

# BUDHA DAL PUBLIC SCHOOL PATIALA

## First Term Examination (1 September 2025)

Class XII (Commerce)  
Subject - Business Studies (054) (Set-B)

Time: 3hrs

M.M.80

### General Instructions

1. All questions are compulsory.
2. Questions from 1 to 20 carrying 1 mark each.
3. Questions from 21 to 24 carrying 3 marks each.
4. Questions from 25 to 30 carrying 4 marks each.
5. Questions from 31 to 34 carrying 6 marks each.

- Q1. Identify the dimension of the characteristic of management- "it is multidimensional", which specifies that the task of management is to make the strengths of human resources effective and their weaknesses irrelevant towards achieving the organisation's objectives. (1)  
(a) Management of work (c) Management of operations  
(b) Management of people (d) Management of goals
- Q2. A manager increases the efficiency by making the optimum use of \_\_\_\_\_. (1)  
(a) manpower (c) materials (b) all resources (d) money
- Q3. Mr Anmol Batra is working in a well reputed company of USA. In the company he is responsible for all the activities of the business and for its impact on society. (1)  
Identify the management level at which he is working.  
(a) Top Management (b) Middle Management  
(c) Operational Management (d) None of these
- Q4. The principle of management given by Fayol which aims at preventing overlapping of activities is: (1)  
(a) Division of Work (b) Unity of Direction (c) Unity of Command (d) Order
- Q5. The \_\_\_\_\_ technique proposed by Taylor aims at eliminating unnecessary diversity of products: (1)  
(a) motion study (b) standardisation and simplification of work  
(c) differential piece wage system (d) functional foremanship
- Q6. Business environment is the sum total of all things external to business firms and, as such, is aggregative in nature. Which feature of business environment is highlighted by this statement? (1)  
(a) Specific and general forces (b) Dynamic nature  
(c) Inter-relatedness (d) Totality of external forces
- Q7. Which of the following items is a component of economic environment? (1)  
(a) Expansion of transportation and communication services in Delhi.  
(b) Facility of booking train tickets, through mobile apps.  
(c) Restriction on 15-years-old petrol vehicles plying on roads in Delhi.  
(d) The Haryana Government's announcement of free bus rides females on the occasion of Rakshabandhan.
- Q8. Match the points of 'Importance of Business Environment' in Column-I with their respective statements in Column-II and choose the correct option: (1)

Column-I	Column-II
A) First mover advantage	i) Besides opportunities environment provides numerous threats as well.
B) Early warning signal	ii) Environment provides numerous opportunities.
C) Planning and policy formulation	iii) Turbulent market conditions.
D) Coping with rapid changes	iv) It provides the base for future course of action and developing guidelines for decision-making.

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

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- Q9. "The nature of relationship of our with foreign countries", is a major element of which of the following (1)  
components of business environment:  
(a) economic environment (b) political environment  
(c) legal environment (d) social environment
- Q10. In T-pex Ltd, a company trading in stationery items, it was decided that all purchases would be made (1)  
from AK Ltd. on credit basis with credit period of at least 7 days. This was done because no other  
company was offering credit facility. Which type of plan has been referred to in the above paragraph?  
(a) Rule (b) Policy (c) Method (d) Strategy
- Q11. Assertion(A): Objectives decided during the first step of planning give direction to all departments. (1)  
Reason(R): Objectives specify what the organisation wants to achieve.  
Alternatives:-  
a) Both (A) and (R) are incorrect.  
b) (A) is correct but (R) is incorrect.  
c) Both (A) and (R) are correct and (R) is the correct explanation of (A).  
d) Both (A) and (R) are correct but (R) is not the correct explanation of (A). (1)
- Q12. For the following two statements choose the correct option: (1)  
Statement I: Delegation of authority is inevitable and decentralisation is a voluntary.  
Statement II: Scope of delegation of authority is limited and scope of decentralisation is broad.  
Choose the correct option from the options given below:  
(a) Statement I is correct and II is wrong (b) Statement II is correct and I is wrong  
(c) Both the statements are correct (d) Both the statements are incorrect
- Q13. Which type of organisational structure will you suggest for a firm which has diversified activities and (1)  
operations requiring a high degree of specialisation?  
(a) Centralised structure (b) Decentralised structure  
(c) Divisional structure (d) Functional structure
- Q14. Ms Amay is the HR manager of Suvidha Store Pvt. Ltd. She has to appoint some sales person's for the (1)  
store. As the customers come to the store of different nature, she wants to find out salesperson's  
Maturity and Emotions in dealing with the customers.  
Identify the selection test required in the above case:  
(a) Intelligence Test (b) Aptitude Test (c) Personality Test (d) Trade Test
- Q15. Durga Enterprises is a company engaged in the marketing of air-conditioners of a famous brand. The (1)  
company has a functional structure with four main functions - Purchase, Sales, Finance and Staffing.  
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:  
(a) Workload Analysis (b) Workforce Analysis (c) Both (a) and (b) (d) None of these (1)
- Q16. Selection test is a mechanism that attempts to measure certain characteristics of individuals ranging (1)  
from aptitudes, to intelligence, to personality. It is one of the steps in the process of selection. Place the  
subsequent steps of process of selection in an organisation in the correct order.  
(a) Employment interview, reference and background checks, selection decision, medical examination,  
job offer, contract of employment  
(b) Employment interview, reference and background checks, medical examination, selection decision,  
job offer, contract of employment  
(c) Employment interview, medical examination, job offer, reference and background checks, selection  
decision, contract of employment  
(d) Employment interview, selection decision, reference and background checks, job offer, medical  
examination, contract of employment



