

**BUSINESS STUDIES (CODE - 054)**  
**SAMPLE PAPER 2**  
**CLASS XII**

**Time Allowed: 3 hours**

**Maximum Marks: 80**

**General Instructions:**

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 questions carrying 3 marks may be from 50 to 75 words.
5. Answers to questions carrying 4 marks may be about 150 words.
6. Answers to questions carrying 6 marks may be about 200 words.
7. Attempt all parts of a question together.

1. A hospital administrator drafts monthly staffing rosters, allocates duties to nurses and technicians, encourages them through recognition awards, and reviews patient satisfaction scores every week, all as part of her ongoing routine. Identify the characteristic of management illustrated here. [1]

- (A) Management is goal oriented
- (B) Management is a continuous process
- (C) Management is a group activity
- (D) Management is intangible

2. Taylor's principle of 'harmony, not discord' suggests that there should be complete harmony between management and workers, since their interests are not necessarily opposed. This principle applies broadly to organisations of all types and sizes. Which nature of principles of management does this reflect? [1]

- (A) Universal applicability
- (B) Mainly behavioural
- (C) Contingent
- (D) Formed by practice and experimentation

3. Read the following statements: Assertion (A) and Reason (R). Choose the correct alternative from those given below: Assertion (A): Herzberg's two-factor theory of motivation is widely used but also criticised. Reason (R): Herzberg classified factors into hygiene factors and motivators, but critics argue that the same factor can act as a satisfier for one person and a dissatisfier for another. [1]

- (A) Both A and R are true, and R is the correct explanation of A.
- (B) Both A and R are true, but R is not the correct explanation of A.
- (C) A is true but R is false.
- (D) A is false but R is true.

4. Read the following statements carefully: Statement I: Organising helps in the optimum utilisation of resources by ensuring that no activity is left uncovered and no resource is wasted through duplication of effort. Statement II: Organising is relevant only at the time an organisation is first set up, and not afterwards. Choose the correct alternative: [1]

- (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.

5. Rakesh works as a delivery rider for a food aggregator and is paid a fixed amount for every successful delivery he completes, with no fixed monthly salary component at all. Identify the method being used to calculate his compensation. [1]

- (A) Time based direct financial payment
- (B) Performance based direct financial payment
- (C) Indirect financial payment
- (D) Time based pay plus incentives

6. Out of the following, identify the component(s) of the economic environment. 1) The Reserve Bank of India revises the repo rate, affecting the cost of borrowing for businesses. 2) A state government announces a new subsidy scheme for electric vehicle manufacturers. 3) Rising per capita income has increased demand for branded consumer goods. 4) A telecom company launches a new 5G-enabled smartphone. 5) The national literacy rate has crossed 80%, expanding the pool of skilled workers. Choose the correct option: [1]

- (A) 1, 3
- (B) 1, 2, 3
- (C) 2, 4, 5
- (D) 3, 4, 5

7. Name the element of the marketing mix concerned with deciding the value to be charged for a product, considering competitors' prices, production costs, and the value perceived by customers. [1]

- (A) Product
- (B) Promotion
- (C) Price
- (D) Place

8. Choose the correct statement about the planning function of management. [1]

- (A) Planning is undertaken only by top-level managers.
- (B) Planning involves deciding in advance what to do, how to do it, when to do it, and who is to do it.
- (C) Once a plan is prepared, it can never be revised.
- (D) Planning eliminates the need for controlling.

9. Arrange the following steps of the planning process in the correct sequence: i) Identifying alternative courses of action ii) Selecting the best alternative iii) Setting objectives iv) Evaluating alternative courses v) Implementing the plan vi) Follow-up action Choose the correct option: [1]

- (A) iii, i, iv, ii, v, vi
- (B) iii, iv, i, ii, v, vi
- (C) i, iii, iv, ii, v, vi
- (D) iii, i, ii, iv, v, vi

10. Choose the correct statement about the meaning of a depository. [1]

- (A) A depository is an institution that holds securities of investors in electronic form and facilitates their transfer.
- (B) A depository lends money directly to companies wishing to issue new shares.
- (C) A depository sets the daily opening and closing prices of listed securities.
- (D) A depository is another name for a stock broker.

