



**ST. MARGARET SR. SEC. SCHOOL**  
**SAMPLE MID TERM EXAMINATION 2024-25**  
**SUBJECT: BUSINESS STUDIES**

**Time: 3 Hrs.**

**CLASS: XII**


**M.M: 80**

**GENERAL INSTRUCTIONS:**

- This Question paper contains 34 questions. All questions are compulsory.
- Please write down the serial no. of the question in the answer-book before attempting it.
- Marks are indicated against each question.
- Answers should be brief and to the point.
- Answers to questions carrying 3 marks may be from 50 to 75 words.
- Answers to questions carrying 4 marks may be in about 150 words.
- Answers to questions carrying 6 marks may be in about 200 words.
- Attempt all parts of a question together.

Q1	Rajiv Automobiles aims to produce and sell 1,00,000 cars in 2019. To achieve this objective, the production department strives for timely production and sales department takes all possible steps to sell them. Due to combined efforts of all the departments, the company is able to achieve its target. Which of the following point of importance of management is highlighted in the given case? (a) Management helps in achieving group goals (b) Management increases efficiency (c) Management creates a dynamic organisation (d) Management helps in achieving personal objectives	1
Q2	In order to set up standard target of performance for workers, it was necessary for Shiv Ltd. to fix standard time for workers to perform a particular job. For this Mr. Ganesh, the Production Manager of the company observed the workers when they were performing the job. He used a stop watch in hand and noted down the average time taken by workers for completion of the job. He repeated the same observation for 100 times and then calculated average time for the performance of the job. This was fixed as the standard time on the basis of which efficient and inefficient workers were distinguished. Identify technique of scientific management followed by Mr. Ganesh. (a) Time Study (b) Method Study (c) Motion Study (d) Fatigue Study	1
Q3	Uttam Ayurvedic Ltd. is an established Indian company manufacturing organization consumer goods like toothpastes and shampoos. It has planned to increase its market share from 30% to 40% in the current financial year. With the expanding market of organic products, other companies in the consumer goods industry have also launched these products with organic components. The competition in the market has increased and it was found that the sales of Uttam Ayurvedic Ltd. came down and its market share was reduced to 23%, Identify the limitation of planning highlighted in the above case:	1

	(a) Planning may not work in dynamic environment (b) Planning is time consuming. (c) Planning involves huge costs. (d) Planning reduces overlapping and wasteful activities.	
Q4	Planning is an intellectual activity of thinking rather than doing.' Which feature of planning is highlighted in this statement? (a) Planning focuses on achieving objectives.(b) Planning is futuristic. (c) Planning involves decision making.(d) Planning is a mental exercise.	1
Q5	Mohammad Kanjiwal, a beekeeper since April 2021 is now part of the growing tribe of at least 50 urban dwellers across Maharashtra raising bees and harvesting honey in their balconies, rooftops and back gardens. As he had been focussed on eating right the thought of domesticating honey bees to promote healthy consumption habits and seeing honey being cultivated right before his eyes was mesmerising for him. Identify the factor constituting the general environment being discussed above. (a) Economic environment (c) Technological environment (b) Social environment (d) Political environment	1
Q6	Alpha Enterprises is a company manufacturing water geysers. The company has a functional structure with four main functions Production, Marketing, Finance and Human Resource. As the demand for the product grew, company decided to hire more employees. Identify the concept which will help the Human Resource Manager deciding the actual number of persons required in each department. (a) Workload Analysis (b) Workforce Analysis (c) Estimating manpower requirements (d) All of these	1
Q7	_____ is the framework within which managerial and operating tasks are performed. It specifies the relationships between people, work and resources. It allows correlation and coordination among human, physical and financial resources. (a) Organisation structure (b) Span of management (c) Delegation (d) Decentralisation	1
Q8	Aiming to revive Jammu and Kashmir's attraction as a top location for film shooting the JCK film policy, 2021offer a host of incentives to the filmmakers, such as subsidies and low long term interest rates, for films withpatriotic and certain other themes shot in J&K for giving work opportunities to local artistes, etc. This will have an impact on business enterprises in the state. Which component of business environment is highlighted above (a) Specific and general forces (c) Economic environment (b) Technological environment (d) Totality of external forces	1
Q9	From the given lines, 'Out of these, conditions of 15 applicants were not acceptable to the company. Letters of regret, giving reasons, were sent to them. Which aspect of staffing is highlighted in the statement. (a) Recruitment (b) Selection (c) Training (d) Education	1
Q10	India has launched its most advanced Geo-imaging satellite which will allow better monitoring of the subcontinent. including its borders with neighbouring countries, by imaging the country 4-5 times a day. The satellite is capable of	1

