



S R Study Material

SAMPLE PAPER 2 2024-25

Class 12 - Business Studies

Time Allowed: 3 hours

Maximum Marks: 80

General Instructions:

1. This question paper contains 34 questions.
 2. Marks are indicated against each question.
 3. Answers should be brief and to the point.
 4. Answers to the questions carrying 3 marks may be from 50 to 75 words.
 5. Answers to the questions carrying 4 marks may be about 150 words.
 6. Answers to the questions carrying 6 marks may be about 200 words.
 7. Attempt all parts of the questions together.
1. In a company, the marketing departments objective is to increase sales by 10 per cent by offering discounts. But, the finance department does not approve of such discounts as it means loss of revenue. These kinds of conflict arise in organisations because of the lack of one of the concepts of management. Identify the concept highlighted above. [1]
- | | |
|---------------|-----------------|
| a) Directing | b) Organising |
| c) Management | d) Coordination |
2. Which of the following is not a feature of money market? [1]
- | | |
|--|--|
| a) Investment in money market requires huge financial outlay | b) It deals in medium and long-term securities |
| c) Money market instruments are unsecured. | d) Its securities enjoy a higher degree of liquidity |
3. Which limitations highlighted here, once plans decided the future course of action and managers may not be in a position to change it. [1]
- i. Does not work in a dynamic environment
 - ii. Reduces morality
 - iii. Creates rigidity
 - iv. timeconsuming process
- | | |
|-------------|---------------|
| a) only iii | b) i and ii |
| c) only iv | d) ii and iii |
4. With higher use of debt, the difference between ROI and cost of debt increases the _____. [1]
- | | |
|-------------------|--------|
| a) Financial risk | b) ROI |
|-------------------|--------|

- c) Capital structure
d) EPS
5. An efficient control system helps to: [1]
a) Efficient use of resources
b) Boost employee's morale
c) All of these
d) Achieve objectives
6. Identify the principle of scientific management being ignored in the given picture, where boss is eating food whereas workers are not allowed to take lunch. [1]



- a) Mental revolution
b) Science, not rule of thumb
c) Co-operation not individualism
d) Harmony not discord
7. The term of the Treasury Bill cannot be more than _____ year. [1]
a) Two
b) Ten
c) One
d) Five
8. An organisation provides security services. It requires such candidates who are reliable and don't leak out the secrets of their clients. [1]

Which step in the selection process will help to ensure this?

- a) All of these
b) Personality Tests
c) Employment Interview
d) Reference and Background Checks
9. Which of the following statements is incorrect? [1]
i. Financial planning is the process of estimating the fund requirement of a business and specifying the sources of funds.
ii. The objective of financial planning is to ensure that enough funds are available at right time.
iii. Financial planning is a substitute of Financial Management.
iv. None of the above

- a) Option (iv)
b) Option (i)
c) Option (ii)
d) Option (iii)

10. **Assertion(A):** Division of work is of great importance in Organising. [1]
Reason(R): It makes sure that there is no duplication of work and no burden of work on one person.

- a) Both A and R are true and R is the correct explanation of A.
b) Both A and R are true but R is not the correct explanation of A.
c) A is true but R is false.
d) A is false but R is true.

11. Adapting to a change in consumer preference towards online shopping, **Fast-Service** started a grocery delivery app. It is a platform that ensures 10-minute deliveries of groceries. Because of this service, **Fast-Service** earned huge profit within a year. It planned to expand its operations and decided to raise funds by directly issuing its securities to investors. [1]

The market through which **Fast-Service** has decided to raise funds for its expansion is:

future trends, competition in the market affects the financial plan of these. Identify the limitation of planning.

- i. leads to rigidity
- ii. may not work in a dynamic environment
- iii. reduces creativity
- iv. huge cost

- a) iii and iv
- b) ii and iii
- c) only iv
- d) only i

18. Match the objective of management in Column I with their respective definition in Column II: [1]

(a) Organisational Objectives	(i) Survival, profit and growth
(b) Social objectives	(ii) Providing basic amenities like schools and healthcare, etc.
(c) Personnel objectives	(iii) Satisfying diverse needs of employees, e.g. financial needs such as competitive salaries and perks, social needs such as peer recognition and higher level needs such as personal growth and development.

