



ANANDALAYA
PERIODIC TEST – 2
Class : XII

Subject : Business Studies (054)
Date : 10-09-2025

M.M : 80
Time : 3 Hrs.

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. Different organizations have different goals. 'Zeepo' is an upcoming retail chain for providing consumer goods door-to-door; the objective of this organization is to increase sales. 'Allie' is an educational organization working with an objective of providing education to underprivileged children of the society. Management of each of these organizations unites the efforts of their employees towards achieving organizational goals. The characteristic of management discussed above is: (1)
(A) Management is goal-oriented. (B) Management is a continuous process.
(C) Management is a dynamic function. (D) Management is an intangible force.
2. Identify the incorrect statement with respect to the concept of planning: (1)
(A) Planning focuses on achieving organizational goals.
(B) Planning eliminates all risks and uncertainties in an organization.
(C) Planning is a continuous process.
(D) Planning helps in decision
3. The top management of "Global Exports Ltd." aims to increase its export sales by 20% in the next fiscal year. To achieve this, the marketing, production, and finance departments are all tasked with developing their specific operational plans. (1)
The feature of planning highlighted by these departmental planning activities is:
(A) Planning is continuous (B) Planning focuses on achieving objectives
(C) Planning is pervasive (D) Planning is futuristic
4. Arun Kumar, the CEO of a growing electronics company, decided to divide the organization into separate units based on products such as home appliances, mobile devices, and wearable gadgets. Each unit has its own resources and is responsible for its performance. Which type of organizational structure did Arun implement? (1)
(A) Functional structure (B) Divisional structure
(C) Informal organization (D) Matrix structure
5. Assertion (A): Organising helps achieve organisational goals by structuring resources and activities effectively. (1)
Reason (R): It eliminates the need for planning and controlling within the organization.
Which of the following is correct?
(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.

6. Read the following statements carefully: (1)
Statement I: Physical distribution involves decisions related to transportation, warehousing, and inventory management.
Statement II: Channels of distribution include intermediaries like wholesalers, retailers, and agents.
In the light of given statements, choose the correct alternative from the following:
(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.
7. Which of the following is not a step in the planning process? (1)
(A) Setting objectives (B) Developing premises
(C) Evaluating alternatives (D) Motivating employees
8. Read the following statements carefully: (1)
Statement I: Advertising is a paid form of nonpersonal communication used to promote goods and services.
Statement II: Public relations are primarily focused on increasing immediate sales rather than building long-term goodwill.
In the light of given statements, choose the correct alternative from the following:
(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.
9. Identify the incorrect statement with respect to the functional and divisional structures of an organization: (1)
(A) A functional structure groups activities based on functions like production, marketing, and finance.
(B) A divisional structure is suitable for organizations with a variety of products or geographic regions.
(C) A functional structure promotes faster decision-making due to specialization.
(D) A divisional structure may leads an organisation become a functional empire.
10. Healthy Heart, a cereal brand, rebranded its packaging to include vibrant colors and health benefit information. The new packaging was designed to attract attention on supermarket shelves and communicate the nutritional value of the product. (1)
Which function of packaging is highlighted in Healthy Heart's strategy?
(A) Protection (B) Convenience (C) Promotion (D) Standardization
11. What is meant by "premises" in the planning process? (1)
(A) The building in which planning is conducted.
(B) The assumptions made about future conditions.
(C) The final step in the planning process.
(D) A general guide for future activities.
12. A company manufacturing basic tools operates under the assumption that if products are readily available in the market and are priced affordably, customers will automatically buy them. Their main focus is on efficient, large-scale manufacturing and widespread distribution. (1)
The marketing management philosophy this tool company follows is the:
(A) Product concept (B) Selling concept
(C) Marketing concept (D) Production concept