11. A beverage company introduces a new flavoured drink specifically after research revealed a gap in the market for a low-sugar, naturally flavoured option, rather than simply manufacturing whatever was easiest to produce. Name the feature of marketing reflected in this statement. [1]

- (A) Creating a market offering based on customer needs
- (B) Exchange mechanism
- (C) Goal oriented process
- (D) A social process

12. Match the concepts of management given in Column I with their meaning given in Column II: [1]

**COLUMN I****COLUMN II**

- A. Training i. A continuous, systematic process of improving employees' skills, knowledge, and attitude to work efficiently.
- B. Development ii. The process of increasing the capacity of an employee to perform their present as well as future roles, with an emphasis on managerial and conceptual abilities.
- C. Induction iii. The process of familiarising a new employee with the organisation, its policies, and its practices.
- D. Vestibule training iv. A method of training in which employees are trained on equipment that closely resembles actual equipment used on the job, but set up away from the production area.

Choose the correct option:

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

**13.** Mr Verghese, the plant head of a chemical manufacturing unit, drafts a detailed annual production plan based on last year's demand figures. However, an unexpected global shortage of a key raw material forces him to revise the entire plan midway through the year. 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 involves huge costs.
- (D) Planning is a mental exercise.

**14.** Name the step in the staffing process concerned with determining the total number and type of personnel required in an organisation, based on an analysis of jobs and the qualifications and experience required to perform them. [1]

- (A) Recruitment
- (B) Selection
- (C) Estimating manpower requirements
- (D) Performance appraisal

**15.** A dairy cooperative decides to raise ₹10 crore by issuing new equity shares to the public to fund the construction of a new processing plant. Identify the financial decision involved. [1]

- (A) Investment decision
- (B) Financing decision
- (C) Dividend decision
- (D) Working capital decision

**16.** A well-established company with a strong track record finds that banks and financial institutions are willing to lend to it at relatively low interest rates due to its good reputation. Identify the factor affecting the choice of capital structure being discussed. [1]

- (A) State of capital markets
- (B) Cost of debt
- (C) Floatation cost
- (D) Tax rate

**17.** The government of India wishes to raise long-term funds to finance a national highway expansion project by inviting subscriptions from the public through the sale of long-dated bonds. Identify the market where this transaction would take place. [1]

- (A) Money market
- (B) Capital market

(C) Foreign exchange market

(D) Call money market

**18.** 'The management of a company avoids declaring a dividend that would violate a covenant in its existing loan agreement with a bank.' Identify the relevant factor affecting dividend decisions being discussed above. [1]

(A) Legal constraints

(B) Contractual constraints

(C) Growth prospects

(D) Stock market reaction

**19.** Read the following statements carefully: Statement I: Fixed capital refers to funds invested in long-term assets such as land, buildings, and machinery. Statement II: The requirement of fixed capital is unaffected by the choice of technology used by a firm. Choose the correct alternative: [1]

(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.

**20.** Choose the correct statement about the staffing function of management. [1]

(A) Staffing is concerned only with the recruitment of new employees.

(B) Staffing involves obtaining, utilising, and maintaining a satisfactory workforce to fill the roles in the organisation structure.

(C) Staffing has no relationship with the organising function.

(D) Staffing is only relevant for manufacturing organisations.

**21.** Attempt either (A) or (B). [3]

**(A)**

State any three points of importance of the principles of management.

OR

**(B)**

State any three points of difference between delegation and decentralisation.

