

AGA KHAN UNIVERSITY EXAMINATION BOARD

SECONDARY SCHOOL CERTIFICATE

CLASS IX EXAMINATION

MAY 2016

Business Studies Paper I

Time: 35 minutes Marks: 25

INSTRUCTIONS

1. Read each question carefully.
2. Answer the questions on the separate answer sheet provided. DO NOT write your answers on the question paper.
3. There are 100 answer numbers on the answer sheet. Use answer numbers 1 to 25 only.
4. In each question there are four choices A, B, C, D. Choose ONE. On the answer grid black out the circle for your choice with a pencil as shown below.

Correct Way					Incorrect Ways				
1	(A)	(B)	●	(D)	1	(A)	(B)	⊗	(D)
					2	(A)	(B)	⬤	(D)
					3	(A)	(B)	⊗	(D)
					4	(A)	(B)	⊗	(D)

Candidate's Signature

5. If you want to change your answer, ERASE the first answer completely with a rubber, before blacking out a new circle.
6. DO NOT write anything in the answer grid. The computer only records what is in the circles.
7. You may use a simple calculator if you wish.

1. The part of production that is concerned with trade and auxiliary to trade is known as

- A. industry.
- B. exchange.
- C. commerce.
- D. distribution.

2.



With reference to kinds of goods in economics, the goods mentioned above will be classified as

- A. giffen.
- B. luxuries.
- C. comforts.
- D. necessities.

3.



Which kind of occupation is shown in the above picture?

- A. Retail services
- B. Direct services
- C. Wholesale services
- D. Manufacturing services

4. Which of the following is an example of tertiary sector of an economy?



A



B



C



D

5. Which of the following shows the correct business objective of the given stakeholders?

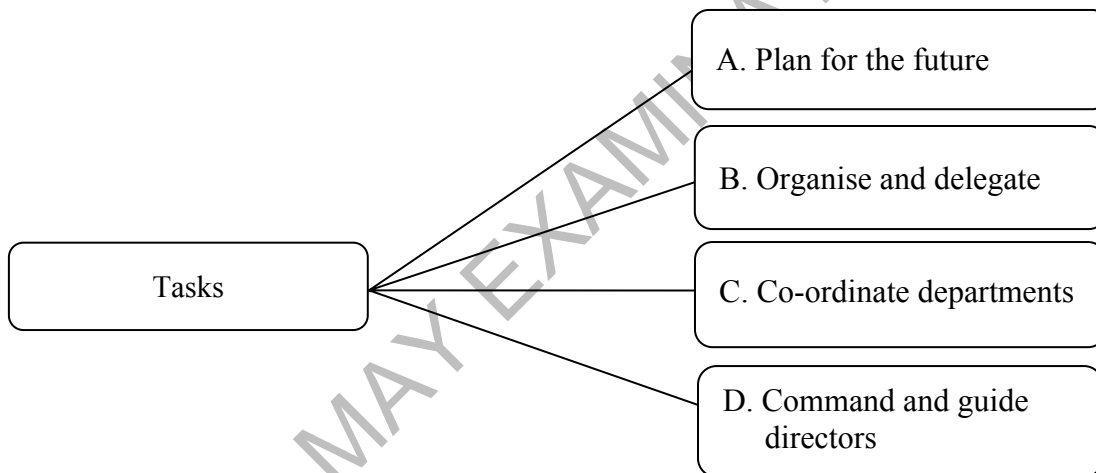
	Stakeholders	Business Objectives
A.	Workers	Want job security and better salary
B.	Owners	Want to enhance general welfare of the society
C.	Consumers	Interested in the growth of the company
D.	Directors	Increase tax payments to the government

6. A group of students decided to stay at the school library to do research for an assignment rather than going to the stadium to watch a cricket match.

The opportunity cost of their decision will be the

- A. money they would have spent for buying tickets.
- B. cost of the extra electricity they will use in library.
- C. enjoyment they would have derived from the match.
- D. improvement in the marks they will obtain in the assignment.

7. Which of the following is NOT a task that is performed by effective managers?



8. Maslow's Theory of Motivation explains factors that motivate individuals in a business organisation.

This theory includes all of the following EXCEPT

- A. safety.
- B. esteem.
- C. cognition.
- D. belongingness.

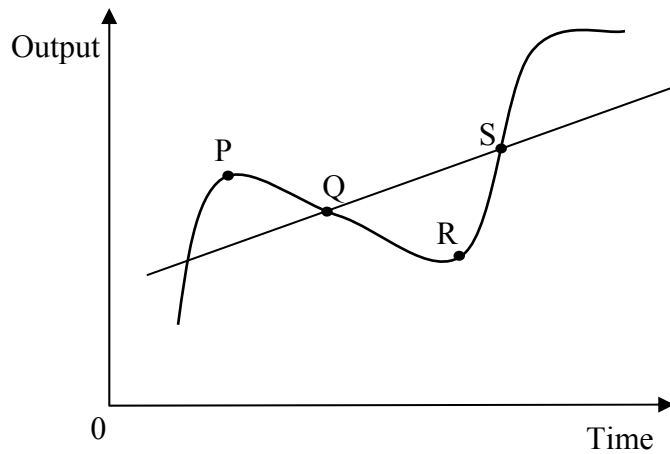
9. Ms Farha is working as a Marketing Manager. She needs to share an urgent piece of information in person with her team of ten employees posted at different parts of the country regarding the change in marketing strategy.

