

SAMPLE PAPER – 2019
(As per latest CBSE Syllabus)

BUSINESS STUDIES

Class: XII

Duration: 3Hrs

Max Marks: 80

General Instructions:

- (i) Answers to questions carrying 1 mark may be from one word to one sentence.
- (ii) Answers to questions carrying 3 marks may be from 50 – 75 words.
- (iii) Answers to questions carrying 4 – 5 marks may be about 150 words.
- (iv) Answers to questions carrying 6 marks may be about 200 words.
- (v) Attempt all parts of a question together.

SECTION A		
1.	“This function of management seeks to bridge the gap between where we are and where we want to go”. Identify the function of management highlighted here.	1
2.	Distinguish between Marketing and Selling on the basis of emphasis.	
	OR	1
	Distinguish between Advertising and Personal Selling on the basis of flexibility.	
3.	Define Span of management.	
	OR	1
	Define Informal organisation.	
4.	Name the type of training that is suitable to train the employees to handle highly sophisticated machinery and equipment.	
	OR	1
	Name the type of test which measures the level of knowledge and proficiency in the area of professions or technical training.	
5.	State the role of DFHI in money market.	1
6.	Raghu Exports gives minimum annual rise of 10% in salary to all employees. He also ensures that the entire factory staff is insured against accidents. Identify the Maslow’s hierarchy of need highlighted in the above statement.	1
7.	Amit, a retailer, bought 10 electric iron box for the purpose of resale.	1

	When he opened the packing he found that the pressing plate of two iron boxes was not intact. He contacted the supplier who refused to listen to him. Can Amit file a complaint under the Consumer Protection Act? Give reason.	
8.	The time gap between order placement and delivery of a raw material required by a production unit is three months. How does it affect the working capital requirement of the production unit?	1
	SECTION B	
9.	State any three features of money market.	
	OR	3
	State any three merits of electronic trading system.	
10.	The Sales Manager while addressing to fresh graduates explained the threats and opportunities company was facing. He used lot of technical words he learnt in his MBA classes. Identify the type of communication barrier and state the category of communication barrier identified in the above statement.	3
11.	Sunaina Ltd. had plans to manufacture and provide the best quality artificial jewellery to the consumers. For this, it identified that the following steps needs to be performed: <ul style="list-style-type: none"> • Procurement of raw material, its conversion into synthetic element, processing, market research, to create awareness in the consumers about their product, etc. • Then it created small groups having the activities of similar nature. • To ensure achievement of the goals, it allocated the work to the different positions created earlier. • They knew that mere allocation of duties is not enough. To achieve the goals, it is necessary that there exists a superior subordinate relationship. They, therefore, created it. (i) Identify the function of management performed. (ii) State the first two steps of the function identified by quoting the lines.	3
12.	“The finance manager presented a blue print of its operation for the next financial year”. Identify the concept of financial management and state any two importance of the concept identified.	
	OR	3
	“The decision influenced by the liquidity and profitability position of	

	business in the short run”. Identify the financial decision and state any two factors affecting the decision identified.	
13.	A garment manufacturing unit is facing a problem of accumulation of obsolete stock due to frequent changes in the fashion industry. The marketing manager came up with an idea to clear off the excess stock lying with them. They offered “Free dinner coupons worth ₹ 500 on purchase of ₹ 6,000 and above. (i) Identify the techniques of sales promotion used by the company. (ii) Explain the marketing management philosophy being followed by the company.	3
	SECTION C	
14.	“In the present day market, the retailers have direct link with the suppliers who replenish their stocks as and when needed and at the same time the manufacturers follow flexible manufacturing system”. This has been possible due to change in one of the dimensions of business environment. Identify and state the dimension given in the above statement and explain any other two dimensions of business environment.	4
15.	State any four importance of motivation.	
	OR	4
	State the features of directing.	
16.	McDonald, the fast food giant, wanted to acquire 10% market share in India within one year. For this, it introduced Pizza Mc Puff, Chicken Mc Grill and Maharaja Mac at various prices in the market’. (i) Identify the types of plans mentioned in the above statement. (ii) Differentiate any two points between the types of plan identified in point (i).	4
17.	Ravi has 200 shares of Reliance industries. Reliance came out with a fresh issue of shares and offered Ravi to subscribe for new shares. He was given option to buy 1 share for every two shares held by him. (i) Name the method of issuing financial instrument and state one more method of issuing financial instrument. (ii) Explain which type of market trades in this type of financial instrument.	
	OR	4
	The electronic book entry form of holding and transferring securities has eliminated the problem of theft and forgery’. Identify and explain the concept of financial market indicated in the	

	given statement.	
18.	The label of a health drink did not disclose the presence of Soya content towards which many people are allergic. (i) Identify and state the consumer right violated. (ii) Explain any two other rights of consumer.	4
19.	The directors of a company decided to issue debentures worth ₹ 70, 00, 000 in order to finance their expansion plans. This would lead to increase in the debt equity ratio from 2:1 to 3:1 but at the same time would increase the earning per share. (i) Identify the financial decision taken by the directors. (ii) State the concept of financial management referred in the statement. (iii) Explain any two factors that they need to consider before taking the decision.	4
SECTION D		
20.	Rohan, sales manager of Sonam Garments Ltd. is a very good leader. He always motivates his team to perform the best. Till three months ago he and his team were exceeding targets. However, from last three months they have not been able to meet their target. On analyzing the performance it was observed that one of the team members left the job and he offered competitor's products to some of the clients at cheaper rates. (i) Identify the function of management stated above and state the step of the function which helped management to find out the fall in performance. (ii) Explain the next steps of the function of management identified in point (i).	5
21.	Explain any four factors determining price of a product.	
OR		
	Explain any four components of physical distribution.	5
22.	'It is balancing and keeping together the team by ensuring suitable allocation of tasks to the members and seeing that the tasks are performed with harmony among the members'. (i) Identify the concept which is being referred in the above statement. (ii) Explain the importance of the concept identified in point (i).	5
SECTION E		

23.	Differentiate between Unity of Command and Unity of Direction on the basis of: (i) Meaning (ii) Aim (iii) Implications	
	OR	6
	Differentiate between Henri Fayol and F.W. Taylor on the basis of: (i) Perspective (ii) Applicability (iii) Formation	
24.	400 million users served that's the traffic milestone achieved by Facebook in early 2010. One of those users is Big Four accounting firm Ernst & Young (E & Y), which has had a Facebook page since the summer of 2006. According to the company's human resource manager, E & Y uses its Facebook page to reach out to potential employees. The company also wanted to promote its brand and culture and show students (future employees) what E & Y was all about and what it would be like to work there. (i) Identify and state the source of recruitment used by E & Y. (ii) Explain any four merits of the identified source of recruitment.	6
25.	At a conference, a management leader with a mountaineering background stated, "On the mountain, you threaten the success of meeting your goal if you carry superfluous stuff. It is the same in business. You avoid what slows you down and is distracting. Share the load and stay focused. These are among the principles of mountaineering that can be applied in the case of business managers too". The given statement refers an important concept of a function of management. (i) Identify and state the given concept indicated in the above statement. (ii) Explain any four importance of the concept identified.	6

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