Series P/PB2/1

SET 1

CLAS XII PRE-BOARD EXAMINATION – 2025-26

Q.P. Code: 054/2/1

Roll No. | | | | | | | | |

Candidate must write the Q.P. Code on the title page of the answer-book.

- Please check that this question paper contains 8 printed pages.
- Please check that this question paper contains 34 questions.
- Q.P. Code given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- **Please write down the serial number of the question in the answer-book before attempting it.**
- 15 minute time has been allotted to read this question paper. The students will read the question paper only and will not write any answer on the answer-book during this period.

BUSINESS STUDIES

Time allowed : 3 hours *Maximum Marks : 80*

General Instructions:

Read the following instructions very carefully and strictly follow them:

(i) This question paper contains **34** questions. **All** questions are **compulsory**.

(ii) Marks are indicated against each question.

(iii) Answers should be brief and to the point.

(iv) Answers to the questions carrying **3** marks may be from 50 to 75 words.

(v) Answers to the questions carrying **4** marks may be about 150 words.

(vi) Answers to the questions carrying **6** marks may be about 200 words.

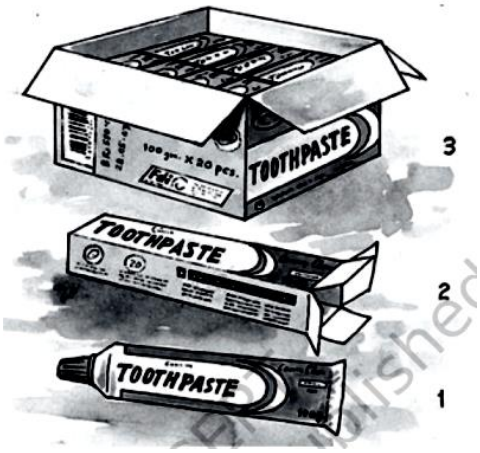
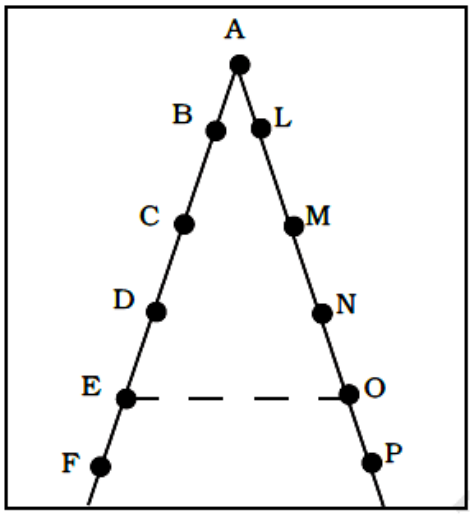
(vii) Attempt all parts of a question together

SL NO	QUESTIONS	MARKS
	Read the following text and answer the question NO 1 AND 2 based on the following passage: Sana is the branch manager of ABC Handicrafts Pvt. Ltd. The company's objective is to promote the sales of Indian handloom and handicraft products. It sells fabrics, furnishings, ready-mades and household items are made out of traditional Indian fabrics. Sana decides quantities, variety, colour and texture of all the above items and then allocates resources for their purchase form different suppliers. She appoints a team of designers and crafts people in the company, who developed some prints for bed covers in bright colour on silk. Although the products looked very attractive and impressive, they were relatively expensive on the front of affordability for an average customer. Sana suggested that they should keep the silk bed covers for special festive occasions and offer the cotton bed covers on a regular basis to keep costs under control.	
1	In the above case "company's objective is to promote the sales of Indian handloom and handicraft products." The above line focus on which feature of management? (A)Management is an intangible force (B) Management is a goal oriented process (C) Management is pervasive in nature (D) Management is a continuous process	1
2	With reference to the above case, at which level of management Sana is working? (A) Lower level (B) Top level (C) Middle level (D) Shop floor	1
3	Principles of Management help managers understand how employees behave and how they can be motivated to work better. Which feature of Management Principles is shown here? (A) Use of resources and effective administration (B) Cause and effect relationship (C) Behavioural (D) None of the above	
4	Which Scientific Management Principle states that employees should be rewarded for making proposals that result in cost reductions for the company? (A) Harmony not discords (B) Science, not a rule of thumb (C) Cooperation not individualism (D) All of the above	

