



B.K. BIRLA CENTRE FOR EDUCATION

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

TERM-1 EXAMINATION, 2025-26 BUSINESS STUDIES 054

Class: XII
Date: 12.09.2025
Admission no:

Time: 3 Hrs.
Max Marks: 80
Roll no:

General Instructions:

1. Please check this question paper contains 6 printed pages.
2. This question paper contains 34 questions.
3. Marks are indicated against each question.
4. Answers should be brief and to the point.
5. Answers to the questions carrying 3 marks may be from 50 to 75 words.
6. Answers to the questions carrying 4 marks may be about 150 words.
7. Answers to the questions carrying 6 marks may be about 200 words.
8. Attempt all parts of the questions together.

1) Read the following statements of Assertion (A) and Reason(R). Choose the correct alternative from those given below: 1

Assertion (A): Coordination is an all pervasive function.

Reason(R): Coordination is required at all levels of management due to the interdependent nature of activities of.

Find the correct option

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

2) Ravi works as a production manager in Rosy private Limited. He has been given the task of getting 10000 units of hand woven table mats manufactured at the cost of 150 per unit, within 100 days. In order to be acknowledged as an effective manager, he must ensure that - 1

- (a) The cost of production does not exceed 150 per unit
- (b) The work is completed within 100 days even at higher cost per unit
- (c) The cost of production is less than 150 per unit
- (d) All of the above

3) Suraj was engaged in the business of carpet making. Since company was making handmade carpet as well as machine made carpet. There were lot of overlapping of activities, so the Production manager advised there should be two separate division for both of them. Where in each division should have its own incharge plans and execution. Identify the principle of management insisted by production Manager. 1

- (a) Unity of command
- (b) Unity of direction
- (c) Order
- (d) Equity

4) Sanak and Gagan started their career in Wales Limited (a printing press) after going through a rigorous recruitment process. Since they had no prior work experience, the firm decided to give them one year to prove themselves. The principle of management followed by Wales Limited is - 1

- (a) Authority and Responsibility
- (b) Discipline

(c) Equity

(d) Stability of Personnel

5) Introduction of mobile phones have negatively affected the business of cameras and watches it is related to: 1

(a) Technological environment

(b) Political environment

(c) Legal environment

(d) Social environment

6) Assertion (A): Demand for sarees may be fairly high in India whereas it may be almost non-existent in America. 1

Reason (R): Business environment consists of numerous inter-related and dynamic conditions of forces which arise from different sources.

Alternatives:

(a) Both Assertion and Reason are true and Reason is the correct explanation of Assertion.

(b) Both Assertion and Reason are true and Reason is not the correct explanation of Assertion.

(c) Assertion is true but Reason is False

(d) Assertion is False but Reason is True

7) Saurabh decided to start a chocolates manufacturing business. He set the target of earning 10% profit on sales in the first year. As a good businessman, he was concerned about the future of the business, which was uncertain. He gathered information that the demand for chocolates is increasing day by day. He used this information as the base for future planning and shared it with his team. On the basis of the gathered information, he scheduled a meeting in the following week to find innovative ways to achieve the objectives. Identify one out of the two steps, which have been followed by Saurabh that are related to the process of one of the functions of management. 1

(a) Follow up action

(b) Selecting an alternative

(c) Developing Premises

(d) Evaluating alternative courses

8) Sales Forecasting is the basis on which a business firm prepares its annual plan for production and sales. Which feature of planning is highlighted in the above case? 1

(a) Planning focuses on achieving objectives.

(b) Planning is continuous.

(c) Planning is the primary function of management.

(d) Planning is futuristic

9)



Identify the incorrect statement about the type of source of recruitment depicted above. 1

(a) Management can attract qualified people to apply for vacant positions in the organisation.

(b) It may lead to dissatisfaction and frustration among existing employees.

(c) Such employees are not likely to be good employees as their background is not sufficiently known.

(d) Management has a wider choice while selecting people for employment.

10) Read the following statements carefully:

1

Statement- I Values are basic truths or guidelines for behaviour which are formed after research in work situations.

Statement- II While practising Principles of Management, values cannot be neglected as business organisations have to fulfil social and ethical responsibility towards society.

