

Sample Question Paper
Subject: Business Studies
Class – XII
Full Marks : 80 Time : 3 Hours

General instructions:

- 1 This question paper contains 34 questions.
2. Marks are indicated against each question.
3. Answers should be brief and to the point.
4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
5. Answers to the questions carrying 4 marks may be about 150 words.
6. Answers to the questions carrying 6 marks may be about 200 words.
7. Attempt all parts of the questions together.

Q.No.	Question	Marks
1	A manager achieves the target but uses more resources than required. This shows: a) Efficiency only b) Effectiveness only c) Both efficiency and effectiveness d) Neither efficiency nor effectiveness	1
2.	A production manager set a target to manufacture 2000 shirts in 2 months and accordingly divided the work among 10 employees. One of the workers fell ill and took medical leave for a month. The production manager divided his work among other workers in order to achieve the target on time. The workers cooperated for achievement of targets. Which principle of management is highlighted here? a) Initiative b) Scalar Chain c) Esprit De Corps d) Unity of Direction	1
3	The environment scanning helps to identify a) Opportunities b) Threats c) Both (a) and (b) d) None of the above	1
4	Mr. Bhandari is the chief manager in a reputed publication house. He is fond of presenting innovative ideas while planning for his business. His ideas are usually very significant. It has been observed several times that these very ideas take the form of concrete plans. This is the very reason that his contribution to the growth and property of the company continues to be quite great. Identify the importance of planning described above: a) Planning provides direction b) Planning reduces the risk of uncertainty c) Planning reduces overlapping and wasteful activities	1

	d) Planning promotes innovative ideas.	
5	Which of the following is not a feature of formal organization? a) It is deliberately designed by the top management b) The standards of behavior evolve from group norms rather than officially laid down rules and regulations c) It signifies the relationships between various job positions and clarifies who is to report to whom d) It places more emphasis on work to be performed then interpersonal relationships among the employees	1
6	Development of Human Resource Management as a management function is a result of a) Industrial revolution b) Establishment of factory system c) Changes in business management d) All of the above	1
7	In an organization, informal communication is stressed upon instead of formal communication which results in non-reaching of proper communication to proper person in proper time. It results in either non-completion or delay in work. Which value has not been violated? a) Secrecy and confidentiality norm b) Recruitment c) Honesty and loyalty d) Discipline	1
8	Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from those given below: Assertion (A): Decentralization is an optional policy decision. Reason (R): It is done at the discretion of the top management. Alternatives: a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A). b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A). c) Assertion (A) is true, but Reason (R) is false. d) Assertion (A) is false, but Reason (R) is true.	1
9	What is the main objective of financial management? a) Profit maximization b) Risk management c) Wealth maximization d) Dividend decision	1
10	Primary and secondary market: a) Compete with each other b) Complement each other c) Control each other d) Function independently	1

11	A company plans to increase its market share internationally by 20% within a year. It has prepared an action plan detailing production increase and promotional activities. However, last year the physical movement of products was inefficient, so it establishes a new department for distribution management. Which marketing functions are highlighted in this case? a) Marketing planning and transportation b) Transportation and identifying customer needs c) Gathering and analyzing market d) Both (a) and (b)	1
12	Right to seek redressal allows a customer to a) File a complaint against defective goods or deficient services b) Seek for relief against defective good or deficient services c) Seek help from consumer organization d) All of the above	1
13	Statement I: Delegation is a compulsory act because no individual can perform all task on their own. Statement II: Decentralisation is an optional policy decision taken at the discretion of the top management. a) Statement I is correct and II is incorrect b) Statement II is correct and I is incorrect c) Both Statements are correct d) Both Statements are incorrect	1
14	After completion of two years of services, David was confirmed as a permanent employee. Which Maslow's need is being satisfied here: a) Esteem b) Security c) Self-actualization d) Social	1
15	Choose the correct statement about the meaning of depository. a) Depository holds and transfers securities in the Demat Form b) Depository serves as an intermediary and buys and sells securities on the instruction of clients. c) Depository is like a bank and keeps securities in electronic form on behalf of investors. d) Depository buys securities from company and sells to the public at a higher price.	1
16	Choose the correct statement about the controlling function of management. a) No corrective action is required when the deviation goes beyond the acceptable range in important areas. b) Deviations should be analyzed for their causes. c) Measurement of actual performance should be done only after the task is complete. d) Managers must keep a check on each and every activity, otherwise the entire organization may suffer.	1
17	John Mason is the Marketing Manager of Exiva Enterprises. He gives orders and expects his subordinates to obey those orders. Communication is only	1