**22.** GlowSkin Naturals, a herbal cosmetics company, developed a new range of sunscreens only after conducting extensive research to understand what its target customers, mainly outdoor sports enthusiasts, genuinely wanted in a sun-protection product. Based on this research, the company created a sunscreen that was sweat-resistant and reef-safe, and it quickly built a loyal customer base, even though it was priced higher than competing products. (a) Identify and state the marketing management philosophy being followed by GlowSkin Naturals. (b) Name and briefly state any two other philosophies of marketing apart from the one identified in part (a). [3]

**23.** Attempt either (A) or (B). [3]

**(A)**

Give any three points of distinction between a functional structure and a divisional structure of organisation.

OR

**(B)**

Give any three functions of the Securities and Exchange Board of India (SEBI) as a developmental agency.

**24.** Devika Anand began a boutique furniture-restoration business in Jaipur in 2020, focusing on eco-friendly wood treatment methods. For the financial year 2025-26, she set the organisational goal of increasing exports to Europe by 15% and framed broad strategies to pursue this. As her business grew more complex, she appointed floor supervisors to translate these strategies into daily work schedules and to directly oversee the artisans carrying out the restoration work. Identify the level of management at which the floor supervisors were appointed. State any two functions they would be expected to perform at this level. [3]

**25.** Attempt either (A) or (B). [4]

**(A)**

Explain the following functions of marketing: a) Financing b) Standardisation and grading

OR

**(B)**

Explain two features each of the following: a) Advertising b) Personal selling

**26.** Attempt either (A) or (B). [4]

**(A)**

Explain why planning is considered: a) a continuous process b) an intellectual process

OR

**(B)**

Explain the following as a type of plan: a) Policy b) Method

**27.** The market research team at 'HomeCraft Furnishings', a company manufacturing modular furniture, has been studying why demand for compact, multi-functional furniture has surged in metro cities. Their research revealed that shrinking apartment sizes, rising property costs, and a growing preference for minimalist living have together fuelled demand for space-saving furniture solutions. (a) In the context of the above case, identify and explain the feature of the business environment highlighted. (b) Explain any two other features of the business environment, apart from the one identified in part (a). [4]

**28.** 'Coordination is regarded as the essence of management.' State any four reasons to justify this statement. [4]

**29.** Vinod Chawla, the shift-in-charge at a bottling plant, noticed that different workers were taking different amounts of time to complete the same bottle-capping task, with no clear standard for how long it should take. He consulted a management expert, who suggested measuring the exact time required by a qualified worker to complete the task under normal conditions, in order to set a fair standard time for the job. Identify and explain the technique of scientific management discussed above. [4]

**30.** Bright Future Academy, a chain of coaching institutes, wants to hire fifteen new subject teachers for the upcoming academic year. Sameera Vora, the Human Resource Manager, has already placed advertisements, collected application forms, and screened out clearly unqualified candidates. Identify and explain the remaining steps that Ms Vora must undertake in order to select the most suitable candidates from the pool of applicants. [4]

**31.** Nitesh Oberoi has been running a wholesale stationery distribution business in Kanpur for six years. He stocks a wide range of items to ensure that retailers can always find what they need. Recently, he supplied stationery worth ₹20 lakh to a large retail chain on a 60-day credit period, and immediately reordered stock from his own supplier, but the new stock arrived only after a significant delay due to transport disruptions. (a) State the concept of financial management discussed above. (b) Briefly explain the factors highlighted in the case that affect the requirement of the concept identified in part (a). [6]

**32.** Mr Devendra Yadav is the shift manager at a manufacturing plant, overseeing a team of thirty machine operators. He has built strong personal rapport with each operator, understands their individual motivations, and is able to inspire them to consistently exceed production targets without resorting to strict supervision or threats. (a) Identify and explain the element involved in one of the functions of management discussed in the above case. (b) State any four features of the element identified in part (a). [6]