5	Mr. Hari after completing MBA from USA comes to India to start a new business. He launches a new e-learning platform for senior Secondary School students, which already has an established market in UK and USA but not in India. Identify the importance of business environment highlighted here. (A) It helps the firm to identify opportunities and get the first mover advantage (B) It helps improvement in performance (C) It helps the firm to deal competition (D) It helps the firm to adjust and adapt with rapid changes	1
6	Read the following statements: Assertion and Reason. Choose one of the correct alternatives given below: Assertion (A) : Planning premises mean assumptions about the future, Reason (R): The success or failure of a plan depends on its premises. (A) Both Assertion(A) and Reason(R) are True and Reason(R)is the correct explanation of (A) (B) Both Assertion(A) and Reason(R) are True and Reason(R)is not the correct explanation of (A) (C) Assertion(A) is True but Reason(R) is False (D) Assertion(A) is False but Reason(R) is True	1
7	Which among the following is an on-the-job training method- (A) Lectures and conferences (B) Case studies (C) Vestibule training (D) None of these	1
8	Manik got selected for the job he had applied for the position of a graphic design intern. He carried out the given tasks along with his regular studies and worked closely with the managers gaining practical knowledge and skills. Which type of training is Manik involved in here- (A) On the job training method (B) Orientation (C) Off the job training method (D) Both a and c	1
9	Downward communication refers to information flow from _____. (A) Superior to subordinate (B) Subordinate to superior (C) Same level employees (D) Client to manager	1
10	Which of the following statements is true about directing? (A) Directing is necessary at planning stage. (B) Directing is needed at every level of management in each department. (C) Directing is initiated at lower level of management. (D) Directing is the least important function of management.	

11	Grapevine is a form of (A) formal communication. (B) channel of communication. (C) informal communication. (D) barrier to communication.	1
12	When the deviations between the actual performance and the planned performance are within the limits _____. (A) A limited corrective action is required (B) No corrective action is required (C) A major corrective action is required (D) None of the above	1
13	When a company uses **more debt** in its capital structure, the **fixed financial obligations** such as interest payments: (A) Decrease (B) Remain the same (C) Increase (D) Become zero	1
14	Ravi, after leaving his job, wanted to start a Private Limited Company with his son. His son was keen that the company may start manufacturing mobile-phones with some unique features. Ravi felt that mobile phones are prone to quick obsolescence and a heavy fixed capital investment would be required regularly in this business. Therefore, he convinced his son to start a furniture business. Identify the factor affecting fixed capital requirements which made Ravi choose the furniture business over mobile phones. (A) Manpower Requirement (B) working capital (C) Technological upgradation (D) None of these	1
15	This decision affects the liquidity and short term profits of the company (A) Long term investment decision (B) Working capital investment decision (C) Financing decision (D) All the above	1
16	The decision to retain earnings for internal growth instead of distributing them to shareholders as dividends is part of the: (A) Dividend Decision (B) Capital Budgeting Decision (C) Investment Decision (D) Financing Decision	1

17	Timex watch manufacturing company is renowned company marketing watches. It performs various activities like, market analysis, product designing or merchandising, packaging, warehouses, branding pricing, promotion and selling. The company maintains good customer relations through various follow up activities. This helps the company in procuring repeat sales orders. Name the concept related to the activities mentioned in the above paragraph. (A) Selling (B) Marketing (C) Production (D) Promotion	1
18	Most of the companies are using Daraz, Amazon, Flipkart, Snapdeal etc. for selling their products directly to customers. It helps in eliminating wholesalers and retailers to sell their products. Identify the element of marketing mix affected by it. (A) Product Mix (B) Price Mix (C) Promotion Mix (D) Place Mix	1
19	The settlement Cycle in NSE is : (A) T+3 (B) T+2 (C) T+5 (D) T+1	1
20	Which money market instrument is issued by the Reserve Bank of India (RBI) on behalf of the Central Government to meet temporary liquidity needs? (A) Certificate of Deposit (B) Call Money (C) Commercial paper (D) Treasury Bill	1
21	Top managers make plans for the whole organisation. Based on these plans, the structure of the organisation is prepared and employees are appointed. To make sure that everyone works according to the plan, directing is done. If any difference is found between the work planned and the work actually done, controlling corrects it. **Which process is shown in all these steps that starts with planning and is present in every function of management? Explain it.**	3
22	The production manager asked the foreman to achieve a target production of 200 units per day, but he doesn‘t give him the authority to requisition tools and materials from the stores department. Can the production manager blame the foremen if he is not able to achieve the desired target? Give Reasons **OR**	3