In the light of given statements , choose the correct alternative from the following:

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

11) When Jaskaran Singh applied for the post of Computer teacher in a school in Bhubaneswar, he was asked to prepare a PowerPoint presentation on a particular topic during the selection procedure. Identify the type of selection test being mentioned in the above lines. 1

- (a) Trade test
- (b) Intelligence test
- (c) Personality test
- (d) Interest test

12) Identify the correct sequence of the steps involved in the staffing process. 1

- (a) Recruitment, Estimating the Manpower Requirements, Placement, and Orientation, Selection
- (b) Estimating the Manpower Requirements, Selection, Placement, and Orientation, Recruitment
- (c) Selection, Estimating the Manpower Requirements, Recruitment, Placement, and Orientation
- (d) Estimating the Manpower Requirements, Recruitment, Selection, Placement, and Orientation

13) Lateral communication takes place from _____. 1

- (a) First to the second division of the same organisation
- (b) Superior to subordinate
- (c) Subordinate to superior
- (d) All of the above

14) Identify the correct sequence of steps involved in the communication process. 1

- (a) Sender, Message, Encoding, Media, Decoding, Feedback, Receiver
- (b) Sender, Decoding, Receiver, Feedback, Message, Encoding, Media
- (c) Sender, Message, Encoding, Media, Decoding, Receiver, Feedback
- (d) Sender, Media, Decoding, Receiver, Message, Encoding, Feedback

15) Controlling is known as a backward-looking function because _____. 1

- (a) It relates to a future course of action.
- (b) It is like a post-mortem of the past activities
- (c) To find out deviation, it aims at improving future performance.
- (d) All of the above

16) Identify the correct sequence of the steps involved in the controlling process. 1

- (a) Measurement of actual performance, taking corrective action, Setting performance standards, Comparison of actual performance with standards, Analysing deviations
- (b) Comparison of actual performance with standards, Setting performance standards. Measurement of actual performance, Analysing deviations, Taking corrective action
- (c) Setting performance standards, Measurement of actual performance, Comparison of actual performance with standards, Analysing deviations, Taking corrective action
- (d) Taking corrective action, Measurement of actual performance, Comparison of actual performance with standards, Analysing deviations, Setting performance standards

17) “She/he keeps machines, materials, tools etc., ready for operations by concerned workers’. Whose work is described by this sentence under functional foremanship? 1

- (a) Route Clerk
- (b) Repair Boss
- (c) Gang Boss
- (d) Instruction Card Clerk

18) Mr Gun Amroha, the General Manager of Welworth Textiles scans the business environment and adapts the organisation to the changes taking place in different dimensions of the business environment. However, it is still difficult for him to accurately assess the future trends. Identify the limitation of planning related to the above. 1

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

19) Choose the correct statement about the controlling function of management. 1

- (a) No corrective action is required when the deviation goes beyond the acceptable range in important areas
- (b) Deviations should be analysed for their causes
- (c) Measurement of actual performance should be done only after the task is complete
- (d) Managers must keep a check on each and every activity, otherwise the entire organisation may suffer

20) In a marketing firm, the Financial Manager pays more attention towards an increase of 3% in the marketing cost as compared to a 15% increase in the courier expenses. Identify the concept being used by the manager. 1

- (a) Management by exception
- (b) Critical point control
- (c) Corrective action
- (d) None of the above

21) Ashutosh Goenka was working in ‘Axe Ltd.’, a company manufacturing air purifiers. He found that the profit has started declining from the last six months. Profit has an implication for the survival of the firm, so he analysed the business environment to find out the reasons for this decline. 3

- (a) Identify the level of management at which Ashutosh Goenka was working.
- (b) State three other functions being performed by Ashutosh Goenka.

22) Naman and Govind after finishing their graduation under vocational stream decided to start their own travel agency which will book Rail Tickets and Air Tickets on commission basis. They also thought of providing tickets within ten minutes through the use of internet. They discussed the idea with their Professor Mr. Mehta who liked the idea and suggested them to first analyse the business environment which consists of investors’, competitors and other forces like social, political etc. that may affect their business directly or indirectly. He further told them about the technological improvements and shifts in consumer preferences that were taking place and hence they should be aware of the environmental trends and changes which may hinder their business performance. He emphasised on making plans keeping in mind the threat posed by the competitors, so that they can deal with the situation effectively. This alignment of business operations with the business environment will result in better performance. 3

1. State and explain the component of business environment highlighted in the above Para.
2. State and explain any two features of business environment as discussed by Professor Mehta with Naman and Govind.