- a) (a) - (i), (b) - (ii), (c) - (iii)
- b) (a) - (ii), (b) - (i), (c) - (iii)
- c) (a) - (iii), (b) - (ii), (c) - (i)
- d) (a) - (i), (b) - (iii), (c) - (ii)

19. **The use of debt increases the financial risk of a business.** The factor determining the choice of an appropriate capital structure of a company highlighted in the above statement is: [1]

- a) Risk consideration
- b) Flexibility
- c) Debt Service Coverage Ratio
- d) Cost of debt

20. Controlling is: [1]

- a) both forward and backwards-looking
- b) Backward-looking
- c) neither forward nor backwards-looking
- d) Forward-looking

21. **Students Pushtak Prakashan Ltd.** publishes quality books on various subjects. According to a scheme of the company those employees who give standardised performance will be sent on a free foreign trip for a week. Three managers of the company, namely Rakesh Sharma, Rajiv Gupta, and Amarjit Singh got this lucky chance this year. All three managers went on a foreign trip. During the visit, although they were in pleasure mood yet they remained closely associated with the company. One evening they were busy in discussing as to what they can do, as managers, for the company and the society. Their opinions in this respect were as under:
 Rakesh Sharma Opined: It is our duty towards the company that has offered us jobs, to do something to keep it alive for a long period, to develop it and enable it to earn profit continuously. Rajiv Gupta was of the view that we all, including the company, live in society. As such, we must take full care of the health and safety of society. Not only that, but it is also our duty to supply good quality products at cheap rates to the general public.
 In the end, Amarjit Singh remarked that in running the organisation, the contribution of the employees is always the maximum. We should, therefore, pay all-out attention to their feelings. It is important for us to ensure what they want. [3]

Thus by expressing their views all three realised their responsibilities towards the company, society, and employees.

- a. Around which concept of management the above discussion does revolve?
- b. Which aspect of the concept identified wide point (a) has been touched by the three managers? Clarify.

22. Gagan has joined as a Managing Director of True Help Ltd., a company engaged in the business of providing roadside assistance to the vehicle owners. He was previously working in an automobile company. As a part of the joining incentive, the company has allotted him 400 shares of the company. [3]

In the context of the above case:

- i. Identify the type of source of recruitment used by True Help Ltd. to fill up the post of Managing Director.
- ii. Identify the type of financial incentive offered to Gagan. Also, state any one other method that can be used to offer financial incentives to the employees.

OR

Name the type of formal communication, in which two departmental heads communicate with each other. Give any two reasons why this type of communication is required.

23. Yatin has the option of taking a loan from his relatives and friends. These people have assured him to give a loan at a low-interest rate. So he decides to use debt as a source of financing his project. Now he goes to different relatives and friends to see if he can get a cheaper source of finance with an even lower rate of interest. [3]
- Identify and state the factor highlighted above which affects the choice of the capital structure of a company.

24. State any three points of importance of consumer protection from the point of view of business. [3]

OR

Which responsibility of a consumer has not been fulfilled in the following cases?

- i. Despite it was written on the cover of the face cream that it should be used only after a patch test, Rina applied it on her face and developed an allergy.
- ii. The loose spices purchased by Aditi were adulterated.
- iii. Sahil found a worm in chocolate but did not tell anyone as he thought it is a small amount, so there is no point in making a complaint.
- iv. Neeta desperately wanted to watch the movie so purchased the tickets from a black marketeer.
- v. Rohit did not take cash memo for his mobile to save GST.

25. Differentiate between 'Rules' and 'Methods' as types of plans. [4]

OR

Distinguish between **objectives** and **policies** as types of plans.

26. Explain the limitations of Controlling. [4]

OR

State the meaning of controlling.

27. There are about 100 people working in **Neerja Papad Udyog Private Limited**. There has been going on a dispute between the management and workers over the division of profit. Recently Mrs Gurpreet Kaur has taken over the charge as the managing director of the company. Soon after taking over the charge she made a deep study of the present status of the company. She held a number of meetings of all the employees, each after a little interval. In the meetings she advised the employees, We should run after not the profit but production. Management and employees are the two wheels of the carriage of organisations. This carriage will run effectively and efficiently only when both the wheels work properly. We both compliment each other or we both are in need of each other. The organisation will grow and its goodwill in the market will increase only when we [4]

both are happy.