	<p>near real time monitoring of floods and cyclones. The factor constituting the Business Environment being discussed above in</p> <p>(a) Social environment (c) Technological environment (b) Economic environment (d) Political environment</p>	
Q11	<p>As part of regulations to be followed by advertisers, the advertisement for a new brand of baby food for infant provides important information for potential buyers that it is "Not recommended for infants under the age of four months". Which dimension of the business environment is highlighted in the above statement?</p> <p>(a) Social Environment (c) Political Environment (b) Legal Environment (d) Economic Environment</p>	1
Q12	<p>Our assets walk out of the door each evening. We have to make sure that they come back the next morning" Narayana Murthy, CEO of Infosys. Identify the concept of management highlighted in the statement.</p> <p>(a) Planning (b) Organising (c) Staffing (d) Directing</p>	1
Q13	 <p>Analyse the picture given above and identify the concept of management neglected by the manager.</p> <p>(a) delegation (b) authority (c) decentralization (d) accountability</p>	1
Q14	<p>For the following statement, choose the correct option:</p> <p>Statement 1: Demonetisation led to tax administration channelizing savings in the formal financial system</p> <p>Statement II: The aim of demonetisation is to create a less-cash or cash-lite economy, ie, channelling more savings through the formal financial system and improving tax compliance.</p> <p>Choose the correct option from the options given below:</p> <p>(a) Statement I is correct and Statement II is not correct. (b) Statement II is correct and Statement I is not correct. (c) Both the Statements I and II are correct. (d) Both the Statements I and II are not correct.</p>	1
Q15	<p>For the following statements choose the correct option</p>	1

	<p>Statement I: "Balance of payments and changes in foreign exchange reserves" is a component of political environment of business.</p> <p>Statement II: "Expansion of transportation and communication facilities is a component of economic environment of business. Choose the correct option from the options given below:</p> <p>(a) Statement I is correct and Statement II is not correct.  (b) Statement II is correct and Statement I is not correct.  (c) Both the Statements I and II are correct.  (d) Both the Statements I and II are not correct.</p>	
Q16	<p>For the following statements, choose the correct option:</p> <p>Statement I: Today, staffing may involve any combination of employees including daily wagers, consultants and contract employees</p> <p>Statement II: Staffing recognises the importance of every single person employed by an organisation as it is the individual worker ,who is the ultimate performer.</p> <p>Choose the correct option from the options given below</p> <p>(a) Statement I is correct and Statement II is not correct.  (b) Statement II is correct and Statement I is not correct.  (c) Both the Statements I and II are correct.  (d) Both the Statements I and II are not correct.</p>	1
Q17	<p>Name the concept that refers to the number of subordinates that can be effectively managed by a superior and determines the number of levels of management in the organisation</p> <p>(a) Organisation structure  (b) Span of management  (c) Hierarchy of authority  (d) Delegation of Authority</p>	1
Q18	<p>"Grouping similar nature jobs into larger units called departments is the step in the process of one of the function of management. Identify the function of management</p> <p>(a) Planning  (b) Organising  (c) directing  (d) Staffing</p>	1
Q19	<p>Ravi runs a locks manufacturing factory. He manufactures locks used in houses. He wants to expand his business,For this, he wants to enter into the manufacturing of locks for cars and motorcycles.</p> <p>Which type of Organisation structure will he choose for his factory?</p> <p>(a) Functional structure  (b) Divisional structure  (c) Formal Organisation Structure  (d) Informal Organisation Structure</p>	1
Q20	<p>The manager of Sudha Industries is overburdened with routine work and is unable to concentrate on core issues of the company. The overcome this problem, he entrusted some of his responsibility and authority to his immediate subordinate to share some of his routine work. Which concept of management is used by the manager?</p> <p>(a) Authority  (b) Responsibility  (c) Delegation  (d) Decentralisation</p>	1
Q21	<p>Hema is one of the most successful managers of her company, 'Kobe Ltd.' She uses her creativity and initiative in handling challenging situations at work. The knowledge gained by her during her student days at a renowned management institute as well as through her observation and experience over the years is applied by Hema in a skilful manner in the context of the realities of a given</p>	3

