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Candidates must write the Set No on the title page of the answer book.

SAHODAYA PRE BOARD EXAMINATION – 2025-26

- ◆ Please check that this question paper contains 10 printed pages.
- ◆ Set number given on the right-hand side of the question paper should be written on the title page of the answer book by the candidate.
- ◆ Check that this question paper contains 34 questions.
- ◆ Write down the Serial Number of the question in the left side of the margin before attempting it.
- ◆ 15 minutes time has been allotted to read this question paper. The question paper will be distributed 15 minutes prior to the commencement of the examination. The students will read the question paper only and will not write any answer on the answer script during the period. Students should not write anything in the question paper.

CLASS – XII**Sub.: BUSINESS STUDIES (054)****Time Allowed: 3 hours****Maximum Marks: 80****General Instructions:**

- 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 in 50 to 75 words.
- V. Answers to the questions carrying **4** marks may be in 150 words.
- VI. Answers to the questions carrying **6** marks may be in 200 words.
- VII. Attempt all parts of the questions together.

1. A petrol pump needs to be managed as much as a hospital or a school. What managers do in India, the USA, Germany or Japan is the same. Identify the feature of management that is being reflected in the given statements. (1)
(A) Management is all pervasive (B) Management is multidimensional
(C) Management is goal oriented (D) Management is a group activity
2. 'The management should not close its ears to any constructive suggestions made by the employees but reward them for their suggestions which results in substantial reduction in costs.' Identify the principle of scientific management that is discussed in the above statement. (1)
(A) Science, not rule of thumb
(B) Harmony, not discord
(C) Cooperation, not individualism
(D) Development of workers to their greatest efficiency and prosperity

3. Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from those given below: (1)

ASSERTION (A): Motivation can be forced on employees.

REASON (R): The internal feelings influence human behaviour to act in a particular manner.

(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

4. Read the following statements carefully:

Statement I: Time study is a part of work study.

Statement II: The purpose of method study is to detect and eliminate unnecessary movements or motions.

In the light of the given statements, choose the correct alternative from the following: (1)

(A) Both the statements are true

(B) Both the statements are false

(C) Statement I is true, Statement II is false

(D) Statement II is true, Statement I is false

5. Hari, a manager in a company sets the targets for his subordinates without discussing it with them. He firmly tells them if the task is not completed within time, then strict action will be taken against the defaulter. Identify the style of leadership Hari follows. (1)

(A) Democratic leadership

(B) Autocratic leadership

(C) Laissez faire leadership

(D) Situational leadership

6. Exotic Electronics Ltd. was operating its business in Singapore. The company started exporting its products to India when the Prime Minister announced 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 the dimensions of business environment discussed in the above case. (1)

I. Political and Social

II. Legal and Technological

III. Social and Economic

IV. Political and Technological

(A) Only I

(B) Both I and II

(C) Only IV

(D) Both II and III

7. 'Protective Pvt. Ltd.' is a renowned pharmaceutical company in India. It has launched a new medicine to treat high blood pressure and high blood sugar. To create awareness about the new medicine and to build a positive image about it, the company organised a seminar, which was attended by doctors from various hospitals and dealers in medicines. During the seminar, the representatives of company discussed about the chemical composition and the functioning of the medicine. Identify the tool of promotion used by 'Protective Pvt. Ltd.' in the above case. (1)

(A) Advertising

(B) Sales Promotion

(C) Personal Selling

(D) Public Relations

8. Choose the statement that highlights the 'importance of controlling'. (1)

(A) Ensuring order and discipline

(B) Initialising action by people in the organisaton

(C) Promotes innovative ideas

(D) Filling jobs with competent personnel

9. FujiTech Ltd. is one of the top IT companies in India. The company does mass recruitment each year from different colleges offering fresher level jobs to the final year students. This helps in recruiting the brightest and the best available talent in the educational institutions. Identify the source of recruitment highlighted in the above case. (1)

(A) Direct recruitment

(B) Placement agencies and management consultants

(C) Campus recruitment

(D) Labour contractors

10. Choose the **correct** statement about barriers to communication. (1)

(A) People have tendency to form a judgement before listening to an entire message is one of the semantic barriers.

(B) Technical jargon used by specialists in different fields is one of the semantic barriers.

(C) Complexity in organisational structure is one of the personal barriers.

(D) Lack of mutual trust between the sender and receiver is an organisational barrier.

11. Arrange the following steps of the trading procedure on a stock exchange in the correct sequence: (1)

I. Placing the order

II. Settlement cycle

III. Selection of a broker

IV. Executing the order

V. Opening demat account with depository

Choose the correct option:

(A) I, II, III, IV, V

(B) III, V, IV, II, I

(C) III, V, I, IV, II

(D) V, IV, III, II, I

12. "Profits can be maximised by producing at large scale, thereby reducing the per unit cost of production." Name the marketing management philosophy reflected in this statement. (1)

(A) Product concept

(B) Selling concept

(C) Production concept

(D) Societal marketing concept

13. Match the concepts of management given in Column I with their respective statements given in Column II. (1)

COLUMN-I	COLUMN-II
a. Levels of management	i. Management is an invisible force which can be felt when employees are happy, targets are met and there is coordination in the work environment instead of chaos.
b. Nature of management	ii. Generation of employment opportunities for weaker sections of the society.
c. Objectives of management	iii. Management must be compared with the features of

	art, science and profession to know its special characteristics.
d. Features of management	iv. Hierarchy of management positions from top to bottom with necessary authorities and responsibilities.

