



B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL



PERIODIC TEST-1, 2025-26

BUSINESS STUDIES 054

Class: XII

MS

Time: 1hr

Date: 30.06.25

Max Marks: 25


Admission no:

Roll no:

General Instructions:

- This question paper contains 10 questions. All questions are compulsory.
- Marks are indicated against each question.
- Answers should be brief and to the point.
- Question no. 1 to 5 are MCQs of 1 mark each.
- Question no. 6 and 7 are Short Answer Type Questions, carrying 3 marks each. Answer to each question should not exceed 50-75 words.
- Question no. 8 and 9 are Short Answer Type Questions, carrying 4 marks each. Answer to each question should not exceed 120-150 words.
- Question no.10 is Long Type Question, carrying 6 marks. Answer to this question should not exceed 180-200 words.

1.	<p>Assertion (A): Business activities consist of all such factors which are purely monetary in nature</p> <p>Reason (R): Business environment consists of technological, legal, social and political forces...</p> <p>Options:</p> <p>(a) Both Assertion (A) and Reason (R) are true Reason (R) is the correct explanation of Assertion (A)</p> <p>(b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)</p> <p>(c) Assertion (A) is True but Reason (R) false</p> <p>(d) Assertion (A) is True but Reason (R) true</p> <p>Ans : B</p>	1
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2.	<p>Analyse the picture given and identify the feature of planning illustrated.</p> <div></div> <p>(A) Planning is pervasive (B) Planning is futuristic (C) Planning is continuous (D) Planning focus on achieving objectives</p> <p>Ans) D</p>	1								
3.	<p>Match the column I with column II :</p> <table><tr><th>Column I</th><th>Column I</th></tr><tr><td>1. Mental exercise</td><td>a. Looking ahead and regarded as forward looking.</td></tr><tr><td>2. Futuristic</td><td>b. Intellectual activity of thinking rather than doing</td></tr><tr><td>3. Continuous</td><td>c. Need for a new plan based on future requirements and needs.</td></tr></table> <p>Options:</p> <p>(a) 1 -a, 2 -b, 3 -c (b) 1-c, 2 -b, 3 – a (c) 1 -b, 2 – c, 3 – a (d) 1- b, 2 -a , 3 – c</p> <p>Ans) B</p>	Column I	Column I	1. Mental exercise	a. Looking ahead and regarded as forward looking.	2. Futuristic	b. Intellectual activity of thinking rather than doing	3. Continuous	c. Need for a new plan based on future requirements and needs.	1
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1. Mental exercise	a. Looking ahead and regarded as forward looking.									
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3. Continuous	c. Need for a new plan based on future requirements and needs.									
4.	<p>Many businesses are using social media like face book and twitter to promote themselves. This is an example of which dimension of Business environment:</p> <p>(a) Social (b) Economic (c) Legal (d) Technological</p> <p>Ans : D</p>	1								

5.	<p>Which of the following best indicates the importance of business environment?</p> <p>(a) Identification (b) Improvement in business (c) Coping with rapid changes (d) All of them Ans) d</p>	1
6.	<p>Mr. Ajay after completing MBA from USA comes to India to start a new business under the banner Ecom creations Ltd. He launches a new product in e-learning for senior secondary school students in commerce stream, which already has an established market in UK and USA but not in India. His business starts flourishing in India. Now more Indian companies entered into the market with other subject also.</p> <p>Identify and quote the line from above para which highlight the significance of understanding business environment.</p> <p>Ans: a) Comes to India to start a new business..... launches a new product in e-learning for senior secondary school student in commerce stream.</p> <p>(1) It helps in assisting in planning and policy formulation. (2) It helps the firm to identify opportunities and get the first mover advantage. (a) His business started flourishing in India. (3) It helps in improving performance. (b) Now more Indian companies entered into the market with different subject also. (4) It helps the firm to identify threats and early warning signals.</p>	3
7.	<p>Planning provide directions and reduces the risk for uncertainty. Explain?</p> <p>Ans. The planning process clearly defines and maps out the guidelines for smooth operations of a business in order to achieve their main goals / objective. By stating in advance how work is to be done, planning provides direction to action. It ensures that objectives /goals are clearly stated so that they act as a guide for deciding what action should be taken and in which direction.</p> <p>Planning enables a manager to look ahead and anticipate changes. By deciding in advance the task to be performed, planning shows the way to deal with changes and uncertain events. Thus, planning helps to reduce the risks of uncertainty by preparing forecasts.</p>	3
8.	<p>The court passed an order that all school must have water purifier for the school children as society in general is more concerned about quality of life.</p> <p>Innovative techniques are being developed to manufacture water purifier at competitive</p>	4