	<p>situation. She often reads books and other literature in various fields of management to keep her knowledge updated.</p> <p>(i) An aspect of the nature of management is being highlighted in the above description. Identify the aspect.</p> <p>(ii) Explain any three features of the aspect identified in part (i).</p>	
Q22	<p>There are three departments, Commerce, Science and Arts in Delhi Public School. Mr. Ravi is the head of all the three departments. Mrs. Meenu is the principal of the school. She always keeps this in mind that whatever message she is to convey to the teachers should be routed through the medium of head of the department. All teachers have also been instructed that they too should communicate with the principal through the medium of head of the department. Thus, there is a pre-defined arrangement of communication in the college. Mr. Ravi is looking after three departments of different nature. He is not able to manage them properly. The principal is also not satisfied with his performance. Identify and explain the principle of management which is followed and violated in the above case.</p>	3
Q23	<p>Max Industries wants to hire staff for its Chemicals division. The Human Resource Department lists out the following methods of recruitment. Identify and explain the source of recruitment indicated in the given cases,</p> <p>(i) Consider voluntary applications received earlier from various job-seekers.</p> <p>(ii) Using <a href="http://www.naukri.com">www.naukri.com</a> to search for prospective candidates</p> <p><b>OR</b></p> <p>Giridhar Ltd. is a highly reputed company. The employees of this organisation discussed how they came in contact with this organisation. Reena said she was introduced by the Purchase Manager, Mr. John. Indu said she was directly called by the company from her IIM institute. Identify and explain the different sources of recruitment.</p>	3
Q24	<p>A.V.M.Ltd. set-up its electric appliances manufacturing factory in a backward area of Himachal Pradesh where subsidies are provided by the government and labour is available at cheaper rates A.V.M Ltd. was able to produce its products at low cost thereby generating enough profits in the first year itself. It was because of the fact that the limits of authority and responsibility of the employees clearly defined and the activities of various departments were coordinated and integrated. The Production Manager of the company also came to know about the availability of raw material at cheaper rates from a vendor. For this he wrote a letter to the Managing Director of the company for getting sanction. But because of procedural delays in getting this sanction and procuring funds from the Finance Manger, the order could not be placed.</p> <p>(a) Identify the type of organization that led to procedural delays and because of which the company could not get the advantage of procuring raw material at cheaper rates.</p> <p>(b) State any three advantages of the type of organization identified in (a) above other than those discussed in the above case.</p> <p style="text-align: center;">OR</p> <p>Steelo Ltd.' decided to set-up its steel manufacturing factory in the backward area of Odisha where very less job opportunities were available. People of that</p>	3

	<p>area welcomed this effort of Steelo Ltd. to attract people to work in its factory it also decided to provide many other facilities like school, hospital, market etc. in the factory premises.</p> <p>'Steelo Ltd. started earning huge profits. Another competing company asked its production manager Aslam to investigate the reasons of earning huge profits by "Steelo Ltd. Aslam found that in both the companies there was systematic co-ordination among the various activities to achieve 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 were as "Steelo Ltd. was allowing flow of communication in all the directions as per requirement which lead to faster spread of information as well as quick feedback .</p> <p>(a) Identify and state the type of organisation which permits "Steelo Ltd.' the flow of communication in all directions</p> <p>(b) State another advantage of the type of organisation identified in (a) above</p>	
Q25	<p>Vardan Patel started the business of preparation and supplying sweets through home delivery at a production cum show-room 'Express Sweets' at Ahmedabad. He made a plan forecasting the sales of different types of sweets in various localities of Ahmedabad for each month of the year to earn a profit of 20% on capital employed. He set a sales target of 20,00,000 in the current year with a 10% increase every year. He then set the criteria for selecting suppliers from whom he would make purchases of raw material. The planning paid off and the business was able to achieve its targets.</p> <p>Identify and explain two types of plans highlighted in the above para.</p>	4
Q26	<p>Indian Drugs and Pharmaceuticals Ltd.' is engaged in the manufacturing and distribution of medicines. The company has set up an objective of increasing its sales turnover by 20%. To achieve this objective the company has decided to diversify into baby health care products. Since the company has already set its objectives and developed the premises based on the same, it wants your help for the remaining steps to be taken in this process. Explain briefly these steps</p>	4
Q27	<p>Understanding of environment by business managers enables them not only to identify and evaluate, but also to react to the forces external to their firms. In light of the statement, explain by giving any four points why in the presentday competitive market, it is essential for a business enterprise to remain alert and aware of its environment.</p> <p style="text-align: center;"><b>OR</b></p> <p>(1) "One of the features of Business Environment states that something which is new today, may become outdated or obsolete after sometime." Identify and explain.</p> <p>(2) "Demand for sarees may be high in India, whereas it is almost nil in France." Which characteristic of the Business Environment is highlighted by this statement? Identify and explain.</p>	4
Q28	<p>National Vritech Ltd. has grown in size. It was a market leader but with changes in business environment and with the entry of MNCs its market share is declining. To cope up with the situation CEO starts delegating some of his</p>	4