Choose the correct option from the following:

- (A) a-iv, b-iii, c-ii, d-i (B) a-iv, b-ii, c-iii, d-i
 (C) a-i, b-iii, c-ii, d-iv (D) a-ii, b-iii, c-iv, d-i

14. From the following pictorial presentation, identify the type of plan. (1)



- (A) Method (B) Rule
 (C) Objective (D) Procedure

15. Name the step in the selection process in which the shortlisted candidates are asked to take a series of tests that attempt to measure certain characteristics of individuals ranging from manual dexterity to intelligence to personality. (1)

- (A) Preliminary screening (B) Selection tests
 (C) Employment interview (D) Reference and background checks

16. Malvika is the finance manager of Jupiter Ltd. In the current year, the company earned high profit. However, Malvika thinks that it is better to declare lower dividends as she is unsure about the earning potential of the company in the coming years. Malvika's choice of dividend decision is based on which of the factor that affect it. (1)

- (A) Cash flow position (B) Contractual constraints
 (C) Growth opportunities (D) Stability of dividends

17. Sanjay joins his father's business of organic masalas. In order to capture a major share of the market, he decided to sell the products in small attractive packages by using the latest

packaging technology. His father suggested that they hire financial consultants to estimate the amount of funds that would be required for the purpose and timings when it would be required. The concept being discussed by Sanjay's father, links which financial decision with the investment decision? (1)

- (A) Financing decision (B) Capital structure decision
(C) Financial planning (D) Dividend decision

18. AeroCool Ltd., a leading air conditioner manufacturing company, urgently requires funds to meet its short term financial obligations. In order to maintain liquidity and manage cash flows efficiently, AeroCool Ltd. is considering to access the financial market and aims to use various instruments available to secure necessary funds for duration of up to one year. Identify the market that AeroCool Ltd. should approach to meet its short-term financial obligations. (1)

- (A) Money market (B) Wholesale debt market
(C) Commodity market (D) Capital market

19. Atto Ltd. is a leading manufacturer of EV vehicles. The company is now planning to diversify into manufacturing automatic two wheelers. However, the company is short of funds for meeting day-to-day expenses. Their old supplier (SuperMax Ltd.) agreed to grant them credit period of five months. This helped Atto Ltd. a lot as they are now in a position to manage with less working capital. Identify the factor affecting working capital requirements. (1)

- (A) Seasonal factors (B) Credit availed
(C) Business cycle (D) Operating efficiency

20. Read the following statements carefully:

Statement I: When Return on Investment is less than the Cost of Debt, then equity shareholders lose by use of more debt content in the capital structure.

Statement II: Earnings per Share (EPS) does not always rise with increase in debt.

In the light of the given statements, choose the correct alternative from the following: (1)

- (A) Both the statements are true
(B) Both the statements are false
(C) Statement I is true, Statement II is false
(D) Statement II is true, Statement I is false

21. (a) Explain the first three steps in the Process of Organising. (3)

OR

(b) State the meaning of Functional Structure. State any two of its advantages.

22. A garment manufacturing company has decided to identify the needs of the customers to start successful marketing of the garments produced by it and for this the company is doing SWOT analysis (Strength, Weakness, Opportunity and Threat Analysis). The company is pursuing its objectives with full efforts. It has decided to make a blueprint for the amount of production it will do, the efforts behind promotion it will put and all other major actions it will undertake to achieve its objectives. However, the company has one weak area which it would like to improve. The physical movement for its prepared garments was not proper last year and the company wants to ensure it is done properly this year. For this thing to be done properly it has created a separate department.

Identify and explain the three functions of marketing that have been highlighted in the above case. (3)

23. (a) State any three objectives of Securities and Exchange Board of India. (3)

OR

(b) Differentiate between Primary market and Secondary market. (Any three)

24. Armaan Ltd. believes in coordination among departments and activities. The company relies heavily on professional coordination. For this the company takes steps throughout the year. Coordination is kept in mind by all the managers regardless of the level they are working at. Throughout the year the various activities are synchronized without failure. Every department ensures that within it every employee and operation is guided by the theme of proper coordination. Whenever an employee takes an action he consults others, whenever needed, thus properly contributing to his team. The process of coordination is just not limited to the employees. Even at the departmental level the various departments use this binding force to create perfect harmony among them so that the organisational goals can be fulfilled. All the coordination that occurs in the organisation is a result of proper training and premeditated attempts by the company to get the best results possible.

The above case represents all the characteristics of coordination.

