



PRINCE ACADEMY

OF HIGHER EDUCATION

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BOARD SAMPLE PAPER- II (2025-26)

SUBJECT : BUSINESS STUDIES (054)

Time : 03:00 Hours

CLASS - XII COMMERCE

M.M. : 80

General Instructions :-

- (i) The question paper contains 34 questions.
- (ii) Marks are indicated against each question.
- (iii) Answer should be brief and to the point
- (iv) Attempt all parts of the questions together.
- (v) Q. No. 1 to 20 are multiple choice questions, carrying 1 mark each.

1. "Human resources are an organisation's greatest asset. Despite all developments in technology "getting work done through people" is still a major task for the manager." Identify the dimensions of management being described above.
 - (a) Management of work
 - (b) Management of people
 - (c) Management of operations
 - (d) All of the above
2. What is the ranking of job positions on the basis of relative roles and responsibilities known as?
 - (a) Span of management
 - (b) Hierarchy
 - (c) Decentralisation
 - (d) None of the above
3. Organising helps in creating a hierarchical order thereby enabling the fixation of responsibility and specification of the extent of authority to be exercised by an employee. Identify the relevant point of importance of organising.
 - (a) It brings clarity in working relationships
 - (b) Ensures optimum utilization of resources
 - (c) Provides benefits of specialisation
 - (d) Effective administration
4. Besttech Limited is one of the India's largest information technology services company. It has organised itself in a manner that allows customer orientation to dominate over other goals and diversified on the basis of product lines. What type of organisational structure allows for the addition of the new product lines without interrupting the existing operations in order to facilitates expansion and growth of a business enterprise?
 - (a) Functional structure
 - (b) Divisional structure
 - (c) Matrix structure
 - (d) None of the above

5. 'Navchetna' a popular consumer organisation in Chandigarh, has filed a case against a yogurt manufacturing company in the National Consumers Disputes Redressal Commission. The yogurts were marketed as being "clinically" and "scientifically" proven to boost immune system and helps to regulate digestion. However, on conducting laboratory tests the claims found to be wrong. Name any party who could have also filled a complaint in the above case.
- (a) Any consumer (b) The Central Government
(c) Any State Government (d) All of the above
6. Gagan, the marketing manager of Skylane Ltd. stresses that a company cannot achieve its objectives without understanding the needs of the customers. It is the duty of the businessmen to keep consumer satisfaction in mind because business is run by the resources made available to them by the society. He acknowledged that he himself was taking into consideration the needs of the customers and that was the prime reason for success of his business. Identify the type of thinking that guided Gagan in the marketing efforts of his business as described in above lines.
- (a) Product concept (b) Production concept
(c) Marketing concept (d) Societal marketing concept
7. Name the marketing function that seeks to protect against both unavoidable delays in delivery and to meet out contingencies in the demand.
- (a) Transportation
(b) Warehousing
(c) Promotion
(d) Gathering and analysing market information
8. It refers to that part of a brand which cannot be uttered or spoken but can be recognised as it may appear in the form of a appears in the form of a symbol, design, distinct colour scheme or lettering. Identify the related concept being described in the above line.
- (a) Brand name (b) Brand mark (c) Trade mark (d) None of the above
9. Match the concept of marketing in Column I with their respective definition in Column II.

Column I		Column II	
(A)	Annual salary revision	(i)	Perquisite
(B)	Permanent placement	(ii)	Retirement benefit
(C)	Telephone facility	(iii)	Basic pay and allowances
(D)	Gratuity	(iv)	Job security

- (a) (i), (ii), (iii), (iv) (b) (ii), (iv), (i), (iii)
(c) (iii), (iv), (i), (ii) (d) (iv), (iii), (ii), (i)
10. Identify the concept which will help the Human Resource Manager in deciding the actual number of persons required in each department.
- (a) Workload analysis (b) Work force analysis (c) Job description (d) None of the above