**33.** Aarushi and Kabir both graduated from the same design school. Aarushi started her own interior design firm, 'Studio Aarch'. To streamline operations, she divided the firm into four departments: design, procurement, project execution, and client relations, all reporting directly to her. This specialisation helped the firm build a strong reputation for quality. Kabir joined a large conglomerate, 'Meridian Group', which runs several distinct businesses including Meridian Realty, Meridian Hospitality, and Meridian Retail. He was appointed head of Meridian Hospitality and made responsible for the profit or loss of that entire business, with considerable freedom to make decisions for his unit without needing constant approval from the group head office. (a) Identify the types of organisational structure within which Aarushi and Kabir were working. (b) Give any four differences between the two structures identified above. [6]

**34.** Attempt either (A) or (B). [6]

**(A)**

State the rights available to consumers under the Consumer Protection Act, 2019 for the protection and promotion of their interests.

OR

**(B)**

Explain the role of consumer organisations and NGOs in protecting and promoting the interests of consumers.

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1. (B) Management is a continuous process – the administrator performs planning, organising, directing and controlling activities repeatedly, on an ongoing (weekly/monthly) basis, illustrating that management is a series of continuous, interrelated functions. [1]
2. (A) Universal applicability – the principle is presented as broadly applicable to organisations of all types and sizes, which is the defining feature of universal applicability, even though, like all management principles, it needs to be applied with reference to the given situation. [1]
3. (A) Both A and R are true, and R is the correct explanation – Herzberg's theory is indeed criticised because a factor treated as a hygiene factor for one individual may act as a motivator for another, undermining the theory's rigid classification. [1]
4. (C) Statement I is true, Statement II is false – organising does help avoid duplication and ensures optimum use of resources; however, organising is an ongoing process relevant throughout the life of an organisation, not just at its formation, since organisations must adapt their structures to changing circumstances. [1]
5. (B) Performance based direct financial payment – Rakesh is paid purely on the basis of the number of deliveries (output/performance) completed, with no fixed/time-based component. [1]
6. (A) 1, 3 – repo rate changes and rising per capita income affecting demand for branded goods are both economic factors; option 2 relates to the political/legal dimension, option 4 to the technological dimension, and option 5 to the social dimension. [1]
7. (C) Price – concerned with deciding the amount to be charged for a product, taking into account costs, competition, and customer-perceived value. [1]
8. (B) Planning involves deciding in advance what to do, how to do it, when to do it, and who is to do it – this is the standard definition of planning, which can and should be revised as circumstances change, and is undertaken by managers at all levels, not top management alone. [1]
9. (D) iii, i, ii, iv, v, vi – the standard planning process sequence is: setting objectives, developing premises/identifying alternatives, evaluating alternative courses, selecting the best alternative, implementing the plan, and follow-up action. [1]
10. (A) A depository is an institution that holds securities of investors in electronic form and facilitates their transfer – this describes the core function of a depository, similar to how a bank holds money. [1]
11. (A) Creating a market offering based on customer needs – the company designed the product specifically to fill an identified gap in customer needs, rather than manufacturing based on production convenience. [1]
12. (A) A-i, B-ii, C-iii, D-iv – training improves present job skills (i); development builds broader managerial capacity for present and future roles (ii); induction familiarises a new employee with the organisation (iii); vestibule training uses equipment resembling the actual job set up away from the production area (iv). [1]
13. (B) Planning may not work in a dynamic environment – despite careful planning based on past data, an unforeseen external event (raw material shortage) disrupts the plan, illustrating this limitation. [1]
14. (C) Estimating manpower requirements – this is the first step of the staffing process, involving analysis of jobs and the workforce needed to perform them. [1]
15. (B) Financing decision – concerned with how funds are to be raised (here, through issue of equity shares) to finance the business. [1]
16. (B) Cost of debt – a lower cost of borrowing (interest rate) due to strong reputation makes debt a more attractive source of finance, influencing the capital structure decision. [1]
17. (B) Capital market – dealings in long-term instruments (bonds with a long maturity, used to finance long-term projects) take place in the capital market. [1]
18. (B) Contractual constraints – the loan agreement with the bank imposes a specific contractual restriction on the company's ability to declare a dividend. [1]