13. Read the following statements carefully: (1)
- Statement I: The Consumer Protection Act, 2019, grants consumers six basic rights, including the right to safety and the right to be informed.
- Statement II: The right to redressal does not allow consumers to seek compensation for harm caused by defective products.
- In the light of given statements, choose the correct alternative from the following:
- (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.
14. Which of the following are elements of delegation? (1)
- (i) Authority (ii) Responsibility (iii) Accountability (iv) Coordination (v) Supervision
- Choose the correct alternative:
- (A) (i), (ii), and (iii)
(B) (ii), (iii), and (iv)
(C) (i), (iii), and (v)
(D) (ii), (iv), and (v)
15. Assertion (A): Business environment is dynamic in nature. (1)
- Reason (R): The external factors that affect businesses, such as political, economic, social, and technological forces, change constantly.
- (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.
16. Which of the following statements correctly describe single-use plans? (1)
- 1 They are designed for recurring activities.
2 They are created for specific, non-recurring events.
3 They are flexible and can be adapted easily.
4 They remain in effect indefinitely.
- Which of the following is/are correct?
- (A) Only 2 (B) 1 and 3 (C) Only 4 (D) 1 and 2
17. When purchasing a packaged food item, Rina carefully reads the label to check the manufacturing date, expiry date, ingredients, and nutritional information before making her decision. Which consumer right is Rina primarily exercising by checking these details? (1)
- (A) right to safety (B) right to be heard
(C) right to be informed (D) right to seek redressal
18. The “Indian Banks’ Association (IBA)” has issued guidelines for its member banks on fair treatment of customers, transparent disclosure of charges, and efficient grievance handling mechanisms. Member banks are encouraged to follow these. (1)
- This initiative by the IBA is an example of which way/means of consumer protection?
- (A) Consumer awareness campaigns
(B) Government legislation
(C) Business associations laying down codes of conduct
(D) Self-regulation by individual businesses
19. Coordination is often called the essence of management because, _____. (1)
- (A) it is the final step in the management process.
(B) it is the common thread in all management functions.
(C) it ensures the achievement of personal goals only.
(D) it is a process of identifying threats and warnings

20. Read the following statements carefully: (1)
- Statement I: Taylor's scientific management techniques, such as time study and motion study, aim to improve the efficiency of the workforce.
- Statement II: Fayol's principles of management emphasise the human and administrative aspects of management rather than efficiency techniques.
- Choose the correct alternative from the following:
- (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) List the five primary functions of management as a process. (3)
- (b) Briefly state what the first two functions in this process involve.
- OR**
- In management, what does "efficiency" mean, and how does it relate to the optimal use of resources to achieve desired results?
22. How does understanding of business environment help in improving the performance of a business? (3)
- OR**
- Just after the declaration of election results, the Bombay Stock Exchange's price index (Sensex) rose by 2100 points in a day. Identify the environmental factor that led to this rise. Why & How?
23. Darshit purchased a scooter which was in Pranav's possession from the date of purchase. Pranav was using it and taking it to the seller for repairs and service from time to time. Later on, Pranav had a complaint regarding the scooter. He sued the seller. The seller pleaded that since Pranav did not buy the scooter, he was not a consumer under the Act. Do you agree with the seller? Why? (3)
24. Levis jeans hires workers for stitching in their factory. Target of stitching 100 jeans per week is given to the workers. Rate per piece is fixed at ₹ 50. But to motivate the workers, it was announced that workers stitching more than 100 jeans per week will get the rate of ₹ 55 per piece on all the jeans which they had stitched and deposited with the line managers. Parvej had a fast speed in comparison to others. By giving one hour extra, he stitched 120 pieces of jeans. So, he got 120 jeans @ ₹ 55 per piece, i.e. ₹ 6,600 in that particular week whereas his colleague Mushtaq stitched only 90 pieces and he got 90 pieces @ 50, i.e. ₹ 4,500 only. (3)
- Identify the management technique used in this scenario to motivate workers. Explain in brief.
25. Enumerate any four the limitations of formal organisation. (4)
- OR**
- Write any four advantages of Informal Organisation.
26. Safe Hands Sanitizers' saw a massive surge in demand due to a health crisis. Their initial objective was to double production within one month. They developed assumptions about the availability of raw materials and government regulations regarding sanitizer production. They then identified several ways to achieve this: running extra shifts, outsourcing part of the production, or investing in new machinery. After weighing the pros (speed, cost) and cons (quality control, investment) of each, they decided on a combination of running extra shifts and quickly purchasing one new bottling machine. (4)
- (i) The company identified ways like running extra shifts or outsourcing. Which step of the planning process does this represent? Explain this step.
- (ii) After weighing pros and cons, the company decided on a course of action. Identify and explain this step in the planning process.

27. Radhika, a Class XII Business Studies student, decided to explore the feasibility of marketing high-quality rice at an affordable price as part of her project. Her father, an experienced rice farmer selected for a government pilot project, advised her to use the internet to gather customer opinions. Through her research, Radhika discovered a high demand for packaged organic rice. Recognizing the lack of standardized specifications in rice production, she anticipated challenges in achieving uniformity. To distinguish her product from competitors, she branded it as 'Malabari Organic Rice' and categorized it into three varieties—Popular, Classic, and Supreme— based on quality, believing these names would aid in product differentiation. (4)

With reference to the scenario, explain four functions of marketing.