	<p>authority to the General Manager, who also felt himself overburdened and with the approval of CEO disperses some of his authority to various levels throughout the organisation. Identify and explain four points of importance of the concept being discussed above.</p> <p style="text-align: center;"><b>OR</b></p> <p>Distinguish between delegation and decentralization on the basis of :  (1) nature (2) freedom of action (3) status (4) scope</p>	
Q29	<p>Ms. Jayshree recently completed her Post Graduate Diploma in Human Resource Management. A large steel manufacturing company which employs 800 persons appointed her as its human resource manager. Ms. Jayshree has been given complete charge of the company's Human Resource Department. The company has an expansion plan in hand which may require another 200 persons for various types additional requirements.</p> <p>(a) Identify the step of one of the functions of management involved in the above case.</p> <p>(b) Identify and state the concept which will help in deciding the number of persons required.</p> <p>(c) Identify and explain the next two steps in the function of management identified in part (a) to fulfil the additional requirements of 200 persons.</p>	4
Q30	<p>Explain the four methods of training.</p>	4
Q31	<p>Shenoy Ltd. is a company which provides car services at home and on road. There are different departments in this company like Production, Marketing, Finance and Human Resource. The top management of the company tries its level best to synchronise the activities of different departments in the best possible manner. The result is the increased efficiency and achievement of organisational goals. However, with the passing of time the size of the company has grown and now there are many branches of this company. The synchronisation has turned more important with the increase in the size of the company and the number of employees. The departmental heads of the company are specialists in their respective fields and the top management tries to work with them by respecting their views on the subject. Their ego clashes are avoided to ensure smooth functioning of the organisation.</p> <p>(i) Identify the concept of management highlighted in the above para.</p> <p>(ii) Also, explain importance of this concept highlighted in the above para.</p>	6
Q32	<p>Karan Nath took over 'D' north Motor Company from his ailing father three months ago. In the past the company was not performing well. Karan was determined to improve the company's performance. He observed that the methods of production as well as selection of employees in the company were not scientific. He believed that there was only one best method to maximise efficiency. He also felt that once the method is developed, the workers of the company should be trained to learn that best method'. He asked the production manager to develop the best method and carry out the necessary training. The production manager developed this method using several parameters right from deciding the sequence of operations, place for men, machines and raw materials till the delivery of the product to the customers. This method was implemented throughout the organisation. It helped in</p>	6

	<p>increasing the output, improving the quality and reducing the cost and wastage.</p> <p>Identify and explain the principles and the technique of scientific management followed by the production manager in the above case.</p>	
Q33	<p>Moga Industries Ltd.' approached a well established university in the city of Madurai to recruit qualified personnel for various technical and professional jobs. They selected Tanya, Ritu, Garima and Chetan for various vacancies in the organisation. After the selection and placement, "Moga Industries Ltd.' felt the need to increase the skills and abilities, and the development of positive attitude of the employees to perform their specific jobs better. The company also realised that learning new skills would improve the job performance of the employees. Hence, the company decided to take action for the same.</p> <p>(a) Name the step of the staffing process regarding which the company decided to take action.</p> <p>(b) State the benefits of the action to 'Moga Industries Ltd.'</p> <p><b>OR</b></p> <p>A public transport corporation has hired 2000 buses for the different routes for the passengers of metropolitan city. In order to fill vacancies, it advertised in the newspaper and number of applicants applied for the same. The company has to now undertake the process of selection to identify and select the best. Explain the first six steps involved in the process.</p>	6
Q34	<p>Explain with the help of diagram meaning of functional structure also explain any two advantages and disadvantages of it.</p> <p><b>OR</b></p> <p>Differentiate between functional structure and divisional structure.</p>	6