

**CBSE**  
**Class XII Business Studies**  
**Sample Paper – 2**

**Time: 3 hrs**

**Max. Marks: 80**

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**General Instructions:**

- i. Marks for questions are indicated against each question.
  - ii. Question Nos. **1–20** are objective type/MCQ questions carrying **1** mark each.
  - iii. Question Nos. **21–25** are short answer I questions carrying **3** marks each.
  - iv. Question Nos. **26–28** are short answer II questions carrying **4** marks each.
  - v. Question Nos. **29–31** are long answer I questions carrying **5** marks each.
  - vi. Question Nos. **32–34** are long answer II questions carrying **6** marks each.
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**SECTION A**

- 1. 'It is the moral duty of an organisation to use such techniques of production which are eco-friendly'. Name the objective of management being described. [1]
- 2. After standards are set, the next step in the controlling process is \_\_\_\_\_.  
(Choose the correct alternative and fill in the blank) [1]
  - A. To analyse deviation
  - B. To compare performance
  - C. To measure actual performance
  - D. Any of the above
- 3. \_\_\_\_\_ is the impersonal mode of promoting a product. (Choose the correct alternative and fill in the blank) [1]
  - A. Publicity
  - B. Advertising
  - C. Personal selling
  - D. Sales promotion
- 4. State the organisation structure which follows the scalar chain for communication. [1]
- 5. Sources of recruitment such as the website naukari.com fall under the category of \_\_\_\_\_. (Choose the correct alternative and fill in the blank) [1]
  - A. Advertisements
  - B. Web publishing
  - C. Placement agencies
  - D. Employment exchange

6. What is meant by delegation? [1]
7. Mr Dharam purchased a refrigerator for Rs 18000 from a company named ABC Ltd. After two days of purchase, he found that the compressor of the refrigerator was defective. In this situation, in which of the following forums should he file his complaint? (Choose the correct alternative) [1]
- A. District forum
  - B. State Commission
  - C. National Commission
  - D. None of the above
8. According to Taylor, which worker is the most important in a factory system; the performance of whom must be improved? [1]
9. What can be said to be a general responsive action in the face of a particular problem or situation? (Choose the correct alternative) [1]
- A. Rule
  - B. Policy
  - C. Strategy
  - D. Procedure
10. Ram works as a Project Manager in ABC Ltd. He delegates the responsibility of a task to his team members, but he is responsible for the final outcome of the task. Which element of delegation is reflected in the above case? (Choose the correct alternative) [1]
- A. Authority
  - B. Responsibility
  - C. Accountability
  - D. None of the above
11. State the twin objectives of financial planning. [1]
12. Which step in the organising process stresses on maintaining a hierarchy in the organisation? (Choose the correct alternative) [1]
- A. Departmentalisation
  - B. Assignment of duties
  - C. Identification of work
  - D. Establishing work relations
13. Which of the following is not a part of marketing? (Choose the correct alternative) [1]
- A. After-sale activities
  - B. Pre-production activities
  - C. Post production activities
  - D. None of the above

14. 'Demand is never a problem; anything that is produced can be sold in the market.' Name the concept. [1]
15. Which of the following factors affect the choice of channel of distribution? (Choose the correct alternative) [1]
- A. Value of product
  - B. Monopoly
  - C. Market size is in large
  - D. All of the above
16. Which of the following steps is taken in the planning process after the alternative courses of action are identified? (Choose the correct alternative) [1]
- A. Implementing the plan
  - B. Developing the premises
  - C. Selecting an appropriate course of action
  - D. Evaluating the alternative courses of action
17. Raman bought an electric geyser which had a warranty of one year. However, the geyser stopped functioning after six months. He approached the manufacturer regarding the complaint for the same and asked for a replacement of the geyser. However, the manufacturer refused the same. Raman then approached the consumer forum and filed a case against the manufacturer in the district forum. A fine was imposed on the manufacturer and Raman received monetary compensation. Identify the consumer right being used in the given situation. [1]
18. Explain the term procedure. [1]
19. \_\_\_\_\_ refers to an institution which keeps securities of investors in the electronic form. (Choose the correct alternative) [1]
- A. Demat
  - B. Depository
  - C. Stock exchange
  - D. Financial market
20. Which of the following statements is **not true** with regard to management? (Choose the correct alternative) [1]
- A. Management is dynamic in nature.
  - B. All organisations require management.
  - C. Management as a process cannot be seen.
  - D. Various functions of management are performed one after the other.

### SECTION B

21. Explain the following:

- a) Planning may not be successful in the ever changing business environment.
- b) Planning involves large costs both in terms of money and time. [3]

22. In the year, 2017, the Central Government of India came up with a law to ban non-degradable plastic. This led to change in consumer demand towards steel and aluminum products. Manish a dealer in plastic, faced tremendous losses as the products manufactured by him could not be sold in the market. He started manufacturing steel and aluminum products. As these products were in demand, he earned a good amount of profit which helped him to cover the losses occurred from the previous business. [3]

- a) Which features/ characteristics of business environment is reflected in the above question.
- b) Explain that/those characteristic(s)

23. What are external sources of recruitment? Name and explain two external sources of recruitment. [3]

**(OR)**

‘It refers to searching for suitable candidates for a job vacancy in an organisation and prompting them to apply for the same.’

- a) Identify the process being described in the statement.
- b) List the various activities which are performed in the process identified in the above question.

24. What is meant by stock exchange? Are transactions in the stock market safe? How does the stock market contribute to economic growth? [3]

25. Explain National Commission as part of the three-tier machinery under the Consumer Protection Act. [3]

### SECTION C

26. What is meant by the organisational objective of management? What are the three basic organisational objectives? Describe. [4]

27. Identify and explain the kind of leadership being followed in the following situations:

- a) Shikha is of the opinion that once she has given orders, the subordinates must follow them completely without any questioning or deviation.
- b) Shekhar is of the opinion that subordinates must be given freedom with respect to the way a task is to be performed. He is there only to support the subordinates. [4]

**(OR)**

There is no difference between a manager and a leader. Do you agree with the given

statement? Comment.

**28.** When was NSE set up? What were its basic objectives? [4]

**SECTION D**

**29.** Why is planning important for an organisation? [5]

**(OR)**

What is planning? Explain any two features of planning.

**30.** Explain the importance of motivation in an organisation. [5]

**(OR)**

Explain the process of satisfaction of human needs.

**31.** How is planning related to controlling? [5]

**SECTION E**

**32.** Explain the following techniques of scientific management: [6]

- a) Method study
- b) Standardisation and simplification
- c) Differential piece wage system

**(OR)**

Explain the principle of 'Scalar Chain' and gang plank.

**33.** Explain the following terms: [6]

- a) Capital structure
- b) Financial risk
- c) Financial leverage
- d) Trading on equity
- e) Interest coverage ratio
- f) Floatation cost

**(OR)**

Explain factors affecting the requirement of working capital (Any 6)

**34.** Discuss about the rights of consumers under the Consumer Protection Act, 1986 [6]