	A company, which manufactures a popular brand of toys, has been enjoying good market reputation. It has a functional organisation structure with separate departments for Production, Marketing, Finance, Human Resources and Research and Development. Lately to use its brand name and also to cash on to new business opportunities it is thinking to diversify into manufacture of new range of electronic toys for which a new market is emerging. Prepare a report regarding organisation structure giving concrete reasons with regard to benefits the company will derive from the steps it should take	
23	From the following information regarding Aditya Ltd. which is in the business of manufacturing green tea, calculate the Return on Investment and Interest Coverage Ratio of the company: (Show working) Earning before interest and tax ₹ 15,00,000 10% debentures ₹ 12,00,000 Equity Share Capital (₹10 each) ₹ 18,00,000 Tax Rate 40%	3
24	Here are the levels of a Marketing Function shown by No. 1, 2, 3 in this picture. Name the Marketing Function and the different levels of this function.  	3
25	This diagram is showing the chain of communication in an organization, as given by a management expert. Name the expert and his doctrine depicted in this diagram. Also, write the term given by him to communicate between E and O  	4

26	"*Abby electronics Ltd*" was operating its business in Australia. The company Started exporting its products to India as soon as the government announces relaxation in import duties on electronic items. The company appointed retailers in India who had direct on line links with the suppliers to replenish stocks when needed. Identify and explain dimensions of business environment discussed above.	4
27	'It is setting objectives for a given time period, identifying various alternative courses of action to achieve them and then selecting the best possible alternative from amongst the various alternative courses of action available'. (a) Identify the function of management referred above. (b)State any 3 points of importance of function of management identifies in (a) **OR** Explain how Planning and controlling are both backward looking, as well as forward looking functions.	4
28	Which functions of management helps in obtaining right people and putting them on the right job? Explain any four points of importance of this function?	4
29	In this picture, an employee is pointing towards a step in the last function of managerial process. Name the previous two steps in this function.  	4
30	Explain any four factors which affect the fixation of price of the product **OR** Give any four points of difference between advertising and personal selling	4

31	Saritha has been successfully running a dry fruit wholesale business in Rajasthan for the past five years. She makes sufficient investments in current assets in order to facilitate smooth day-to-day operations of the business. The company has recently sold dry fruits worth ₹ 50 lakhs to one of its corporate customers, 'Deshmukh Pure Grains' on a strict credit policy. Saritha then immediately placed an additional order for replenishment of stock. However, she received the dry fruits from her supplier after a large time lag. a) State the concept of Financial Management discussed above. b) Briefly explain the factors highlighted above that will affect the requirement of the concept identified in part a).	6
32	State the meaning of Organising. Identify and explain the steps in the process of organising from the following statements (1) Each individual to know from whom he has to take orders and to whom he is accountable (2) Grouping of related jobs into larger units called department/ divisions. (3) Allocation of work to the members of each department according to their skills and interests (4) The work is divided into manageable activities so that duplication can be avoided and the burden of work can be shared among the employees.	6
33	Mr. Rajesh is an Entrepreneur, he is having an Infrastructure company. He believes that the ability to initiate action, integrate efforts for goal achievement, guide and motivate employees to realize their potential, and facilitate change and maintain stability within the organization. A) Which function he is believing B) What are its importance	6
34	State the rights available under Consumer Protection Act, 2019 for the protection and promotion of interest of consumers. **OR** "Describe the three-tier quasi-judicial machinery for redressal of consumer disputes."	6