

**D.A.V. BR PUBLIC SCHOOL, BINA**  
**HALF YEARLY EXAMINATION SESSION 2024-25**  
**PRACTICE PAPER**

**Class-XII**

**Subject-BUSINESS STUDIES**

**Time Allowed: 3 Hrs.**

**MM: 80**

**General Instruction:**

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. Over the past five years there has been an exponential increase in the number of people practicing healthier lifestyles in India. Doctors and nutritionists are advising people to reduce the daily intake of soft drinks as they are aerated, which can lead to obesity and other health issues. In order to cope up with the setback in the demand from the consumers, “ENERGISE”, a soft drink giant decided to introduce a tea brand named ‘SFUR-TEA’ and a wellness drink named ‘FORTY PLUS’ for women. The company received a hearty response from the consumers. Identify the feature of Management reflected in the above paragraph. **1**
  - a) management is intangible
  - b) management is a dynamic function
  - c) management is a group activity
  - d) management is multidimensional
2. KG Electrical Appliances, a company manufacturing bulbs incurred heavy expenditure on scientific research and development and invented a technology that made it possible to produce an energy efficient bulb that can last at least 15 times longer than a standard LED bulb. This technology helped the company to increase its profitability and growth. Identify the significance of the business environment highlighted above. **1**
  - a. It helps in assisting and policy formulation
  - b. It helps in tapping useful resources
  - c. It helps in improving performance
  - d. It helps the firm to identify threats and early warning signals

3. Ajit Nene, the owner of a newly established food delivery outlet, 'Food and Snacks' in Maharashtra instructed the Human Resource Manager of the firm, to establish qualitative benchmarks of performance, as he wanted to assess the motivation, skill and satisfaction level of his employees. The sales manager was asked to set quantitative benchmarks of performance in terms of volume of sales made on a daily basis. 1
- Identify the step performed by Ajit Nene in the process of controlling.
- a) measurement of performance
  - b) analysing deviations
  - c) setting performance standards
  - d) taking corrective action.
4. YTS, a Shipping company has been successfully carrying out its shipping business for the past five years. Last year, it rolled out a new shipping initiative during the holiday season, with the promise to deliver all packages by a particular time before the holidays. The company had an objective of increasing the profit at a consistent rate. The unexpected high demand has led the workers and the delivery team, causing a delay in the delivery of a large number of packages. The company did not recognise the logistical difficulties in training new staff, in order to meet its delivery schedules as promised. The complacency of the company to think that a consistent rate of profit could be maintained, led to its failure. Identify the limitation of planning discussed above 1
- a) planning is a time consuming process
  - b) planning does not guarantee success
  - c) Planning involves huge costs
  - d) planning reduces creativity
5. In \_\_\_\_\_, it is easier to fix responsibility for performance 1
- a) functional structure and formal organisation
  - b) divisional structure and informal organisation
  - c) functional structure and informal organisation
  - d) divisional structure and formal organisation
6. Yajur, as a Project Manager, is able to assess the true potential of his subordinates and constantly motivates them to realise their full potential. Identify the element of directing being described in the above lines. 1
- (a) Leadership
  - (b) Communication
  - (c) Supervision
  - (d) Motivation
7. To set up and run a successful business it is not only essential to lay down the clear cut objectives but it is also necessary to identify the different activities to be performed and develop relationship between the physical and human resources. 1
- Which function of Management is being referred to?
- (a) Planning
  - (b) Directing
  - (c) Training
  - (d) Organising

8. ASSERTION: controlling helps in making efficient use of resources 1  
REASON: An efficient control system keeps a check on the changes taking place in the organisation and in the environment and helps to review and revise the standards in light of changes

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 and 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
9. Business environment is said to be uncertain as 1  
a) different elements or parts of business environment are closely interrelated  
b) it differs from country to country  
c) it consists of interrelated forces which arise from different sources  
d) it is very difficult to predict future happenings especially when environmental changes are taking place too frequently.

10. 1



The above picture is highlighting the absence of a concept which is causing a delay in decision making. Identify the concept.

- a) organising  
b) span of management  
c) delegation  
d) Accountability
11. Which selection test aims at measuring the individual's potential to learn new skills? 1  
(a) Personality test (b) Intelligence test  
(c) Interest test (d) Aptitude test
12. Ashutosh works as a manager in Kuber Ltd. Besides the salary, the company offers him benefits such as free housing, medical aid and education to the children, etc. Identify the type of incentive being offered to him. 1  
(a) Perquisites (b) Job Enrichment  
(c) Co-partnership (d) Pay and allowances

