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**MID-TERM EXAMINATION (2024-25)**  
**CLASS : XII**  
**SUBJECT : BUSINESS STUDIES (054)**

**Time Allowed : 3 hours**  
**समय : 3 घंटे**

**Maximum Marks : 80**  
**अधिकतम अंक : 80**

**सामान्य-निर्देश :**

1. प्रश्न पत्र में 34 प्रश्न हैं।
2. सभी प्रश्न अनिवार्य हैं।
3. प्रश्न संख्या 1 से 20 प्रत्येक का 1 अंक है।
4. प्रश्न संख्या 21-24 लघु उत्तरीय प्रकार-I प्रश्न हैं, प्रत्येक के 3 अंक हैं।
5. प्रश्न संख्या 25-30 लघु उत्तरीय प्रकार-II प्रश्न हैं, प्रत्येक के 4 अंक हैं।
6. प्रश्न संख्या 31-34 दीर्घ उत्तरीय प्रश्न हैं, प्रत्येक के 6 अंक हैं।
7. कोई समग्र विकल्प नहीं है। हालांकि तीन अंकों के 2 प्रश्नों, चार अंकों के 2 प्रश्नों और छह अंकों के 2 प्रश्नों में आंतरिक विकल्प प्रदान किया गया है।

**General Instructions:**

1. There are 34 questions in the question paper.
2. All questions are compulsory
3. Question no. 1 to 20 carry 1 mark each.
4. Question no. 21-24 are short answer type-I questions carrying 3 marks each.
5. Question no. 25-30 are short answer type-II questions carrying 4 marks each.
6. Question no. 31-34 are long answer type questions carrying 6 marks each.
7. There is no overall choice. However, an internal choice has been provided in 2 questions of three marks, 2 questions of four marks and 2 questions of six marks.

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1. 'Brightest Papers' is a leading paper manufacturing company. The enthusiasm level of employees in this organisation is very high. The management has applied a process of directing where the financial and non financial needs of the employees are identified and are satisfied accordingly. The result has been amazing for the organisation. The output levels of the employees have touched a new high. Recently an award was also given to the HR department of the organisation for doing its job in the best manner in the industry. Two years back when the organisation had not applied this process the employees were leaving the organisation and were not loyal but now the situation has changed and there has been increase in the number of applicants for various jobs in the company. There are many steps taken to increase the output of the employees and for this the work environment is made interesting in order to increase their regularity which has obviously increased the labour input during the recent years. The company is now among the most inspiring organisations in the industry.

Which element of directing has been applied by the management?

- (a) Leadership
  - (b) Communication
  - (c) Motivation
  - (d) Both (a) and (b)
2. According to the World Health Organisation, 39% of adults are overweight. Over the last 40 years, the prevalence of obesity has tripled around the world. With over half of consumers drinking at least one sugary drink on a given day, regulations towards the beverage sector are likely to become increasingly onerous. In U.K., for example, a sugar tax was introduced in 2018 on beverages containing more than 5% sugar. Identify the related dimensions of the business environment.
- (a) Legal dimension and Social dimension
  - (b) Social dimension and Technological dimension
  - (c) Technological dimension and Legal dimension
  - (d) Political dimension and Technological dimension
3. Statement I: The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.
- Statement II: Simply the manager having the group of subordinates who report him directly is called as the span of management.



Choose the correct option from the following:

1

- (a) Statement I is true and Statement II is false.
- (b) Statement II is true and Statement I is false.
- (c) Both the Statements are true.
- (d) Both the Statements are false

4. .... refers to doing the task within the allotted time frame.