- Q17. It is the highest level of need in the Maslow's need hierarchy. It refers to the drive to become what one is capable of becoming. These needs include growth, self-fulfillment and achievement of goals. (1)
- Which type of need of Maslow's Need Hierarchy is explained here?
- (a) Safety needs (b) Affiliation needs (c) Esteem needs (d) Self-actualisation needs
- Q18. Mr Surya Kumar joined the Sudhir Traders Private Limited as its Deputy Manager after completing MBA. The company had several levels of its Organisational Structure. In the Communication policy the company Oral communication is said to have been given the priority. As soon as Mr Kumar joined the company, he observed that whatever message he sent to his subordinates, by the time it reached them, its meaning changed. Similarly, the meanings of the suggestions sent to the upper levels also, were interpreted differently. On account of being disturbed by this problem, he resigned from the company without any loss of time. (1)
- To which of the following Barriers of communication is related Mr Kumar's decision of leaving the company?
- (a) Premature Evaluation (b) Lack of Attention  
(c) loss of transmission and poor attention (d) distrust
- Q19. Mr Kirti Karan Goyal looks after the Sale and Production both the Departments of his own firm. At the fixed the objective of sale of 5,00,000 units. At the time of fixing this objective, he noticed that the normal beginning of the year he determined the standards of both the departments. For the Sale Department he production capacity of the Production Department was of 4,00,000 units. After making a deep study, ita decided that 1,00,000 units of goods would be purchased rom the market. In this way, Mr Goyal established the balance of both the departments. (1)
- To which of the importance of controlling points is related the above episode?
- (a) Facilitating coordination in action (b) Ensuring order and discipline  
(c) Improving employee motivation (d) Making efficient use of resources
- Q20. Assertion(A): Only significant deviations should be brought to the notice of management. (1)  
Reason(R): An attempt to control everything results in controlling nothing.
- Alternatives:-
- a) Both (A) and (R) are incorrect.  
b) (A) is correct but (R) is incorrect.  
c) Both (A) and (R) are correct and (R) is the correct explanation of (A).  
d) Both (A) and (R) are correct but (R) is not the correct explanation of (A).
- Q21. P. Madhav is the production manager of 'Trendy Style Pvt. Ltd.', a firm manufacturing office furniture. His objective is to increase production by 20% in the next one year. But the Sales Manager, R. Shetty does not approve of the increase in production, till changes are brought about in the quality of wood, locks, handles etc. to incorporate latest trends. This kind of conflict brings to light an important concept of management that can help to link the activities of various departments. (1+2)
- (i) Identify and explain the concept discussed above.  
(ii) State any two points of importance of the concept identified in (i) above.
- Q22. Explain the following types of plans: (3)  
(a) Strategy (b) Policy
- Q23. High-Tech Hospital Limited' is a famous company which provides health services. It has a great market share. (1+2)
- Last year, in no time, several Multinational Companies arrived. This fact caused a great fall in the company's business. The whole responsibility of finding the solution of this problem fell on the shoulders of the General Manager, Dr Raju Raghvan. Now, in order to keep himself away from the routine activities of the company, he gave some of his authorities to his departmental managers. He gave them this freedom also that if they wanted, they could give some of these authorities to their own subordinates. The departmental managers were already feeling themselves overburdened with the workload. Therefore, they handed over some of their authormes to their subordinates. As a consequence of this, on the one hand, the General Manager got time to solve the serious problem and



on the other hand, the feeling of responsibility was aroused in the subordinates. Within a few days the growth rate of the company appeared to have become fast.

Identify the concept of management described in the paragraph given above and also explain the two points of its importance spoken about here.