- 13.** Assertion (A): Coordination is the essence of management. **1**  
Reason (R): Coordination is required at all levels and through all functions of management.  
Choose one of the correct Options given below:  
(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 and Reason (R) is not 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.
- 14.** A company gets applications on and off even without declaring any vacancy. **1**  
However, as and when the vacancy arises, the company makes use of such applications.  
The method of recruitment used in the above case is:  
(a) Direct recruitment (b) Casual Callers  
(c) Recommendation (d) Factory Gate
- 15.** The clearer the line of authority from the ultimate management position in an **1**  
enterprise to every subordinate position, the clearer will be the responsibility for decision making and the more effective the organizational communication, is expected by  
(a) Principle of Scalar Chain  
(b) Principle of Discipline  
(c) Principle of Unity of Command  
(d) Principle of Direction
- 16.** As an employee of an automobile company, Suraj has always been very lazy and **1**  
evasive. In order to change his behaviour, his boss decided to give him an incentive. Identify the feature of motivation being described in the above lines.  
(a) Motivation is an internal feeling.  
(b) Motivation produces goal-directed behaviour.  
(c) Motivation is a complex process.  
(d) Motivation can be positive or negative
- 17.** Under \_\_\_\_\_ method of training, a trainee is put under the guidance of a **1**  
master worker.  
(a) Vestibule training (b) Apprenticeship programme  
(c) Job rotation (d) Internship training
- 18.** Employees deserve fair and just remuneration but what is just, and fair is **1**  
determined by multiple factors. They include contribution of the employee, Paying capacity of the employer and prevailing wage rate for the occupation under consideration. Which quality of Principles of Management is highlighted above?  
(a) General guidelines (b) Universal Applicability  
(c) Contingent (d) Flexible
- 19.** Which of the following is not a type of semantic barriers? **1**  
(a) Badly expressed message (b) Unclear assumptions  
(c) Technical jargon (d) Premature evaluation

20. Name the step in the process of planning where the managers are required to make certain assumptions about the future. 1  
 (a) Setting objectives (b) Developing premises  
 (c) Evaluating alternatives (d) Selecting the best alternative
21. Explain how principles of management: 3  
 (a) provides useful insight into reality  
 (b) helps in thoughtful decision-making
22. Atlantic Pharma Incorporation, a distributor of durable medical equipment and sports medicine is currently facing problems in managing company's infrastructure and IT projects. To effectively cope with the situation, the company has created a new position of 'Senior Systems Administrator', who will be able to understand the volatile health care industry, as well as its IT environment. Since the position requires more than just technical expertise, the company has taken the following decisions, for timely fulfilment of the manpower requirement: 3  
 1) Assessing the new role's requirements through job description, in order to ensure the appointment of a person with the required specific set of educational qualifications, experience, personality and characteristics.  
 2) Hiring 'Unifold Consultants', a renowned consultancy firm which maintains a database of candidates and which will advertise the job on behalf of Atlantic Pharma Limited.  
 3) Adopting a deeper screening process of the candidate possessing the technical and business process knowledge.  
 Identify and state the steps which Atlantic Pharma Incorporation has decided to carry out in order to fill the new job position introduced by the company.
23. Mr. Pachouri is working in 'Fast Life', a company manufacturing and selling speakers and amplifiers. He manages 15 Departmental Managers who further handles around 200 employees each. Mr. Pachouri allows all his managers to take their operative decisions but in some cases like if there is a conflict between two departmental managers or there is an accident, then Mr. Pachouri immediately takes control of the situation to ensure prompt and coordinated effort. 3  
 At which level of management is Mr. Pachouri working?  
 (b) State any two functions he would perform at that level.  
 OR  
 Dharam is a well-known businessman in the field of publishing. He owes the success of his business to his own education in business management and his team of certified management consultants. Therefore, he decides to send both his children Danush and Damini abroad to acquire a degree in business management in their individual area of expertise. He feels that all over the world there is marked growth in management as a discipline, but still it is not considered to be a full-fledged profession for certain reasons.  
 In the context of the above case:  
 Explain the reasons because of which Dharam considers management as a discipline. Critically examine the various reasons because of which management is not considered to be a full-fledged profession