1

- (a) Effectiveness
- (b) Coordination
- (c) Process
- (d) Efficiency

5. Mr. Car Ltd. decided to set-up its new car manufacturing factory in the backward area of West Bengal where very less job opportunities were available. People of that area welcomed this effort of Mr Car Ltd. The company also decided to provide facilities like a school, hospital, market, etc. in the factory premises so that the people are attracted to join the factory as workers. Mr Car Ltd. started earning huge profits. Another competing company asked its production manager Arvind to investigate the reasons of earning huge profits by Mr. Car Ltd. Arvind found that in both the companies, there was systematic coordination among the various activities to achieve the organisational goals. Every employee knew who was responsible and accountable to whom. The only difference was that in his organisation, communication took place only through the scalar chain whereas Mr. Car Ltd. was allowing the flow of communication in all the directions as per the requirement which led to faster spread of information as well as quick feedback.

Identify the type of organisation which permits the flow of communication in all the directions in Mr. Car Ltd.

1

- (a) Informal organisation
- (b) Divisional organisation
- (c) Functional organisation
- (d) Both (b) and (c)



6. In an attempt to cope with Reliance Jio's market onslaught in 2018, market leader Bharti Airtel has refreshed its Rs. 149 prepaid plan to offer 2 GB of 3G/4G data per day, twice the plan it offered earlier.

Type of plan highlighted in the given example is:

1

- (a) Policy
- (b) Rule
- (c) Strategy
- (d) Procedure

7. Many big organisations maintain a close liaison with the universities, vocational schools, and management institutes to recruit qualified personnel for various jobs. This is known as \_\_\_\_\_.

1

- (a) Placement agencies and management consultants
- (b) Direct recruitment
- (c) Labour contractors
- (d) Campus recruitment

8. Keeping in view the changes in the consumer demands and preferences, 'Tastemaker Bakery' has reduced the sugar and fat content in its products. This approach of business shows that management is:

1

- (a) An intangible force
- (b) A group activity
- (c) A dynamic function
- (d) A multidimensional activity

9. Which of the following is NOT a feature of demonetisation?

1

- (a) Tax administration measure
- (b) Channelising savings into the formal financial system
- (c) Development of less-cash economy
- (d) Development of cash-less economy



10. Which of the following is not an assumption of Maslow's theory? 1
- (a) People's behaviour is not based on their needs
  - (b) Satisfaction of such needs influences their behaviour
  - (c) A satisfied need can no longer motivate a person; only the next higher level need can motivate him
  - (d) A person moves to the next higher level of the hierarchy only when the lower need is satisfied
11. Statement I: Planning and controlling are separable twins of management. 1  
Statement II: Planning is prescriptive, controlling is evaluative.  
Choose the correct option from the options given below:
- (a) Statement I is true and Statement II is false.
  - (b) Statement II is true and Statement II is false.
  - (c) Both the Statements are true.
  - (d) Both the Statements are false.
12. Which type of training is provided to the new employees of an organisation in order to familiarise them with the organisational rules and policies, their superior and subordinate, and so on? 1
- (a) Vestibule training
  - (b) Apprenticeship training
  - (c) Internship training
  - (d) Induction training
13. 'Nipun Chemical', a chemical company, decided to strictly implement 'No Smoking' in the factory and installed the following sign at their factory sites: 1





Identify the type of plan indicated by the above sign:

- (a) Policy
- (b) Rule
- (c) Method
- (d) Programme

14. Read the following statements:

1

Assertion (A) and Reason (R). Choose the correct alternative from those given below:

Assertion (A): Organising establishes the working relationships, which clarifies the lines of communication and specifies who is to report to whom.

Reason (R): Repetitive performance of a particular work also leads to specialization.

Alternatives:

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

15. It is not always true that just because a plan has worked before it will work again.

Identify the related limitation of planning.

1

- (a) Planning leads to rigidity.
- (b) Planning reduces creativity.
- (c) Planning may not work in a dynamic environment.
- (d) Planning does not guarantee success.