She also assured the workers that all of them would get as much remuneration as is necessary to maintain a reasonable standard of living. Besides, she also added that a fixed percentage of the company's profits would be divided with the workers.

What Mrs. Kaur said had a favourable impact on the employees. The company's problem which had continued since long disappeared or was resolved in on time.

Identify and explain the concepts of Fayol and Taylor described in the paragraph above by quoting the relevant lines.

28. What is meant by **Leadership**? State any two leadership styles. [4]
29. Distinguish between **Capital Market** and **Money Market** on the basis of following: [4]
- i. Duration
 - ii. Liquidity
 - iii. Safety
 - iv. Investment Outlay
30. State any two reliefs that the Consumer court can grant to consumers in case of genuine complaints in each of the following situations: [4]
- i. Divya was charged more than the printed maximum retail price (MRP) for a bottle of water.
 - ii. Clara was sold a car with a defective engine.
 - iii. Antony suffered injury while using newly bought defective electric heater.
31. Mr Naresh recently completed his MBA from one of the Indian Institutes of Management in Human Resource Management. He has been appointed as Human Resource Manager in a Truck, Manufacturing Company. The company has 1,500 employees and has an expansion plan in hand that may require additional 500 persons for various types of jobs. Mr Naresh has been given the complete charge of the company's Human Resource Department. [6]
- List out the specialised activities that Mr Naresh is supposed to perform as the Human Resource Manager of the company.

OR

Entertainment India Ltd. has been incorporated with the objective of entertaining people by organising festivals, programmes and other similar events depicting the rich cultural heritage of the country. The company management has renowned personalities from the field of art, literature and culture. They decided to give a platform to young budding musicians, poets and artists. The company decided its organisational structure by grouping similar jobs together. Thereafter, the heads of different departments were also appointed. Nisha, one of the heads, did an analysis of the number, type and qualification necessary for people to be appointed. The information generated in the process of writing the job description and the candidate profile was used to develop **Situations vacant** advertisement. This was published in print media and flashed in electronic media. This brought in a flood of response.

Explain the other steps which Nisha has to perform to complete the process being discussed above.

32. Identify the Dimension of Business Environment relating to the statements given below: [6]
- i. The increasing interest of the urban people in health and fitness.
 - ii. With the increase in the income of the people the increase in their demand of certain commodities.
 - iii. Discrimination in the remunerations of men and women doing the similar type of work.
 - iv. Opposition of certain political parties to the Foreign Direct Investment in Organised Retailing.

- v. The Adverse impact on the Cotton Cloth Industry with the coming up of the clothes made of synthetic thread in the market.
- vi. Ban imposed by the Government on the sale of a product in vogue on account of the failure of its samples.

OR

How does the understanding of business environment help the management in the following

- i. Identification of threats and early warning signals
- ii. Identify threats and early warning signals
- iii. Assist in planning and policy formulation
- iv. Improving performance
- v. Tapping useful resources

33. What is a divisional structure? Discuss its advantages and limitations. [6]

34. Medi Instruments Ltd. is a company dealing in the distribution of medical instruments. The company recently imported 15000 units of sugar testing machines to test the sugar levels without taking blood samples. For deciding the marketing strategy, the Chief Executive Officer of the company called a meeting of the marketing heads of different zones. In the meeting, Sanjay, the North Zone Marketing Head, suggested that since the machines were sophisticated they need to visit hospitals personally to explain its working to the hospital staff who would be using the machines. He also suggested that additional trained people may be recruited for the same. Hitesh another Zonal Head, added that since a lot of money had been spent on the import of the machines, the company was short of funds to pay the additional staff, as suggested by Sanjay. Revansh, a newly appointed Zonal Head of South Zone, suggested that since the size of the order was not large a detailed study of the factors determining the choice of channels of distribution was required before making the right choice. [6]

- i. Identify the factors influencing the choice of channels of distribution which were discussed in the meeting.
- ii. Also, explain briefly the other consideration to be taken care of in each factor identified in part.

To buy solution of this sample paper at Rs 50 kindly whatsapp at 9811296736