	<p>rates.</p> <p>Incomes are rising and children at home are also drinking purified water.</p> <p>The government is also showing positive attitude towards the water purifier business.</p> <p>Identify the different dimensions of business environment by quoting lines from the above details.</p> <p>Ans. (1) Legal environment: The court passed an order that all schools must have water purifier for the school children.</p> <p>(2) Social environment: Society in general is more concerned about quality of life.</p> <p>(3) Technological environment: Innovative techniques are being developed to manufacture water purifier at competitive rate.</p> <p>(4) Economic environment: Income is rising and children at home are also drinking purified water.</p> <p>(5) Political environment: The government is also showing positives attitude towards the water purifier.</p>	
9.	<p>Suhani a home science graduate from a reputed college has recently done a cookery course. She wished to start her own venture with a goal to provide 'healthy food' responsible price. She discusses her idea with her teacher (mentor) who encouraged her. After analyzing various options for starting her venture, they shortlisted the option to sell readymade and 'ready to make' vegetable shakes and sattu milkshakes. Then, they both weighed the pros and cons of both the shortlisted option.</p> <p>(a) Name the function of management being discussed above and give any of its characteristic.</p> <p>(b) Discuss any three limitations of the function discussed in the case.</p> <p>Ans. (a) Planning</p> <p>Characteristic of planning</p> <p>Planning focuses on achieving objective as specific goals are set out in the plans along with activities under taken to achieve them. Planning has no meaning unless it contributes to the achievement of pre –determined organizational goals /objectives.</p> <p>(b) Limitations of planning</p> <p>(i) Planning leads to rigidity-once a well-defined plan is drawn, managers may not be able to change it. They do not have flexibility to be able to cope with the changed circumstances.</p> <p>(ii) Planning reduces creativity – planning is done by top management. Middle and lower management neither allowed to deviate from plans not are they permitted to act on their own. They only carry out orders. Thus, much of the initiative or creativity inherent in them gets lost or reduced.</p> <p>(iii) Planning is a time-consuming process-sometimes plans to be drawn up takes</p> <p>i. so much of time that there is not much time left for their implementation.</p>	4
10.	Two years ago Mohit obtained degree in food technology. For some time he worked in a	6

company manufacturing Bread and Biscuits. He was not happy in the company and decided to have his own bread and biscuits manufacturing unit. For this he decided the objectives and targets and formulated action plan to achieve the same. One of his objectives was to earn 50% profits on the amount invested in the first year. It was decided that raw materials like flour, sugar, salt etc. will be purchased on two months credit. He also decided to follow the steps required for marketing the products through his own outlets. He appointed Harsh as a production manager who decided the exact manner in which the production activities are to be carried out. Harsh also prepared a statement showing the requirements of workers in the factory throughout the year. Mohit informed Harsh about his sales target for different products, area wise for the fourth coming quarter. While working on the production table a penalty of Rs.150 per day was announced for not wearing the helmet, gloves and a pron by the workers.

Quoting lines from the above para identify and explain the different types of plans discussed.

Ans. The different types of plans are:

(i) Objective ‘One of his objectives was to earn 50% profit on the amount invested in the first year.’

An objective is the end which the management seeks to achieve within a given time period.

(ii) Policy-‘It was decided that raw material like flour, sugar, salt etc. will be purchased on two month credit’.

Policy is a general guideline which brings uniformity in decision making for achievement of pre determined objectives.

(iii) Procedure ‘He also decided follow the steps required for marketing the products through his own outlets’. OR

‘He appointed Harsh as a Production who decided the exact manner in which the production activities are to be carried out’.

It consists of sequence of routines steps on how carry out activities. It details the exact manner in which any work is to be performed.

(iv) Budget -‘Harsh also prepared a statement showing the requirement of workers in

the factory throughout the year. OR

‘Mohit inform Harsh about his sales target for different products, area wise for the forth coming quarter’.

A budget is a plan which state expected results of a given future period in numerical terms. It may be expressed in time, money or physical units.

(iv) Rule:-‘ while working on the production table a penalty of Rs. 150 per day was announced for not wearing the helmet, gloves and apron by the worker.’

A rule is a statement that specifies what is to be done or not to be done.

ALL THE BEST