- 23) A) Explain the Features of Functional Structure. 3
OR
 B) Explain the advantages of Formal Organisation
- 24) A) State any three points of significance of decentralization. 3
OR
 B) State any three limitations of formal organisation.
- 25) A) What are the problems faced by the organisation in implementing an effective control system? **OR**
 B) Explain the various steps involved in the process of control. 4
- 26) A) Explain in detail the following techniques of scientific work-study. 4
 (a) Time study
 (b) Motion study
 (c) Fatigue study
 (d) Method study
 (e) Simplification and standardisation of work
OR
 B) Explain the principle of 'Scalar Chain' and gang plank.
- 27) Lately many companies have planned for significant investment in organised retailing in India. Several factors have prompted their decision in this regard. 4
 Customers income is rising. People have developed a taste for better quality products even though they may have to pay more. The aspiration levels have increased. The government has also liberalised its economic policies in this regard and permitted even cent per cent foreign direct investment in some sectors of retailing.
 Identify changes in business environment under different heads – economic, social, technological, political and legal that have facilitated the company's decisions to plan significant investments in organised retailing.
- 28) What do you mean by "on the job training"? Explain any three methods of 'on the job' training. 4
- 29) Neha was a regional sales manager in "Good Luck Garments Ltd" for the last ten years. During the retirement of the marketing manager, Neha applied for the same job, because she was extremely talented and had devoted all her hard work to the position of marketing manager. However, the company's top executives decided to complete this post by choosing the best person outside the company. As a result, Neha was devastated and had to lose her job. When a new marketing manager joined, one of his biggest problems was how to motivate Neha to her previous level of performance? What are non-financial benefits? Suggest any three non-financial benefits a new marketing manager could use to promote Neha. 4
- 30) Kapil and Kamal and Company is a large manufacturing unit. Recently the company had conducted time and motion studies and concluded that on an average, a worker could produce 300 units per day. However, it has been noticed that the average daily production of a worker is in the range of 200-225 units. 4
 (i) Name the function of management and identify the step in the process of this function which helped in finding out that the actual production of the worker is less than the set target.
 (ii) To complete the process of function identified in question (a) and to ensure the performance as per time and motion studies, explain what further steps a manager has to take.
- 31) A) Define Organising. What are the steps in the process of organising? 6

OR

B) What is a divisional structure? Discuss its advantages and limitations

32) A) Describe briefly the steps involved in the process of staffing.

6

OR

B) Explain the procedure for selection of employees

33) Roshan is the chief chef of 'Khidmat' restaurant located in the city of Bangaluru. The place is known for its exquisite Mughlai cuisine especially mutton biryani and kababs. All the food is prepared under Roshan's purview. The various activities in the kitchen are initiated in accordance to his instructions. He is very clear and specific in issuing instructions to his subordinates in order to ensure smooth working of the department. He personally oversees the method followed by the chefs for preparation of each dish. He misses no opportunity to praise his subordinates for their good work. All his team members feel very happy and satisfied under his direction. He provides constant guidance to them in order to improve upon its taste and presentation and also encourages them to innovate and be more creative in their work.

In the above context:

6

1. Identify the various elements of directing mentioned in the above paragraph by quoting lines from the paragraph.
2. Describe briefly any two points to highlight the importance of directing as a function of management

34) Raghav started a take away eating joint in a nearby market. His business was doing well. He ensured that the food was properly cooked, a standard taste was maintained, packing of food was done effectively and the orders were executed on time. But unfortunately he met with an accident and was advised three months bed rest. In his absence, his cousin Rohit took charge of his business. When he resumed his work after three months, he realised that his clientele had dropped. The people were not happy with the services as the quality of food had deteriorated and the delivery time for orders had increased considerably. All this was happening because most of his previous staff had left as Rohit used to adopt a very strict and authoritative approach towards them.

In context of the above case:

6

1. List any two aspects about his business that Raghav was controlling in order to make it successful.
2. Explain briefly any two points to highlight the importance of the controlling function.
3. Name and explain the style of leadership adopted by Rohit.

*****ALL THE BEST*****