks may be from about 200 words.
- (v) Attempt all parts of a question together

1.	Finance is required for buying those varieties of assets that may be tangible or intangible. Give few examples of such intangible assets	1
2.	“The understanding of Business Environment enables the firm to identify opportunities”. What is meant by ‘opportunities’ here?	
3.	Principles of management are not exact as the principles of science and they have to be modified according to a given situation. Which feature of science is not applicable in this statement?	1
4.	‘Planning is done for achieving the organizational goals’ Do you agree? Give reasons in support of your answer.	1
5	There are two major alternative mechanisms through which allocation of funds can be done. Mention these alternatives.	1
6	Define the term organizing.	1
7	It is described as the managerial function of filling and keeping filled the positions in the organization structure. Which function of management is referred here?	1
8	They provide managers with useful insights into reality and help in optimum utilization of resources and effective administration. Name them.	1
9	If the planning involves working out details for the future, why does it not ensure success? Explain briefly an external and internal limitation of planning	3
10	Mention the feature of management principle in the following statement. ‘The principles of management are not rigid prescriptions, which have to be followed absolutely’. Also explain two more features of management.	3
11	Give the meaning of ‘Placement’, ‘Orientation’, and ‘ Training’ in the process of staffing.	3
12	“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
13	Nature of ‘capital market’ can be well explained with the help of its features. State any three	3

	such features of capital market.	
14	“Management is a series of continuous interrelated functions with no pre – determined sequence”. Explain.	4
15	Explain the term Organizational Structure. Distinguish between Functional and Divisional Structure on the following bases: i. Formation                                  iii Responsibility ii. Suitability                                      iv Managerial development	4
16	“Financial market plays an important role in the allocation of scarce resources in an economy by performing many important functions.” Explain any four such functions.	4
17	Mr, Nitn Singh’s father has a good business Iron and Steel. He wants to go to U.S.A. for his M.B.A., but his father wants that he should join the business. On the basis of emerging trends, do you think that Mr. Singh should send his son to U.S.A.? Give any three reasons in support of your answer.	4
18.	There are three major decisions which an organization has to take in respect of financial management. Enumerate and explain in brief, these decisions.	4
19.	i. Name and explain the principles of management in which workers should be encouraged to develop and carry out their plans for improvements in the organization. ii. Name and explain the techniques of scientific management which helps in eliminating unnecessary diversity of products and thus results in saving cost.	4
20	How does planning reduce the risk of uncertainty and provide the basis of control and lead to economy?	5
21	What constitutes the general environment play in the business?	5
22	Explain, in brief, the following methods of training the workers: i. Apprenticeship programme ii. Job rotation iii. Vestibule training iv. Internship training	5
23	You are a Finance Manager of a newly established company. The Directors have asked you to determine the amount of Fixed Capital requirement for the company. Explain any four factors that you will consider while determining the Fixed capital requirement.	6
24	“Organization is the process of defining and grouping the activities of the enterprise and establishing the authority relationship among them”. In the light of this statement, explain the steps in the process of organizing.	6
25	Do you agree with the view that Taylor’s principles of scientific management and Fayol’s principles of management are mutually complimentary? Give reasons.	6

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