

# BEST STUDY TECHNIQUES (B.S.T) By KESHAV AGARWAL

## CLASS XII B.ST TEST ON BOOK-2 (CHAPTER 9-12)

TIME ALLOWED : 1.5 HOURS

MAXIMUM MARKS : 40

### GENERAL INSTRUCTIONS

- i. Answer to questions carrying 1 mark may be from one word do one sentence.
- ii. Answers to questions carrying 3 marks may be from 50 to 75 words.
- iii. Answers to questions carrying 4-5 marks may be about 150 words.
- iv. Answers to question carrying 6 marks may be about 200 words.
- v. There are 12 questions in all.
- vi. Attempt all parts of a question together.

1. Enumerate any two qualities of a good Salesman. 1
2. Define financial intermediation. 1
3. Which component of capital structure determines the overall financial risk? 1
4. Mr. X filed case of 90 lakhs in state commission and dissatisfied with order of state commission filed appeal within stipulated time in national commission which again upheld order of state commission and then he planned to go to Supreme Court on advice of his friend. Was he right in approaching supreme court. 1
5. Explain the following two functions of Marketing : 3  
a. Product Designing and Development      b. Marketing Planning
6. A company has taken a loan of Rs.20,00,000 on which it has to pay 8 % interest per annum, and principal to be repaid is Rs. 4,00,000 per annum, EBIT of company is Rs.4,00,000, tax rate is 30%, the depreciation to be provided on fixed assets worth Rs.10,00,000 is 5%, company has to pay Rs. 40,000 as preference dividend, the non cash expenses of the company is Rs.50,000. Calculate DSCR . 3
7. The decision regarding this financial decision should be taken keeping in view the overall objective of maximising shareholder's wealth. Identify the decision and explain any three factors affecting this decision. 4
8. Satisfied customers not only lead to repeat sales but also provide good feedback to prospective customers and thus, help in increasing the customer-base of business. A business must avoid unscrupulous, exploitative and unfair trade practices like defective and unsafe products, adulteration, false and misleading advertising, hoarding, black marketing etc. Above lines are discussing two importnaces of consumer from business point of view, identify them and explain any two importances from consumers point of view. 4
9. The role of financial management cannot be overemphasised, since it has a direct bearing on the financial health of a business. Almost all items in the financial statements of a business are affected directly or indirectly through some financial management decisions. Explain importance of financial management in the light of above statement. 5
10. What is the essence of marketing and explain its conditions to take place. 5

- 11.** Shreya is a student of 10+2 (Commerce). Her two friends Sugandha and Sakshi are 10+2 (Non-Medical) students, Shreya has full knowledge of capital market. Both her friends are interest in it, but they do not have even an iota of knowledge about it. Shreya gives them the knowledge about capital market in the following manner:

“In order to meet its financial requirements, company issue shares. Shares are issued in capital market. The company issue a prospectus and invites the general public to invest in shares. It is called Initial Public Offer — IPO. It is not the case that by investing once the investors are entrapped. If they so desire, they can sell their shares, at the current market price, to other investors and thus can withdraw their own capital. Another important feature is that the market in which the company issue shares has no particular place. However, the market wherein the shareholders sell shares does have a particular place, called stock exchange,”

- a.** In the above paragraph two types of capital market have been mentioned. Identify them. **2**
- b.** Of the identified type of capital market give two characteristics each by way of quotation. **4**
- 12.** Umang Gupta is the Managing Director of Denver Ltd. The company had established a good name for itself and had been doing well. It was known for timely completion of orders. The Production Manager, Ms. Kanta was efficiently handling the processing of orders and had a team of fourteen motivated employees working under her. Everything was going on well. Unfortunately she met with an accident. Umang knew that in the absence of Ms. Kanta, the company may not be able to meet the deadlines. He also knew that not meeting the deadlines may lead to customer dissatisfaction with the risk of loss of business and good will. So, he had a meeting with his employees in which accurate and speedy processing of orders was planned. Everybody agreed to work as team because the behaviour of Umang Gupta was positive towards the employees of the organisation. First of all they needed more space to store as there was a difference between the time a product is produced and the time it is required for consumption. Next they needed to decide on the stock level to be maintained as customers had high expectation from the firm and also they had to arrange for means of carrying goods and raw materials from the point of production to the point of sale.

Above paragraph points to one of the coceptsof marketing. Identify the concept and it's components quoting the lines and explain the components in brief. **6**