**19. (C)** Statement I is true, Statement II is false – fixed capital does refer to investment in long-term assets; however, the choice of technology (labour-intensive vs capital-intensive) directly affects the requirement of fixed capital, so Statement II is incorrect. [1]

**20. (B)** Staffing involves obtaining, utilising, and maintaining a satisfactory workforce to fill the roles in the organisation structure – this is the standard definition of staffing, which covers far more than just recruitment and applies to organisations of all types, not manufacturing alone. [1]

**21 (A).** [3]

(Any three) Principles of management provide managers with useful insights into real-world situations, since they represent the collective wisdom of many managers over time; they help in improving managerial efficiency by guiding decision-making in recurring situations, reducing the need to solve every problem from scratch; they help in scientific decision-making by replacing guesswork and intuition with a more rational, tested approach; they help in meeting the changing requirements of the environment, since many principles (though formed in the past) are dynamic and are continually validated and modified through ongoing research.

**OR (B)**

(Any three) Delegation is done by an individual manager to another individual, while decentralisation is a policy decision taken by top management applicable throughout the organisation. Delegation is essential for organising and cannot be avoided (every manager must delegate some work), while decentralisation is optional and is a matter of policy choice. Delegation results in a superior-subordinate relationship, while decentralisation results in the creation of autonomous or semi-autonomous units/divisions. Delegation does not necessarily dilute control, whereas decentralisation does result in a significant dilution of control by top management over operational decisions.

**22.** [3]

(a) GlowSkin Naturals is following the marketing concept of marketing management, which holds that achieving organisational objectives depends on identifying the needs and wants of the target market and delivering the desired satisfaction more effectively than competitors, even at a premium price.

(b) Any two other philosophies: (i) The production concept holds that consumers prefer products that are widely available and inexpensive, so the focus is on production efficiency and wide distribution. (ii) The selling concept holds that consumers will not buy enough of a firm's products unless the firm undertakes large-scale selling and promotional efforts. (iii) The societal marketing concept holds that a firm should satisfy customer needs in a way that also preserves and enhances the well-being of society and the consumer's long-term interest, not just immediate wants.

**23 (A).** [3]

(Any three) Functional structure is formed by grouping jobs on the basis of functions performed (e.g. production, marketing, finance), while divisional structure is formed by grouping activities on the basis of product lines or business divisions. Functional structure leads to higher specialisation within each function, while divisional structure leads to greater emphasis on overall product/divisional performance.

Accountability for profit is difficult to fix on a single function in a functional structure, while it is easy to fix accountability for profit or loss on a specific division under a divisional structure. Functional structure is more suitable for a single-product or narrow-product-line business, while divisional structure is more suitable for a business with multiple, diverse product lines.

**OR (B)**

(Any three) As a developmental agency, SEBI: (i) trains intermediaries associated with the securities market to build their capacity and professionalism; (ii) promotes fair practices and a code of conduct for intermediaries such as brokers and merchant bankers; (iii) conducts research and publishes information useful to all market participants; (iv) undertakes measures to make the market more efficient, such as introducing electronic trading and reducing settlement periods.

**24.** [3]

The floor supervisors were appointed at the lower/operational (supervisory) level of management. At this level, they would need to: (i) directly guide and supervise the artisans in their day-to-day restoration work, ensuring the tasks assigned are completed according to the specified quality and timelines, and (ii) maintain a link between the workers and the middle-level management by communicating workers' concerns upward and management's instructions downward.

**25 (A).** [4]

(a) Financing: refers to the marketing function of arranging the funds necessary to carry out marketing activities, such as advertising, distribution, and holding inventory until sale; adequate financing ensures the smooth flow of the marketing process. (b) Standardisation and grading: standardisation refers to setting predetermined quality benchmarks that a product must conform to, ensuring uniformity across units of the product; grading refers to classifying products into different groups based on their quality characteristics (e.g. grading fruit by size and ripeness), which simplifies buying and selling decisions for both parties.

