O.P.JINDAL SCHOOL , SAVITRI NAGAR

PRE – BOARD – II (2025-26) (SET- B)

CLASS: XII **MAX. MARKS:80**

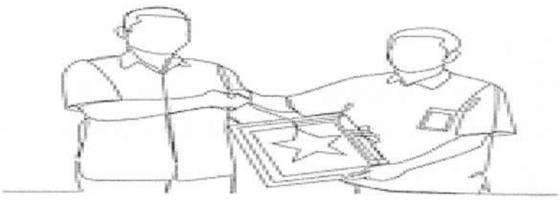
SUBJECT: BUSINESS STUDIES (054) **TIME: 3 HOURS**

- This question paper contains 34 questions.
- Marks are Indicated against each question.
- Answers should be brief and to the point.
- Answers to the questions carrying 3 marks may be from 50 to 75 words.
- Answers to the questions carrying 4 marks may be about 150 words.
- Answers to the questions carrying 6 marks may be about 200 words

SN	QUESTIONS	MARKS
1	"In order to be successful, an organization must change its goals according to the needs of the environment." Which characteristic of management is highlighted in the given statement? (a) Management is a dynamic function (b) Management is all perversive (c) Management is a goal oriented process (d) Management is a group activity	1
2	"A manager applies the acquired knowledge in a personalized and skillful manner in the light of the realities of a given situation." The given statement indicates that the management is (a) A Science (b) An Art (c) A Profession (d)None of these	1
3	Climax Ltd. gave an assurance to all their employees that in spite of low demand of products of their company no employee will be removed from the job. Which type of incentive is being offered to the employees (a) Organizational Climate (b) Job Security (c) Co Partnership (d) Job Enrichment	1
4	Match the types of tests in Column I with their meanings in Column II. **Column I** / **Column II** A. Intelligent Test — (i) Measures an individual's potential for learning new skills.	1

	B. Aptitude Test C. Trade Test | (ii) Measures the existing skills of an individual (iii) Measures the level of intelligence of an individual (a) A-(i), B-(ii), C-(iii) (b) A-(iii), B-(i), C-(ii) (c) A-(ii), B-(iii), C-(i) (d) A-(iii), B-(ii), C-(i)	
5	Read the following statements carefully Statement I: Flotation cost is the chance that a firm would fail to meet its payment obligations Statement II: Higher use of debt decrease the fixed financial charge of a business Choose the correct option from the options given below. (a) Statement I is true and II is false (b) Statement II is true and I is false (c) Both the statements are true (d) Both the statements are false	1
6	Rearrange Maslow's Hierarchy of need logically (i) These need include growth, self fulfillment and achievement of goals (ii) These needs refers to affection, sense of belongingness, acceptance and friendship (iii) These needs include hunger, thrust and shelter (iv) These needs include factors such as self respect, autonomy status, recognition and attention (a) (ii), (iv), (iii), (i) (b) (iii), (ii), (iv), (i) (c) (iii), (i), (ii), (iv) (d) (ii), (iii), (iv), (i)	1
7	Read the following Statements Assertion (A) and reason (R) and choose one of the alternative given below: Assertion (A) By exercising control a manager seeks to reduce wastage and spoilage of resources Reason (R) Control is often resisted by employees because they see it as a restriction on their freedom. Alternatives: (a) Both assertion (A) and reason (R) are 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 the false. (d) Assertion (A) is false but reason (R) is the true.	1
8	A popular brand of Hair Conditioners comes in different categories for different hair, say for normal hair and for other categories. Which function of Marketing is highlighted here: (a) Specifies its content (b) Helps in promotion (c) Product branding (d) Grading of product	1
9	" It is essentially the preparation of a financial blueprint of an organization's future operations" Identify the related concept indicated here. (a) Financial management	1

	(b) Financial planning (c) Capital budgeting decision. (d) Dividend decision	
10	' A new packaging machine is to be installed in a factory'. Which type of decision is taken while deciding about its installation? (a) Capital budgeting decision (b) Financing decision (c) Working capital decision (d) All of these	1
11	Read the following statements carefully Statement I: Working capital requirements of a company is affected by inflation. Statement II: Choice of techniques affects the requirement of fixed capital of a company. Choose the correct option from the options given below. (a) Statement I is true and II is false (b) Statement II is true and I is false (c) Both the statements are true (d) Both the statements are false	1
12	Which of the following is not a role of public relation: - (a) Lobbying (b) Counselling (c) Corporate Communication (d) None of these	1
13	 The process shown in the picture is part of staffing function. Identify it: a) Estimating man power requirement b) Selection c) Training d) Development	1
14	Which of the following statements correctly describe the meaning of Principle of Subordination of Individual Interest to General Interest? (i) The interests of an organization should take priority over the Interests of any Individual employee. (ii) A chain of Authority and Communication that runs from top to bottom should be followed by the Managers and the Subordinates.	1