16. "Our assets walk out of the door each evening, we have to make sure that they come back the next morning." This statement relates to which function of management. 1

- (a) Staffing
- (b) Organizing
- (c) Planning
- (d) Directing

17. Statement - I: Business environment refers to all the factors that are under the control of the business enterprise

Statement II : Constant changes in environment make it difficult to predict changes in the external environment. 1

Choose the correct option from the following:

- (a) Statement I is true and Statement II is false.
- (b) Statement II is true and Statement I is false.
- (c) Both the statements are true.
- (d) Both the statements are false

18. Match techniques of scientific management with the suitable statements. 1

	Techniques		Statements
A	Motion Study	(i)	To attain maximum efficiency and for optimum utilisation of resources
B	Method Study	(ii)	Science of identifying and eliminating wasteful movements
C	Fatigue Study	(iii)	This differentiates efficient and inefficient workers
D	Differential Piece Wage System	(iv)	To determine the amount and frequency of rest intervals.

Options :

- (a) A-ii, B-iv, C-iii, D-i
- (b) A-ii, B-i, C-iv, D-iii
- (c) A-ii, B-iv, C-i, D-iii
- (d) A-ii, B-iii, C-iv, D-i



19. Boom Limited gives due weightage to the perquisites and prestige of job so that the designation helps to satisfy the psychological, social and esteem needs of an individual. Identify the type of incentive being described in the above lines. 1

- (a) Employee empowerment
- (b) Job security
- (c) Status
- (d) Perquisites

20. Bhagwati Enterprises is a company engaged in the marketing of air-conditioners of a famous brand. The company has a functional structure with four main functions - Purchase, Sales, Finance and Human resource. As the demand for the product grew, the company decided to recruit more employees.

Identify the concept which will help the Human Resource Manager to find out the number and type of personnel available so that he could decide and recruit the required number of persons for each department. 1

- (a) Employee Recognition programmes
- (b) Workload Analysis.
- (c) Workforce Analysis.
- (d) Employee Empowerment

21. Kartik joins a garment factory as a plant supervisor in Lucknow. He observes that the output of some workers is very low as compared to the standards set for their performance. On analyzing the reasons for the same, he finds out that a lot of time of the workers is wasted in getting the requisite materials issued from the store. Whereas on asking, the store keeper complains that there is no harmony in the working of the production department as a whole. Everyday the workers approach him at the last minute to procure different kinds of threads, laces, mirrors, buttons etc. If it is not available in the store then he has to place an order with the purchase officer. As a result, a lot of time of the workers is wasted. So, in order to integrate the various production activities, henceforth, Kartik ensures, that the store keeper is informed well three days in advance about the requisite material. Consequently, the store keeper is able to keep the materials ready for the workers every morning in accordance with their requirements. In context of the above case: 3



- (a) Identify and explain the function of management that Kartik has introduced in the working of the production department as a corrective measure to control the output of the workers.
- (b) State briefly any two points highlighting the importance of function of management identified in part (a).
22. Distinguish between formal organisation and informal organisation on any three basis. 3

**OR**

Distinguish between functional structure and divisional structure on the basis of :

- (a) Formation
- (b) Cost
- (c) Responsibility
23. Explain the first three steps in the process of 'Planning'. 3

**OR**

State three points of importance of planning.

24. Anu is a seven year old girl. She planned with her father to give a gift on her mother's birthday. She took her piggy bank to shopkeeper with her father. She selected a purse for her mother and when she took out one note of Rs 2000 from the piggy bank. The shopkeeper refused to take that note saying that it is no longer a valid currency. Her father explained her that shopkeeper is saying right. 3

- (a) Identify the concept discussed in above para.
- (b) State any two features of the concept identified in part (a)
25. Explain the following Principles of management given by Fayol with examples: 4
- (a) Scalar Chain
- (a) Stability of Personnel

**OR**



Explain the following Principles of management given by Fayol with examples:

(a) Division of Work

(a) Discipline

26. Esha works as the cost and risk management head of a company in power sector. As a result of her excellent managerial competence, the company is able to reduce costs and increase productivity. The company belongs to infrastructure sector, wherein regular amendments are made in the government regulations and policies. She holds regular meetings to ensure that people in her department are not only aware of the related changes but are also able to adapt to these changes effectively. This helps the company to maintain its competitive edge. She motivates and leads her team in such a manner that individual members are able to achieve personal goals while contributing to the overall organisational objective. In the process of fulfilling her duties for the growth of the organisation, she helps in providing competitive services, adopting new technology, creating more employment opportunities etc. for the greater good of the people at large.