The mode of communication that should be used by her will be

- A. e-mail.
- B. telephone.
- C. staff meeting.
- D. video conferencing.

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10. Which of the points on the graph represents the 'phase of recovery' of the economy?



- A. RS
B. QR
C. RQ
D. PQ
11. Government policy which influences business decision making would be considered as
- A. a vertical influence.
B. an internal influence.
C. an external influence.
D. a horizontal influence.
12. Recent advancement in technology has forced the business organizations to move to paperless banking.

The MAIN reason for the increased use of paperless commercial banking is that it

- A. saves paper for better environment.
B. provides free gift hampers upon usage.
C. makes bank services available anytime.
D. provides security to the business accounts.
13. Aisha is the owner of a boutique. She is paying the following expenses for the month:

• Wages to workers	Rs 5,000
• Interest to loan providers	Rs 7,000
• Rent to the landlord of the office building	Rs 8,000

The role of Aisha is characterised under

- A. land.
B. labour.
C. capital.
D. entrepreneur.

14. Which of the following is NOT a fixed cost?
- Rent of a building
 - Insurance expense
 - Salaries of workers
 - Commission on sales
15. The manufacturer has to bear a cost even at the zero or non-productivity level, which will not vary with the number of items sold or produced in short term. Such a cost is considered as
- fixed cost.
 - average cost.
 - variable cost.
 - marginal cost.
16. Income statement shows the profit and loss of the business.
- Which of the following stakeholders will be LEAST interested in the income statement?
- Investors
 - Employees
 - Consumers
 - Management
17. Ahmed's business is suffering an average loss of Rs 900,000 since last 3 years. Ahmed is now planning to discontinue his business.
- Which accounting concept or principle will be followed to mention this in the financial statement?
- Cost concept
 - Going concern
 - Business entity
 - Money measurement
18. Ms Rida is the owner of a coffee shop. The following details are available about her business.

Details	Amount (Rs)
Sales	?
Cost of Goods Sold (Cost of Sales)	350,000
Gross Profit	?
Overheads	110,000
Net Profit	40,000

The amount of sales from the above table will be

- Rs 110,000
- Rs 150,000
- Rs 350,000
- Rs 500,000

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19. Alpha Limited is listed on the Karachi Stock Exchange (Pakistan Stock Exchange). Its issued share capital is equal to the authorised capital mentioned in the memorandum of the company. It is planning to extend its building and requires Rs 12,000,000.

The most appropriate mode of financing in this case is

- A. issue of shares.
 - B. bank overdraft.
 - C. account payable.
 - D. issue of debentures.
20. Ms Amber is a well-known author in Pakistan. She wishes to promote her books in other countries.

Which mode of publicity will be the most cost effective for her?

- A. Promotion through SMS
 - B. Promotion through internet
 - C. Promotion through television
 - D. Promotion through newspapers
21. Mr Abid, a Marketing Manager, has asked his assistant to submit a descriptive sales report highlighting details regarding discounts, allowances, payment period and credit term.

Which 'P' of marketing mix has been considered in the above case?

- A. Price
 - B. Place
 - C. Product
 - D. Promotion
22. Ms Javeria is planning to start her business in Karachi. She plans to set lower prices in the beginning to have a larger market share, and increase the prices once it has captured the market share.

The pricing policy (strategy) mentioned above is known as

- A. cost-plus price.
 - B. skimming price.
 - C. penetration price.
 - D. psychological price.
23. The cheapest global means of transportation for international trade, where possible, is
- A. airways.
 - B. seaways.
 - C. railways.
 - D. highways.

24. Which of the following shows the procedure for hiring an employee by the Human Resource Department?
- Advertisement → selection → training → interview
 - Advertisement → interview → selection → training
 - Selection → training → interview → advertisement
 - Selection → advertisement → training → interview
25. The following is extracted from the orientation programme issued by Shah Jahan Limited to its new employees.

Meetings	Timings	Agenda
HR Department	2:00-2:30	<ul style="list-style-type: none"> HR policies and details Confirmation and appraisal policy Job description
Security and Safety Department	2:30-3:00	<ul style="list-style-type: none"> Names and responsibilities of safety committee representatives Security and safety policies and procedures
Administration Department	3:00-4:00	<ul style="list-style-type: none"> Campus visit

This type of training is known as

- on job training.
- off job training.
- technical training.
- induction training.

Please use this page for rough work

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