	(iii) The large interests of workers and stockholders are more important than the interest of organization. (a) Only (i). (b) (ii) and (iii) (c) (i) and (iii) (d) (i) (ii) and (iii).	
15	Identify the non financial incentives given to an employee of an organization being highlighted in the given picture  (a) organizational climate (b) employee recognition program (c) career advancement opportunities (d) job enrichment	1
16	Read the following Statements Assertion (A) and reason (R) and choose one of the alternative given below: Assertion (A) Recommendation by employees are a good source of recruitment Reason(R) This is so because their background checks are made thoroughly (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 the false. (d) Assertion (A) is false but reason (R) is the true.	1
17	"Sales forecasting is the basis on which a business firm prepares its annual plan for production and sales". Which feature of planning is highlighted in the above lines? (a) Planning focuses on achieving objectives (b) Planning is continuous (c) Planning is the primary function of management (d) Planning is futuristic	1
18	Read the following statements carefully. Statement I: Capital Market refers to the facilities and institutional arrangements through which long term funds, both debt and equity are raised and invested. Statement II: Capital Market consists of primary market and secondary market. Choose the correct option from the options given below. (a) Statement I is true and II is false (b) Statement II is true and I is false (c) Both the statements are true (d) Both the statements are false	1
19	"Schedule H1 drug warning • It is dangerous to take this preparation except in accordance with the medical advice. • Not to be sold by retail without the prescription of a registered medical practitioner".	1

	It is mandatory to be written on medicines. Which dimension of business environment is highlighted in the given case? (a) Economic environment (b) Legal environment (c) Technological Environment (d) Political environment	
20	Assertion (A): Trading on Equity raises the return of equity to shareholders. Reason (R): Cost of debt is lower than the cost of equity and interest paid on debt is a deductible expense. 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 and 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
21	Med Co Limited is a diversified company dealing in a wide variety of medical instruments and packaged foods. It has its head office in Chennai with its two branches located in Noida and Ludhiana. It has chief Administrative Officers in both the branches that are responsible for supervising the activities of their branches and are given sufficient powers to take decisions. They have to report to the Head Office on monthly basis and are responsible for the overall performance of their divisions. (a) Which functions of management is being highlighted above? (b) Which concept of the aforesaid function is being referred to? (c) Discuss any one points of importance of the above concept in an organisation. OR Kiran Industries is a company manufacturing office furniture. The company chose to diversify its operations to improve its growth potential and increase market share. As the project was important many alternatives were generated for the purpose and were thoroughly discussed amongst the members of the organisation. After evaluating the various alternatives, Sukhwinder, The Managing Director of the company decided that they should add "Home Interiors and Furnishings" as a new line of business activity. (a) Name the framework, which the diversified organization should adopt, to enable it to cope with the emerging complexity ? (b) State any two limitations of this framework.	3
22	You have been appointed as a brand manager of Nixon Motors. The company is to introduce a compact small car in Indian market. The name of the car is yet to be decided. You've been asked to chair a brainstorming session. Before the suggestion come forward you have to briefly explain the participant as to what constitute a good brand name with the help of suitable examples. Explain any 3 points in this regard.	3
23	"Management is a complex activity that has three main dimensions" Explain these dimensions.	3
24	Stock Exchange act as a regulators of the Security Market. It creates a continuous market. where the securities are brought and sold. It gives investors the chance to disinvest and reinvest. Through this process of disinvestment and reinvestment savings get channelised into their most productive investment avenues. To ensure that the investing public gets a safe and fair deal in the market, the membership of the Stock Exchange is well regulated and its dealings are well defined according to the existing legal framework. It also ensures wider share of ownership by	3

	regulating new issues, better trading practice and taking effective steps in educating the public about investments. Identify and state any three functions performed by the Stock Exchange discussed in the above para. OR Recent years have seen a high rise in the number of fraudulent fund raising operations by different companies. They are making their way into the poor and middle class people by luring them with offers of high interest rates and returns. People are falling prey to such a companies and their schemes. They face such risks, from loss of personal savings to loss of their jewelleries and homes. Such frauds also have a considerable impact on economics and markets by reducing the consumer's trust and confidence in legitimate business. Such company are witty and quick to alter their modus operandi to reduce the risks of law enforcement detection and investigation. (a) Which organization has been set up to regulate such companies and their offers? (b) State any 2 objectives of such organisation.?	
25	You are a management guru. You have been asked by a business firm to make its managers understand the importance of controlling. Give any 4 arguments.	4
26	"Pricing of a product is an important and effective competitive weapon in marketing, which depend upon various factors." Explain any 4 such factors OR What is mean by packaging. Give any three points explaining why packaging is importan	4
27	India craft heritages is surviving because of its customs and traditions. Craft products made by Craftsmen of Rajasthan, Gujarat, Assam etc. are not only used in the country but are also exported to USA, Germany, UK, France and other countries of the world. The volume of exports of these products gives India an advantage in balance of payments and the much needed foreign exchange. The Prime minister desires that the handicraft industries should be expanded by linking it with technology. Focus should be on changing the manufacturing process, ensuring durability and adopting innovations. (a) By quoting the lines from the above paragraph, explain any four dimensions of business environment.	4
28	(a) Explain the advantages of external sources of recruitment (Any two) (b) Distinguish between on-the-job and off-the-job training methods on any 2 basis.	4
29	Ramit decided to start a dessert cooler manufacturing business. He sets the target of earning 20% profit on sales in the first year. He was very much concerned about the future prospectus of the business, which were uncertain. For this, he gathered information from the potential market and analysed that the demand for wall mounted coolers is increasing day by day. He used this information as the base for future planning. On the basis of gathered information, he called a meeting in the following week to find new methods of achieve the objective. In context of the above case: (a) Identify the function of management involved in the above case. (b) List the first three steps, which have been followed by Ramit that are related to the process of one of the functions of management identified in part (a). OR SRV Business' is a balloon manufacturing firm. With the arrival of foreign firms it is feeling the pressure of improving its business strategy. Because of the firm's advance planning it could not	4