FIRST SEMESTER EXAMINATION
FOUNDATION IGCSE:: 2013-2014
SUBJECT: BUSINESS STUDIES

CLASS: VIII
NAME: ....................
DATE: 11.09.13

MARKS: 100
TIME: 2 Hrs

INSTRUCTIONS:
Write your name on all the work you hand in.

Write in dark blue or black pen.

You may use a pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, and glue or correction fluids.

Answer all questions.

At the end of the examination, fasten all your work securely together

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<th>Q. No.</th>
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Question No 1

N.D Enterprises is a large private sector business that owns a number of farms in a country B. The business breeds variety of animals such as cows and sheep as well as growing crops. It employs many workers and the business is successful and profitable.  

a) List two purposes of business activity other than profit.  

b) Why is profit important to a business such as N.D Enterprises.  

c) Using an example from N.D Enterprises explain what is meant by value added.
c) Name the Sector to which the N.D Enterprises belong to. Write two features of that sector.

d) Identify two factors of production that are being used in the N.D Enterprises.

e) What is opportunity cost? Explain with an example.
f) Differentiate between public and private enterprises on the basis of their ownership and business objectives.
Question No. 2

The table below shows the proportion of total output produced by different sectors in two countries in 2010.

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Country X</th>
<th>Country Y</th>
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<tr>
<td>Primary sector</td>
<td>2%</td>
<td>12%</td>
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<tr>
<td>Secondary sector</td>
<td>20%</td>
<td>50%</td>
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<td>Tertiary sector</td>
<td>78%</td>
<td>38%</td>
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a) Which country do you think has a developed economy? Indicate two features of a developed country that you are observing in the table.

b) Which country do you think is newly industrialised or rapidly developing economy. Indicate two features of a rapidly developing country that you are observing in the table.
c) Define a tertiary sector. Give four examples of the industries which are a part of tertiary sector.

d) Define a firm and an industry with examples.
e) What is the meaning of deindustrialization? In the above example which country is in the process of deindustrialisation. Give an example of a developed and a less developed country.
Question No 3

a) What are the three key business objectives of a business firm?
b) Identify **four** stakeholders of a business and list **one** interest of these stakeholders in the business.
c) Discuss two ways of measuring the size of a business.

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d) What are economies of scale.

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e) What is the meaning of nationalisation of industries

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f) Define trading bodies. Give an example of trading bodies in a country.

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Question No 4

Business organisations are a part of the national economy of any country. They generate revenue for the government by paying taxes and by producing goods and services. The GDP of the country also grows. In order to increase their profitability and productivity, businesses are investing more on technology and R&D.

a) What is a tax? What are the two main types of taxes?

b) What are the four main objectives of the government for their national economies? Explain.
c) What is the meaning of R&D. Why businesses spend on R&D.
d) Define Factor substitution.

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e) What is E-commerce? List two advantages and disadvantages of using E-Commerce for a clothing company.

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f) What is the meaning of disruptive technologies.