Q24. State any three benefits of using internal sources of recruitment. (3)

Q25. 'Silver Mills' started their business as a B2B supplier of high quality millet seeds. The firm was set up in a backward area of Ransdhan. The firm was earning just enough revenues to cover its cost. Over a period of time, due to rising awareness amongst people about the health benefits of millets and with the year 2025 declared as 'International Year of Millets', the demand for millets increased and the firm was able to earn profits. This gave a vital incentive to the firm to continue its successful operations. It then expanded its operations and introduced millet flour, millet-based snacks and millet-based beverages. With increase in its operations, it provided employment opportunities specially to women, involving them in dehusking, cleaning and packing of millets. (4)

State objectives of management highlighted in the above case.

Q26. Sanchit, after completing his entrepreneurship course from Sweden returned to India and started a coffee shop 'Aroma Coffee Can' in a famous mall in New Delhi. The speciality of the coffee shop was the special aroma of coffee and a wide variety of flavours to choose from. Somehow, the business was neither profitable nor popular. (2+2)

Sanchit was keen to find out the reason. He appointed Sandhya, an MBA from a reputed college, as a Manager to find out the causes for the same.

Sandhya took feedback from the clients and found out that though they loved the special unique aroma of

coffee but were not happy with the long waiting time being taken to process the order. She analysed and found out that there were many unnecessary obstructions in between which could be eliminated. She fixed a standard time for processing the order.

She also realised that there were some flavours whose demand was not enough. So, she also decided to stop the sale of such flavours. As a result, within a short period Sandhya was able to attract the customers.

Identify and explain any two techniques of scientific management used by Sandhya to solve the problem.

Q27. Explain the following features of 'Planning' function of management: (2+2)

(a) Planning is futuristic (b) Planning is mental exercise

Q28. 'Due to rapid technological changes, jobs have become more complex and importance of training as increased for employees.' State any four such benefits. (4)

Q29. 'A.S. Environs Ltd.' is dealing in environment consultancy. To get the business, the team leader and his team used to travel to different states to give presentation to the clients. As per the policy of the company, the team leader used to travel by air where his team travelled by road/train. It was not only time consuming but also at times forced the female team members to travel alone. As a result, the subordinates were not acting in a desired manner to achieve organizational goals. The CEO of the company came to know about it. He called the team leader, discussed the matter with him and decided to change the travel policy of the company. It was decided that in future all the members including the leader would travel together and usefully utilize the travelling time in discussion about the presentation to be given to the clients. This made a positive impact and every member of the team started acting in a manner as desired by the team leader. State the features of the element of the function of management used by the CEO. (1+3)

Q30. Piyush is the Production Manager of a shoe company 'Comforty'. He has 1000 workers under him in his department. Piyush booked a special order for 300 pairs of gents shoes at an estimated cost price of 500 per pair plus a 20% profit margin. This order is to be completed within 10 days. After completion of the order, Piyush found out that the production cost of one pair of shoes was 700. He tried to find out the reason but better he couldn't. He reported it to the Chief Executive Officer. For this the Chief Executive Officer appointed Abhay, who was not only a specialized Cost Accountant, but also a qualified Human Resource Manager. After two days, Abhay reported that the set target could have been completed by only 800 workers. This revealed that there was over manning in the organization. (1+3)

The organization was not utilizing the human resources optimally which had led to high labour cost. The above case highlights an important function of management.

- (a) Identify the function of management discussed above.  
(b) State any three points of importance of the function identified in (a) above.
- Q31. Explain the following principles of management: (6)  
(a) Equity (b) Authority and responsibility (c) Stability of personnel
- Q32. Explain with examples any three dimensions of Business Environment. (6)
- Q33. Distinguish between formal organisation and informal organisation. (6)
- Q34. Sara recently received her degree in automobile engineering and decided to join her father's electric vehicle business. They were not only selling electric vehicles but also providing related services like charging vehicles and their maintenance, etc. Sara had worked on a practical project related to electric vehicles during her automobile engineering course and won first prize for it. She was impressed by electric vehicles because of their potential to revolutionize the automotive industry as these are more sustainable and eco-friendly alternative to traditional vehicles. (1+2+3)
- She was exploring the possibility of entering into partnerships with the government for electric vehicle charging stations. This could be shared investment, with the government providing land and incentives and her company contributing technical expertise and operational management. Sara shared her thoughts and ideas with her father.
- She prepared a proposal to collaborate with the government for setting up electric vehicle charging stations. The proposal contained her ideas, feelings and suggestions which she intended to convey to the government. She then converted her ideas, feelings and suggestions into words and pictures. She used clear concise language and visual aids such as charts and graphs, to make complex information more understandable. She now had to choose a path through which her proposal would be transmitted to the government. Sara had a face-to face meeting with the government and presented her ideas directly.
- (a) The above case highlights an element of one of the functions of management. Identify and explain the element.  
(b) Quoting lines from the above case, name the four elements of the concept identified in (a) above.  
(c) State three other elements of the concept identified in (a) above, not discussed in the above case.