- 24** “Authority can be delegated but accountability cannot.” Explain the statement. **3**
- 25** Explain any four features of management. **4**
- 26** Radhika opens a Jewellery Showroom in Jaipur after completing a course in jewelry designing. She has employed eleven persons in her showroom. For greater productivity, she divides the work into small tasks and each employee is trained to perform his/her specialized job. The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority. In the earlier days of starting of the business, five of her employees were asked to put in extra hours of work. In return she had promised to give them a special incentive within a year. Therefore, after six months when the business was doing well, she awarded a cash bonus to each of these employees to honour her commitment. However, when it comes to settling the conflicts among her employees, she tends to be more biased towards her female employees.
- In context of the above case:
- Identify and explain any two principles of management that are being applied by Radhika by quoting lines from the paragraph.
  - Identify the principle of management which is being violated by Radhika by quoting lines from the paragraph.
  - State any one effect of the violation of the principle of management by Radhika as identified in part (b) of the question
- 27** Ashok Ltd. set up a manufacturing unit at Amarkantak at Madhya Pradesh to manufacture electric geysers and supply them to dealers all over the country. Their production target was 500 geysers per week. It was decided by the management that variation in production up to 10 units would be acceptable. At the end of the first week, the production was 450 geysers. The next week, production increased to 470 geysers. A week later, production was 460 geysers. On investigation, it was found out that fluctuation in production was due to irregular supply of electricity. **4**
- Identify the function of management highlighted in the above Para.
  - State the steps in the function identified in (a) by quoting lines from the para.
- 28** Explain how planning **4**
- Provides the basis of control
  - Helps in taking rational decisions
- OR
- Explain the following types of plans
- strategy
  - procedure
- 29** Lilly and Milly are working as Marketing Manager and Finance Manager respectively in an insurance company. In consultation with the Human Resource Manager Lilly formulates a plan which links the salaries of the insurance agents of the company with the volume of sales, in order to provide incentive to make them achieve beyond the assigned monthly targets. **4**
- Milly conducts regular meetings and congratulates her efficient subordinates for good performance. She also displays their name on the notice board highlighting their achievements .
- Identify any two incentives in each category of incentives provided to the employees by Lilly and Milly by quoting lines
  - State and explain two other incentives (one in each category) that can be provided by Lilly and Milly to motivate their employees.
- OR
- Explain any two types of leadership styles with their advantages and disadvantages.

**30** Mr. Harsith, a social activist, was concerned with the pollution caused by the use of polythene bags. These bags are non-biodegradable and are a great threat for the water bodies and also adversely affect the quality of soil. To ban the use of these bags, he filed a writ petition in the court. **4**

The court also identified the threats caused by these bags and passed an order banning the use of these bags as these bags are creating many environmental problems which affect the life of people in general and society in general is more concerned about quality of life. The government decided to give subsidy to jute industry to promote this business and innovative techniques are being developed to manufacture jute bags at low rates with more innovation and better technology, GDP of country is expected to rise.

Identify and explain any two dimensions of business environment by quoting the lines from the above particulars.

**31** Name and discuss any four techniques of Scientific Management through which the best practices can be kept and further refined to develop a standard that is to be applied throughout the organisation. **6**

OR

Explain any four points that summarise the nature of principles of management.

**32** Samir Gupta started a telecommunication company, 'Donira Ltd.' to manufacture economical mobile phones for the Indian rural market with 15 employees. The company did very well in its initial years. As the product was good and marketed well, the demand of its products went up. To increase production the company decided to recruit additional employees. Samir Gupta, who was earlier taking all decisions for the company had to selectively disperse the authority. He believed that subordinates are competent, capable and resourceful and can assume responsibility for effective implementation of their decisions. This paid off and the company was not only able to increase its production but also expanded its product range. **6**

(a) Identify the concept used by Samir Gupta through which he was able to steer his company to greater heights.

(b) Also explain any three points of importance of this concept.

**33** (a) Explain any four sources of recruiting employees from outside the organisation, **6**

(b) Also state any two benefits the company may derive from each source explained in (a).

OR

Explain the following steps in the process of selection

(a) Preliminary Screening (b) Employment Interview

(c) Medical Examination (d) Job offer

**34** Identify and explain the Maslow's needs applicable in the following cases of organisational set up:

(i) Virendra works in an organisation. He is part of the organisation for last 20 years. During all these years inspite of his best performance in the organisation he hasn't yet reached the post of vice president.

(ii) Vandana works in a software firm. She goes to office which is situated at a distance of 20 kms from her house. Her husband earns very well and is a pilot with a leading Airline. Though she belongs to a good earning family yet she has decided to keep on going to her job which she feels helps her gain acceptance in her social circle.

(iii) Kavita has recently passed out from a decent MBA college with her major in marketing. A lot of money of her parents has been spent for paying her education fee. Now she has applied for a job in a company of reputation. Her main concern is good salary which will give her financial security.

(iv) Mehak has been an outstanding student throughout her life. She did her graduation from a very good college. When the placement started she decided to withdraw her name. A month later she started her own NGO which provided education to poor children. Her NGO sets targets of educating a definite number of poor students and she feels if she is able to achieve a goal of teaching 5,000 students by the end of 5 years she will be very successful.

OR

Lakhan, an expert in the area of Financial Management, sent an e-mail to his subordinate, Thomas about a new project for a client in France. Though, the e-mail was in English, a language known to Thomas, he was not able to understand the actual meaning of many words used in the e-mail as the words carry two meanings. He was also not a specialist in the field of Financial Management to understand the technical terms being used. Not only this, some portions of the e-mail were translated from French to English in such a manner that many mistakes crept in, causing different meaning to the message.

(i) Identify and explain the category of barrier highlighted in the above case.

(ii) Identify and explain any three specific barriers to communication in Lakhan's e-mail.

(iii) State any two measures to Lakhan to overcome the barriers identified in part (i) above, to improve in future the effectiveness of his communication.

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