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HS/XII/Com/Bs/26

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BUSINESS STUDIES

(Commerce)

Full Marks : 80

Time : 3 hours

The figures in the margin indicate full marks for the questions.

General Instructions :

- (i) This question paper contains **34** questions. All questions are compulsory.
- (ii) Marks are indicated against each question.
- (iii) Answer should be brief and to the point.
- (iv) Answers to questions carrying 3 marks may be from 50 to 75 words.
- (v) Answers to questions carrying 4 marks may be in about 150 words.
- (vi) Answers to questions carrying 6 marks may be in about 200 words.
- (vii) Attempt all parts of a question together.

Choose and write the correct answer :

1×20=20

1. Management is always denoted by 'we' and not 'I' because

- (a) it is a process
- (b) it is continuous
- (c) it is a group activity
- (d) it is intangible

2. School Time is a company engaged in manufacturing stationery items, school bags and school uniforms. The company has the same unit producing all the three products. This leads to confusion among the employees regarding the reporting as well as differentiation of work. Which principle of Henri Fayol is violated here?

- (a) Unity of command
- (b) Unity of direction
- (c) Initiative
- (d) Order

3. Business environment includes

- (a) surroundings
- (b) forces, factors, institutions which directly or indirectly affect business
- (c) customers and employees
- (d) None of the above

4. Mr. Bhandari is the chief manager in a reputed publication house. He is fond of continuing to present 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 prosperity 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

(3)

- (c) Planning reduces overlapping and wasteful activities
- (d) Planning promotes innovative ideas
5. For delegation to be effective, it is essential that responsibility should be accompanied by
- (a) authority (b) manpower
- (c) incentives (d) promotions
6. Process of receiving a new employee and giving basic information on the type of job in an organization is known as
- (a) internship (b) induction
- (c) rotation (d) coaching
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) Discipline
- (b) Honesty and loyalty
- (c) Accountability and responsibility
- (d) Remuneration

(4)

8. When mismatch between plan and actual performance is due to overstating or understating of plan then it is called

- (a) strategic control
- (b) operational control
- (c) Both (a) and (b)
- (d) None of the above

9. What is the main objective of financial management?

- (a) Profit maximization
- (b) Risk minimization
- (c) Wealth maximization
- (d) Dividend decision

10. The number of stock exchanges in India is

- (a) 20
- (b) 21
- (c) 22
- (d) 25

(5)

11. Which of the following promotion tools can be used to reach masses?

- (a) Advertisement
- (b) Sales promotion
- (c) Personal selling
- (d) Public relation

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 goods or deficient services
- (c) seek help from consumer organization
- (d) All of the above

13. Which of the following is not a feature of formal organization?

- (a) It is deliberately designed by the top management
- (b) The standards of behaviour evolve from group norms rather than officially laid down rules and regulations
- (c) It specifies the relationship between various job positions and clarifies who is to report to whom
- (d) It places more emphasis on work to be performed than interpersonal relationships among the employees

- 14.** For fast communication and to get correct feedback, which of the following organizations is suitable?
- (a) Formal organization
 - (b) Informal organization
 - (c) Both (a) and (b)
 - (d) None of the above
- 15.** After completion of two years of services, John was confirmed as a permanent employee. Which Maslow's need is being satisfied?
- (a) Esteem
 - (b) Security
 - (c) Self-actualization
 - (d) Social
- 16.** An organization notices a continuous downward trend in product quality over the last three months but continues to produce as usual. What step in controlling is being missed?
- (a) Setting standards
 - (b) Measuring actual performance
 - (c) Taking corrective actions
 - (d) comparing actual performance with standards

(7)

17. The leader who does not welcome suggestion of employees is called

- (a) autocratic leader
- (b) democratic leader
- (c) free-rein leader
- (d) None of the above

18. 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

19. Which of the following is a regulatory function of the Securities and Exchange Board of India?

- (a) Registration of brokers and sub-brokers and other players in the market
- (b) Training of intermediaries of the securities market
- (c) Promotion of fair practices and code of conduct in securities market
- (d) Conduct research and publishing information useful to all market participants

20. When you go out for dinner in a restaurant, who will be considered as the marketer?

(a) The restaurant owner

(b) You

(c) Both

(d) None of them

21. “Management does not have some features of a profession.” Explain those features. 3

Or

Explain ‘harmony not discord’, as a principle of scientific management.

22. Tanu runs a factory wherein she manufactures shoes. The business has been doing well and she intends to expand by diversifying into leather bags as well as western formal wear thereby making her company a complete provider of corporate wear. This will enable her to market her business unit as the ‘one stop’ for working women. Which type of structure would you recommend for her expanded organization and why? 3

23. Anjana is working in 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. She has been awarded ‘Employee of the Month’ award. Which form of incentive is being referred here? Explain the incentives along with any other two incentives. 3

- 24.** What is marketing? Explain any two objectives of marketing. 3

Or

What is meant by 'personal selling'? State any four qualities of a good salesman.

- 25.** In November 2016, the Government of India announced that ₹500 and ₹1000 currency notes would no longer be legal tender. This move, known as demonetization, aimed to curb black money, reduce corruption and promote digital transactions. 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?
- (d) Identify one business environment dimension affected by this decision. 4

- 26.** Explain the following features of the 'planning' function of management : 4

- (a) Planning is a primary function of management
- (b) Planning is pervasive

Or

Distinguish between authority and responsibility.

27. The manager of 'Fashion Point' decided to increase sales by 20% in the next six months. He analysed the market, developed strategies for online 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.

4

28. Explain the following :

4

(a) On-the-job training

(b) Off-the-job training

Or

Explain the relationship between planning and controlling.

29. Explain any four instruments of money market.

4

Or

Explain any four methods of floatation of securities in the primary market.

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.

(a) Identify the consumer right that was violated.

- (b) Mention the responsibility of consumers ignored in this case.
- (c) Which government agency can take action against such advertisements?
- (d) Suggest one way consumers can protect themselves from such exploitation. 4

31. XYZ is a mobile manufacturing company. The manager, Mr. Arjun, 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, Arjun decides to make a clear chain of command, discipline rules and equal treatment for all workers.

- (a) Identify and explain any three principles of management by Henri Fayol that are being violated or applied in the above case.
- (b) How can following these principles improve efficiency in the organization? 6

32. Explain the steps in the process of controlling. 6

Or

Explain the barriers to effective communication.

33. Explain any six factors affecting fixed capital requirement for a firm. 6

Or

What is meant by capital structure? Explain any four factors determining the capital structure.

(12)

34. A company named 'Glow Fresh 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?

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