**OR (B)**

(a) Advertising: a paid form of non-personal communication about an idea, product, or service by an identified sponsor through a mass medium. Features: (i) it is impersonal, being directed at a large, anonymous audience rather than a specific individual; (ii) it is a paid form of communication, distinguishing it from publicity, which is unpaid. (b) Personal selling: face-to-face communication between a salesperson and a prospective buyer, aimed at persuading the buyer to purchase a product. Features: (i) it involves personal, two-way communication, allowing immediate feedback and clarification of doubts; (ii) it allows the message to be adapted and customised to the specific needs of each individual prospect.

**26 (A).** [4]

(a) Planning is a continuous process: plans are made for a specific period, and once that period ends, new plans need to be drawn up based on new requirements and future conditions; thus planning never truly ends, and managers must continuously plan, implement, and re-plan. (b) Planning is an intellectual process: planning requires the application of a rational, disciplined mind to think in a systematic manner rather than relying on guesswork; it involves visualising a course of action and thinking ahead, which is why it is regarded as an activity that involves higher-order mental exercise.

**OR (B)**

(a) Policy: a general guideline for decision-making that channels managerial thinking in a specific direction while still allowing some discretion, e.g. a company policy of promoting employees only from within the organisation. (b) Method: provides the prescribed, standard way in which a particular step of a procedure is to be performed, offering a way to accomplish a task while minimising time and effort, e.g. the specific method to be used for handling a customer complaint.

**27.** [4]

(a) The feature of the business environment highlighted is that business environment is dynamic, meaning it keeps changing due to changes in social, economic, technological, and other factors. Shrinking apartment sizes, rising property costs, and changing lifestyle preferences are all environmental changes that have together fuelled the shift in demand towards compact, multi-functional furniture.

(b) Any two other features: (i) Business environment is uncertain, as it is often very difficult to accurately predict future changes, particularly in the technological and government policy dimensions; this uncertainty was implicit in how the demand shift may have caught many traditional furniture makers off guard. (ii) Business environment is inter-related, since its various dimensions (social, economic, technological) are closely connected and changes in one often trigger changes in another; here, economic changes (rising property costs) and social changes (lifestyle preferences) are closely inter-linked in driving the same market shift.

**28.** [4]

(Any four) Coordination is regarded as the essence of management because: (i) it is required in all functions of management, being present in planning (ensuring various plans work together), organising (linking departments), staffing (matching people to roles), directing (unifying individual efforts), and controlling (checking overall performance against goals); (ii) it is needed at all levels of management, from the top level down to the supervisory level, to synchronise activities; (iii) it is required for all group efforts, since

coordination becomes necessary whenever people work together towards a common goal, whether in a small team or a large department; (iv) it is a continuous, ongoing process, not a one-time activity, since new situations and conflicts of interest keep arising that require fresh coordination efforts.

**29. [4]**

The technique of scientific management discussed here is time study. Time study involves determining the standard time taken by a qualified and well-trained worker to perform a specific job under normal working conditions, typically using a stopwatch or similar device. This helps in setting a fair and objective work standard for the task, enables the determination of a suitable number of workers to be employed, and forms the basis for designing wage incentive schemes, addressing Vinod Chawla's problem of inconsistent completion times among workers.

**30. [4]**

The remaining steps of the selection process that Ms Vora must undertake are: (i) Selection tests: conducting aptitude, intelligence, or subject-knowledge tests to assess candidates' suitability for the teaching role. (ii) Employment interview: a formal conversation to assess a candidate's communication skills, subject command, and overall fit for the institute. (iii) Reference and background checks: verifying the information provided by candidates and gathering feedback from their previous employers or references. (iv) Selection decision, medical examination, and job offer: making the final choice among the shortlisted candidates, ensuring their medical fitness, and formally offering them the teaching positions.