In context of the above case:

Identify the various reasons that have made management so important by quoting lines from the paragraph. 4

27. What are the advantages of training to the employees? Explain any four. 4

**OR**

What are the advantages of training to the organisation? Explain any four.

28. Explain the process of motivation. 4

**OR**

How can informal communication help to supplement formal communication?



29. 'AS Ltd. is a large company engaged in assembling of air-conditioners. Recently the company had conducted the 'Time' and 'Motion' study and concluded that on an average, a worker can assemble ten air-conditioners in a day. The target volume of the company in a day is assembling of 1,000 units of air-conditioners. The company is providing attractive allowances to reduce labour turnover and absenteeism. All the workers are happy. Even then the assembling of air-conditioners per day is 800 units only. To find out the reason, the company compared actual performance of each worker and observed through CCTV that some of the workers were busy in gossiping. 4

- (a) Identify the function of management discussed above. \_
- (b) State three steps in the process of the function identified in part (a) which are discussed in the above paragraph.

30. A company, which manufactures a popular brand of toys, has been enjoying a good market reputation. It has a functional organisational structure with separate departments for Production, Marketing, Finance, Human Resources and Research and Development.

Lately, to use its brand name and also to cash on new business opportunities, it is thinking of diversifying into the manufacture of a new range of electronic toys for which a new market is emerging.

Which organisation structure should be adopted in this situation? Give any three reasons in support of your answer. 4

31. 'No organisation can be successful unless it fills and keeps the various positions filled with the right kind of people for the right job.' State any four points the importance of staffing in the light of this statement. 6

**OR**

- (a) Distinguish between training and development on the basis of:
  - (i) Meaning
  - (ii) Orientation
  - (iii) Duration
  - (iv) Objective
- (b) State any two internal sources of recruitment.



32. Explain any four points of importance of directing.

6

OR

A reputed hostel, Gyan Pradan provides medical aid and free education to children of its employees. Which incentive is being highlighted here? State its category and state any four more incentives of the same category.

33. Alpha Tonics is a progressive company which has achieved new records in the field of medicines. Recently the company decided to go for a major shift in policy decision by handing over the decision making authority to the lower most level of employees. For this the company went for a thorough planning. Within four months the positive results of this major policy decision was recognizable. The employees felt a lot of development in their skill of taking first step to manage things on their own. Some major newspapers also covered this development. The production of the company increased. The company's top management could now focus on new areas of innovation as the employees turned more reliable.

One day it so happened that the company's manufacturing branch in south could not fulfill even half of its production target and the operations manager was held answerable for the assigned target. He was called in the office. When he was questioned it was found that his right to command the workers was insufficient and it should have been more to create results. The management decided to listen to him and he was given more power. When he went to the shop floor he told the workers that the standard of behavior of the workers should come from the official rules and procedures.

- (a) Identify and explain the concept of management and its two advantages highlighted in the first paragraph of the case.
- (b) Which two elements of delegation have been highlighted in the second paragraph of the case?

6

34. 'Kanpur Leather Ltd.' is the manufacturer of leather products. It is producing on large scale and its organisational structure is functional. In the production department various foremen have been employed. Each foreman has been made responsible for production, planning, implementation and control. This has led to a situation of confusion and uncertainty. Suggest and explain a technique of scientific management to Kanpur Leather Ltd. which may help it to effectively organise planning and its execution.

6