11. Plans encourages new ideas that can take shape of concrete plans. Identify the related importance of planning.
- (a) Planning provides direction (b) Planning reduces the risk of uncertainty
(c) Planning promotes innovation (d) Planning facilitates decision making
12. Why do all financial decisions, major or minor, aim to ensure that benefits from the investment exceed the cost so that some value addition takes place and the market price of equity shares is maximised?
- (a) For achieving the objective of wealth maximisation
(b) For achieving the objective of profit maximisation
(c) both option (a) and (b)
(d) None of the above
13. Essence Ltd. is a renowned name for quality dry fruits since 1985. Rajat the owner of Essence Ltd. was worried as the sales had fallen during the last two months. The Marketing Manager conducted a research and found out that customers felt that the packaging of the dryfruit was not effective in preserving its quality. Therefore Rajat visited the factory for sample checking of packages of dry fruits.
- Name the function of management being described in the above lines.
- (a) Planning (b) Organizing (c) Directing (d) Controlling
14. Statement I: Controlling should be considered as the last function of management.
Statement II: Controlling function brings back the management cycle back to the planning function.
- (a) Both the Statement I and Statement II are true
(b) Both the Statement I and Statement II are false
(c) Statement I is true but Statement II is false
(d) Statement I is false but Statement II is true
15. Which of the following are the techniques for measurement of performance?
- (a) Personal observation (b) Performance reports
(c) Calculation of certain ratios (d) All of the above
16. It is an important principle of management control based on the belief that an attempt to control everything results in controlling nothing. Identify the principle.
- (a) Critical Point Control (b) Management by Exception
(c) Deviation (d) All of the above
17. Mediator Limited' is a firm located in New Delhi and founded by Mr. Anansh Gupta. The firm seeks to provide the prospective candidates with an opportunity to get placed in the desired companies in India and abroad in many sectors namely; Automobile Manufacturing, IT, Telecommunications, Finance, Food, FMCG, Pharmaceuticals, Healthcare and Power.

Identify the source of recruitment being offered by Mediatel Limited.

- (a) Casual Callers
- (b) Advertisements
- (c) Placement agencies and Management consultants
- (d) Employment Exchange

18. Which of the following is a merit of the external source of recruitment?

- (a) Provides a wider choice
- (b) It helps to save cost of recruitment
- (c) Recruitment process is short
- (d) All of the above

19. Recruitment is considered to be a process.

- (a) Positive
- (b) Negative
- (c) Partly positive and partly negative
- (d) None of the above

20. Assertion (A): Staffing is the most important and critical drive of organisational productivity.

Reason (R): It is believed that an organisation can accomplish its objectives only when it has placed the right persons in the right positions.

- (a) Both the statements (A) and (R) are correct and (R) is the right explanation of (A)
- (b) Both the statements (A) and (R) are correct but (R) is not the right explanation of (A)
- (c) Statement (A) is correct but statement (R) is incorrect
- (d) Both statements (A) and (R) are incorrect

21. State any three features of Capital Market

3

OR

State any three features of Money Market

22. In the wake of the government notification to install panic buttons in all mobile devices from January 2017 all application makers are considering the various options to incorporate such technology in their products. On one hand this initiative will help to provide timely assistance to the customers and on the other hand it will increase the number of competitors for the business firms.

3

In context of the above case:

- (a) Identify and explain the related feature of business environment
- (b) State any two other features also.

OR

Briefly discuss the features & impact of demonetisation.

23. Rohit often notices that whenever he gives any instructions to his personal assistant Subhash, he is not able to retain the information for a long time as most of the time he seems to be inattentive or not interested.

3

In context of the above case:

- (a) Identify the type and name of communication barrier which is adversely affecting the communication between Rohit and Subhash.
- (b) Describe briefly one more barrier of the same type as identified in part (a) of the question.

OR

Explain any three Barriers which are related to authority relationship, rules & regulations of the company.

24. Give the meaning of Depository services & Demat account 3
25. "Dreams can be turned into reality only if business managers think in advance on what to do and how to do it"
- Identify and explain the function of management being referred to in the above lines and explain any four limitations of it 4
26. State any two financial incentives other than 'Pay and Allowances' to motivate employees. 4

OR

Describe briefly 'Organisational Climate' and 'Job Enrichment' as types of non-financial incentives.

27. State the features of marketing. 4

OR

Discuss the following philosophies of marketing

- (i) Production concept
- (ii) Selling concept

28. The present earnings of a company before interest and tax is Rs 10 lakhs. The company wants to increase its total capital investments by 50% through an additional issue of 10% debentures. At present the total capital of the company is Rs 50 lakhs, out of which 40 lakhs has been raised through equity and rest through 10% debentures. The tax is levied @ 40%. The face value of an equity share is 10 and that of a debenture is 100. 4
- (a) Assuming the Rate of return on investment to be same calculate the projected EPS of the company on issuing additional debentures. Show your working clearly.
- (b) Do you think the company has taken the right decision by choosing debt to raise further capital? Name the concept underlying this decision.