**31. [6]**

(a) The concept of financial management discussed above is working capital, i.e. the funds invested in a firm's current assets to support its day-to-day operations.

(b) Factors highlighted in the case affecting working capital requirement: (i) Nature of business: as a wholesale distributor, Nitesh Oberoi must maintain a wide and substantial stock of stationery items to satisfy retailer demand promptly, requiring higher working capital. (ii) Credit allowed to customers: supplying stationery worth ₹20 lakh on a 60-day credit period means funds remain tied up in receivables for two months, increasing working capital requirement. (iii) Credit availed from suppliers: the significant delay in receiving fresh stock from his own supplier means he cannot depend on timely trade credit to offset his own working capital needs during that period, requiring him to fund the gap independently, further increasing the working capital requirement.

**32. [6]**

(a) The element discussed is leadership, an element of the directing function of management. Leadership is the process of influencing the behaviour of people so that they willingly strive towards the achievement of group objectives, as illustrated by Mr Yadav's ability to inspire his team purely through rapport and understanding, rather than strict supervision.

(b) Any four features of leadership: (i) it is a process of influencing the behaviour of other people; (ii) it seeks to bring about a change in the behaviour of followers towards accomplishing a common goal; (iii) it is relative to a particular situation, since the same style may not work equally well in every context; (iv) it requires the willing cooperation and acceptance of followers, and cannot be imposed purely by formal authority; (v) leadership qualities can be acquired and developed through experience and training, not only inherited.

**33. [6]**

(a) Aarushi's firm, Studio Aarch, follows a functional structure (grouping of activities by function performed: design, procurement, project execution, client relations). Kabir's organisation, Meridian Group, follows a divisional structure (grouping of activities on the basis of separate business divisions: Realty, Hospitality, Retail).

(b) Any four differences: (i) Formation: functional structure is formed on the basis of functions performed, while divisional structure is formed on the basis of product/business lines. (ii) Accountability: it is difficult to fix accountability for overall profit or loss on any single function in a functional structure; in a divisional structure, each division head, like Kabir, can be held directly accountable for the profit or loss of their own division. (iii) Autonomy: functional structure offers limited autonomy to individual departments, as decisions

are centrally coordinated; divisional structure grants considerable operational autonomy to each division, enabling faster decision-making, as Kabir experienced. (iv) Managerial development: functional structure gives managers narrower, specialised experience limited to their function; divisional structure gives managers broader, general management experience across all functions within their division. (v) Cost: functional structure tends to be more economical due to no duplication of resources across functions, while divisional structure may involve some duplication of facilities and resources across divisions.

**34 (A). [6]**

Rights available to consumers under the Consumer Protection Act, 2019 include: (i) Right to safety: protection against goods and services that are hazardous to life and property. (ii) Right to be informed: the right to have complete information about the quality, quantity, purity, price, and standard of goods or services, to protect against unfair trade practices. (iii) Right to choose: the right to be assured, wherever possible, of access to a variety of goods and services at competitive prices. (iv) Right to be heard: the right to be heard and to be assured that consumer interests will receive due consideration at appropriate forums. (v) Right to seek redressal: the right to seek redressal against unfair trade practices or exploitation. (vi) Right to consumer education: the right to acquire the knowledge and skills needed to be an informed consumer throughout life.

**OR (B)**

Consumer organisations and NGOs play a significant role in protecting and promoting consumer interests by: (i) educating the general public about their consumer rights and responsibilities through seminars, workshops, and publications; (ii) encouraging consumers to protest and take action against unfair or restrictive trade practices; (iii) providing legal assistance to consumers in filing and pursuing complaints before consumer courts; (iv) publishing independent test results and comparative studies of competing brands and products, to help consumers make informed choices; (v) filing complaints in consumer courts on behalf of an individual consumer or a group of consumers; (vi) acting as a pressure group to push for stronger consumer protection laws and policies.