Identify any three features by quoting the lines from the above paragraph. (3)

25. (a) There are number of factors which affect the fixation of the Price of a product. Explain any four such factors. (4)

OR

(b) State the four major components of Physical Distribution.

26. (a) Explain the following features of planning: (4)

i. Planning is a mental exercise

ii. Planning is continuous

OR

(b) Explain the following points of importance of planning:

i. Planning reduces risk of uncertainty

ii. Planning establishes standard for controlling

27. SkyBridge Ltd. is an electronic goods manufacturing enterprise situated in Shivpuri Madhya Pradesh. It is earning a very low revenue in comparison to a competing electronic goods manufacturing enterprise NextWave Ltd. situated in Mumbai. Both SkyBridge's and NextWave's operations are affected directly by the investors, customers, competitors and suppliers which are unique to their respective locations. In addition to this, individual firms of this field are affected indirectly by the factors like the money supply in the economy, composition of the families, the technological changes, etc.

(a) Identify and state the feature of Business Environment discussed in the above paragraph.

(b) Also explain any three points of importance of Business Environment. (4)

28. "Planning and Controlling are inseparable twins of management." Explain with the help of four points of the relationship. (4)

29. 'EFF' Limited was engaged in the business of food processing and selling its products under a popular brand. Lately the business was expanding due to good quality and reasonable prices. Also with more people working, the marketing for processed food was increasing. New players were also coming to cash in on the new trend. In order to keep its market share in the short run the Company directed its existing work force to work overtime. But this resulted in many problems. Due to increased pressure of work the efficiency of the workers declined. Sometimes the subordinates had to work for more than one superior resulting in declining efficiency. The divisions that were previously working on one product were also made to work on two or more products. This resulted in a lot of overlapping and wastage. The workers were becoming undisciplined. The spirit of teamwork, which had characterised the company previously, was beginning to wane. Workers were feeling cheated and initiative was

declining. The quality of the product was beginning to decline and market share was on the verge of decrease. Actually, the company had implemented the changes without creating the required infrastructure.

Identify and explain four Principles of Management by Henri Fayol that were being violated by the company. (4)

30. The Human Resource Department of 'AeroVista's Airlines Pvt. Ltd.' has recently selected 12 pilots. The new pilots have to handle sophisticated equipments and to learn from the dummy models. For this, the Human Resource Manager wants to design a training program which will help them to improve their performance on their jobs.

(a) Identify and explain the method of training that can be used by the company in the given situation.

(b) State any three benefits the pilots will get after this training. (4)

31. Kanav, after passing out of college with specialization in renewable energy, was determined to start a solar power plant. The venture required heavy investment in plant and machinery and less on manual labour. Kanav invested in the latest solar panel technology and infrastructure and purchased the latest solar panels, inverters and battery storage systems. Despite the high risk and substantial investment, Kanav's business had good expansion possibilities. The world was increasingly moving towards clean energy solutions, and there was a growing demand for sustainable power sources. So, Kanav decided to create a higher capacity to meet the anticipated demand quickly. This entailed further investment in fixed assets which Kanav was able to arrange. As the years passed, the solar power plant did very well and played a pivotal role in the city's transition towards a greener and more sustainable future.

(a) Identify and explain the two factors affecting the Fixed Capital requirements discussed in the above case.

(b) Explain any four other factors affecting Fixed Capital requirements apart from the two identified in case (a). (6)

32. 'Urban Thread' is a garment making company. It has recently decided to make the job environment better by redefining the workplace for the employees by designing jobs having greater variety of content. This has definitely increased the interest of employees in their work. This step of the Company has earned a favourite mentioning in a national newspaper. The promotion policy of the Company has now been made more effective by allowing employees to grow to the higher levels. Many of the employees had earlier complained of fear of getting fired. The Company has clarified its stance on this and told them not to worry

by assuring them permanency after crossing the ad hoc period of six months. With everything going right for the organisation, the top management has started devoting a lot of time on special features of the internal environment which will distinguish the organisation from other companies in the industry. The employees know that working in this organisation will only add to their good track record. The Company assures the employees a higher ranking in the organisational set up, provided one works hard, with authority, rewards, recognition and better perquisites. With such an effort, the organisation is geared to touch new heights.

Identify and explain any four non- financial incentives that have been highlighted in the above case. (6)

33. Hindustan Unilever Limited (HUL) is one of India's largest FMCG (Fast Moving Consumer Goods) companies. It sells a wide range of products such as soaps, detergents, shampoos, food items, beverages and cosmetics. Because the company has hundreds of products and operates all over India, managing everything from one central place became difficult. So HUL adopted a certain organisational structure.

In context of the above case:

(i) Identify and explain the type of organisational structure adopted by HUL.

(ii) Explain any four advantages of the structure identified in part (i). (6)

34. (a) Enumerate any six responsibilities of a consumer under Consumer Protection Act, 2019. (6)

OR

(b) State any six remedies available to the consumer, if the court is satisfied about genuineness of the complaint.