OR

Mr. Suri, the owner of Junnon Ltd. with glorious 5 years of its grand success having a capital base of 80 crores. Within a short span of time, the company could generate cash flow which not only covered fixed cash payment obligations but also create sufficient buffer. The company is on the growth path and to meet the increasing demand, Mr. Suri decided to expand his business by setting up a new factory. This required an investment of 200 crores. On the recommendations of his

financial advisor Mr. Dev he decided about the judicious mix of equity (45%) and Debt (55%). Mr. Suri decided to raise funds from a financial institution. as the cost of raising funds from financial institutions is low. Though this will increase the financial risk but will also raise the return to equity shareholders. He also apprised him that issue of debt will not dilute the control of equity shareholders. At the same time, the interest on loan is a tax deductible expense for computation of tax liability. 4

(a) State the concept of Financial Management as advised by Mr. Dev in the above situation.

(b) State any three factors affecting the concept as identified in part a above which have been discussed between Mr. Suri and Mr. Dev.

29. Explain briefly any two 'Rights of a Consumer' as per Consumer Protection Act. 4

OR

Briefly outline the procedure followed by State commission & District commission on receiving the complaint

30. On being engaged, Arjun was eagerly looking for a 'magic wand' which would help him to reduce weight in a short span of time. He came across an advertisement in the magazine of 'Splendor Ltd.' a health centre offering a free subscription for 2 months of its gym on enrolling for a weight loss program for 30,000 to lose 10 kgs in two months. Arjun joined the programme. Unfortunately, a month later he suffered from spine injury due to the negligence of the weight loss trainer and was advised bed rest for 3 months by the doctor. As a result, his marriage had to be postponed. Arjun is feeling very angry about the whole issue and has decided to file a case against 'Splendor Ltd.'

In context of the above case 4

(a) Identify and explain the components of promotion mix being referred to in the above paragraph.

(b) In which consumer court can Arjun exercise his consumer right and why?

31. (A) Differentiate between contributions made by FW Taylor and Henry Fayol on any three basis. 3

(B) Explain any two principles of Fayol from the following. 3

(i) Espirit De corps

(ii) Equity

(iii) Remuneration of personnel

32. Raj decided to start a campaign to create awareness among people for developing clean surroundings in their area. He created a team of 20 members of local residents. To achieve the desired goal various activities were identified like buying of necessary things like blue and green dustbins, disposable bags, brooms, etc.; collection of garbage; disposal of garbage, etc. and the work was allocated to different members. Describe briefly steps involved in the function of management being described in the above paragraph. 6

OR

(A) Distinguish between delegation and decentralisation on the basis of 3

(i) Freedom of action

(ii) Status

(iii) Purpose

(B) Distinguish between functional & divisional structure on the basis of 3

(i) Formation

(ii) Responsibility

(iii) Cost

33. (A) State any three limitations of internal sources of recruitment. 3

(B) State any three advantages of external sources of recruitment. 3

OR

Discuss the following steps in the process of controlling :-

(i) Analysing Deviation- KRA & CPC 4

(ii) Setting standards 2

34. Neelkamal promoted a company under the name 'Leathero Pvt Ltd.' in the year 2000 to engage in the field of Fashion Leather Bags and Accessories and manufacture innovative designs for all moods and for every occasion. Since, inception his company has been earning adequate revenues to cover costs. Its capital base, number of employees and production turnover has increased manifold over the years and touching new heights. The rate of profitability of the business is also creditable. The workers take pride and care in each and every bag item that leaves their workbench. This is because the employees of the company are happy and satisfied with their remuneration, working conditions, promotion policy etc. The business decisions are based not only on financial factors, but also on the social and environmental consequences. It also pursues initiatives related to quality management, environment preservation and social awareness.

In the context of the above case:

Identify and explain the various types of objectives of management being fulfilled by 'Leathero Pvt Ltd.' by quoting lines from the paragraph. 6

ROUGH WORK