	one-way with the subordinates only acting according to the command given by him. Identify the leadership style of John Mason. a) Authoritative b) Participative c) Free-rein d) Pragmatic									
18	Arrange the following elements of communication process in the correct sequence: (i) Media (ii) Message (iii) Sender (iv) Decoding (v) Receiver (vi) Feedback (vii) Encoding Choose the correct option. a) (i), (v), (ii), (vi), (iii), (vii), (iv) b) (iii), (ii), (vii), (i), (iv), (v), (vi) c) (i), (vi), (ii), (vii), (iii), (v), (iv) d) (ii), (vi), (iii), (v), (i), (vii), (iv)	1								
19	Match the SEBI functions in Column I with their respective categories in Column II <table border="1"><thead><tr><th>Column I</th><th>Column II</th></tr></thead><tbody><tr><td>(A) Registration of brokers</td><td>(i) Protective function</td></tr><tr><td>(B) Prohibition of fraudulent trade practices</td><td>(ii) Development function</td></tr><tr><td>(C) Training of intermediaries</td><td>(iii) Regulatory function</td></tr></tbody></table> Choose the correct option from the following: a) A-(iii), B-(i), C-(ii) b) A-(i), B-(ii), C-(iii) c) A-(ii), B-(iii), C-(i) d) A-(iii), B-(ii), C-(i)	Column I	Column II	(A) Registration of brokers	(i) Protective function	(B) Prohibition of fraudulent trade practices	(ii) Development function	(C) Training of intermediaries	(iii) Regulatory function	1
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(A) Registration of brokers	(i) Protective function									
(B) Prohibition of fraudulent trade practices	(ii) Development function									
(C) Training of intermediaries	(iii) Regulatory function									
20	The process of estimating fund requirements of a business and specifying the sources of funds is called: a) Capital structure b) Financial Planning c) Financial Management d) Capital Budgeting	1								
21	(A) Explain any two important characteristics of management. OR (B) Explain “Science, not the rule of thumb” as a principle of scientific management.	1½+1½=3 <								

	as the one stop for working women. Which type of structure would you recommend for her expanded organization and why?	
23	Suhana is working for an MNC. She has been given an option to buy the shares of the company at an amount less than the market price because of her performance as an incentive. Which form of incentives is being referred here? Explain any two types of other incentives.	1+1+1=3
24	(A) "Packaging is a silent salesman." Give three reasons to justify the statement. OR (B) Can a 'consumer' file a complaint in consumer court without having the cash memo? Justify your answer.	3 3
25	In November 2016, the Government of India announced that Rs 500 and Rs 1000 currency notes would no longer be legal tender. This move, known as demonetization aimed to curb black money, reduce corruption and promote digital transaction. Many businesses especially small traders and retailers faced temporary losses due to cash shortage. However, online payments and digital wallets like Paytm and Google Pay saw a massive rise in users. Over time, people began shifting towards cashless modes of payment. a) What were the main objectives of demonetization? b) Mention two positive impacts of this policy c) How did demonetization promote financial inclusion and digital payments?	1+2+1=4
26	A) Differentiate between Method and Strategy. OR B) Differentiate between centralization and decentralization.	4 4
27	The manager of 'Fashion Point' decided to increase sales by 20% in the next 6 months. He analyzed the market, developed strategies for on-line marketing and allocated a budget for advertising. He also assigned duties to staff and fixed deadlines for each task. a) Name the function of management performed by the manager. b) Identify any three stages of the planning process mentioned in the case.	1+3=4
28	A) Write a note on staffing and human resource management. OR B) Explain any two barriers to effective communication.	2+2=4
29	A) Explain any four methods of floatation of securities in primary market. OR B) Describe any four factors affecting fixed capital requirements.	4 4
30	A popular health drink company advertised that its product increases height within two months. Many parents bought it for their children, but there was no visible improvement. Later, a health department test revealed the claim was false and misleading.	1x4=4

	a) Identify the consumer right that was violated. b) Mention the responsibility of consumers ignored in the case. c) Which government agency can take action against such advertisements? d) Suggest a way consumers can protect themselves from such exploitation.	
31	A Ltd, is a mobile manufacturing company. The manager Mr. Amit, notices that the production department often ignores instructions from the finance department. There is confusion about authority, and workers receive orders from more than one superior. Also, some employees come late and do not follow rules properly. To improve efficiency, Amit decides to make a clear chain of command, discipline rules, and equal treatment for all workers. 1. Identify and explain any three principles of management by Henry Fayol that are being violated or applied in the above case. 2. How can following these principles improve efficiency in the organizations?	3+3=6
32	A) Explain any six importance of controlling. Or B) Explain the following styles of leadership i. Authoritative ii. Democratic iii. Laissez faire	6 2x3=6
33.	A) Explain any four factors affecting dividend decision. Or B) What is meant by capital structure? Explain any five factors determining the capital structure.	1½ x4=6 1+5=6
34.	A company named 'Glowfresh Ltd' has launched a new range of herbal face creams made from natural ingredients like aloe vera and turmeric. The company decides to sell the cream in small and large tubes at affordable prices. It plans to advertise the product on social media and through television commercials using a popular actress as the brand ambassador. The product will be available in cosmetic stores and online platforms like Amazon. a) Identify and explain the elements of marketing mix used in the above case. b) How do these decisions help in promoting the product effectively?	3+3=6

Business Studies (Blueprint)

Class XII

UNIT Nos	MCQ 1x20=20	SA 3x 4=12	LA1 4x6=24	LA2 6x4=24	Total unit-wise
1, 2, 3	1 (3)	3 (1)	4 (1)	6(1)	14 (6)
4,5	1(3)	3(1)	4(2)		16 (6)
6, 7,8	1(7)	3(1)	4(1)	6(1)	20 (10)
9, 10	1(5)		4(1)	6(1)	15 (7)
11, 12	1(2)	3(1)	4(1)	6(1)	15 (5)
Total question type	20(20)	12(4)	24 (6)	24 (4)	80 (34)