28. Foodland launched a scheme, "Happy Meal," for its very young customers (3-10 years), wherein, besides their delicious goodies, they would receive a toy cartoon character from the latest movies. This scheme was a great success and attracted many children to their outlets, which significantly increased the popularity and sales of Foodland. (4)

Identify and explain the type of Plan.

29. Modi Furniture assigned specific tasks to different teams of workers, with each team responsible for activities like wood cutting, polishing, furniture design, and assembly. The workers trusted one another and worked harmoniously, keeping their tools organized in toolboxes. They adhered to workplace rules such as no smoking during work, no leave without prior permission, and no use of cell phones during working hours. The workers were paid fair wages aligned with the company's paying capacity. (4)

Identify any three management principles implemented in this organization and explain their advantages.

OR

- (i) Name and explain the principle of management which requires judicious application of penalties by the management.
- (ii) Name and explain the technique of scientific management which helps in establishing interchangeability of manufactured parts and products.
30. Parliament of India has made certain amendments in the Consumer Protection Act, 1986. As a result, business enterprises will have to spend more to maintain quality standard of their products. (4)
- (i) Which key components of the business environment is discussed in the given case?
- (ii) Give one recent example called as the 2-slab revolution, to show the effect of given environment on the working of business enterprise.
31. A company known for its high-quality water purifiers and excellent after-sales service enjoyed significant popularity and was a market leader, earning substantial profits. However, due to its profitability, the company began neglecting its after-sales service, leading to strained customer relationships and a tarnished public image. This issue came to the forefront when the company's profits for the current quarter dropped sharply. Upon analysis, it was found that the decline in after-sales service was the primary cause. In response, the company implemented comprehensive measures to rebuild its reputation and improve its image in the public eye. As a result, the company successfully restored its goodwill within society. (6)
- (a) Name and state the communication tool used by the marketer in the above case to improve its image.
- (b) Also explain role of the tool as identified in part (a).

32. Mr. Sharma bought a branded geyser with an ISI mark. The product came with a two-year warranty. (6)
After one year of use, the geyser malfunctioned and caused a minor electric shock to his son. When he approached the seller, they refused to address the issue, claiming user mishandling. Mr. Sharma decided to approach a consumer court, armed with his purchase bill and warranty card, to seek replacement and compensation.
- (i) Which consumer right ensures Mr. Sharma's protection against the hazardous geyser? Explain this right.
 - (ii) Which two consumer responsibilities did Mr. Sharma demonstrate effectively? List two other consumer responsibilities.

OR

Anita purchased a new electric kettle from an online store. The product description claimed it had an auto shut-off feature for safety. However, after a few uses, she noticed the kettle did not turn off automatically, posing a risk. She tried contacting the seller, who initially did not respond. Anita then decided to file a complaint as she felt her safety was compromised and she was not provided with accurate product information.

- (i) Identify and state the two consumer rights violated in Anita's case.
 - (ii) If Anita files a complaint for the kettle valued at ₹1,200, which redressal agency under the Consumer Protection Act, 2019, would have the jurisdiction to hear her case? State any one relief this agency can grant.
33. A start-up company, 'Innovatech Solutions', designs custom software for small businesses. For a (6)
large upcoming project involving developing a new CRM system for a client, they prepared a detailed document. This document specified the project's goal (CRM system delivery by December 31st), the specific tasks to be performed by different team members, a timeline for each module, the human and technical resources needed, and a financial layout showing expected expenses and revenue. This document will guide the entire project from start to finish.
- (i) Identify and explain the type of plan Innovatech Solutions has prepared for the CRM project.
 - (ii) The financial layout showing expected expenses and revenue is a specific type of plan within the broader document. Identify and explain this specific type of plan.
34. The G20 Summit was organised in India. The government left no stone unturned to ensure the G20 (6)
Summit's success. At a higher level, the work to be performed was identified and grouped to enable people to work most effectively together to accomplish objectives. This involved building infrastructure, beautifying the city, providing hospitality, and making security arrangements, among other things. Duties were assigned to different job positions, resulting in the establishment of clear relationships. This helped in creating a hierarchical structure and coordination amongst all those working for the summit.
- (a) Identify and explain the function of management discussed in the above para.
 - (b) Explain any four points of importance of the function identified in (a) above.