

# Class XII Session 2025-26

## Subject - Business Studies

### Sample Question Paper - 9

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 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. This concept provides the requisite amount, quality, timing, and sequence of efforts which ensures that planned objectives are achieved with a minimum of conflict. [1]

Identify the concept identified in the above-stated line.

- |                 |                |
|-----------------|----------------|
| a) Planning     | b) Management  |
| c) Coordination | d) Cooperation |

2. According to Fayol, discipline requires \_\_\_\_\_. [1]

- |                                       |                              |
|---------------------------------------|------------------------------|
| a) judicious application of penalties | b) All of these              |
| c) good superiors at all levels       | d) clear and fair agreements |

3. **Assertion (A):** Motivation is a complex process. [1]

**Reason (R):** The individuals are heterogeneous in their expectations, perceptions and reactions; any type of motivation may not have uniform effect on all the members.

- |   |   |
|---|---|
| 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. **Statement I:** Principles are basic truths or guidelines for behaviour. [1]

**Statement II:** Values are general rules for behaviour of individuals in society formed through common practice.

- |  |  |
|--|--|
| a) Statement I is correct and Statement II is not correct. | b) Both the Statements I and II are not correct. |
| c) Statement II is correct and Statement I is not correct. | d) Both the Statements I and II are correct.     |

5. For taking the company out of losses, Ravi Kumar took over as the Managing Director of the struggling 'Vova' [1]

Watch Company' in January 2020. As soon as he joined, he tried to find out the reason for the company not doing well. He found that the employees were not involved in decision-making and they had to just follow orders, resulting in low morale of employees.

Recognising the need for change, Ravi Kumar started on a journey to bring back the enthusiasm and motivation of the employees. He initiated open dialogues and encouraged them to actively participate in decision-making. Together, they developed action plans to address the company's challenges regarding outdated designs and inefficient production processes etc.

As time passed, 'Vova Watch Company' transformed from a struggling enterprise to a profit making enterprise. Identify the leadership style of Ravi Kumar :

- a) Free-rein leadership style
- b) Autocratic leadership style
- c) Democratic leadership style
- d) Both Autocratic and Democratic leadership style

6. Packets of cigarettes carry the statutory warning **Cigarette smoking is injurious to health** is an example of \_\_\_\_\_ [1]

- a) legal environment
- b) political environment
- c) social environment
- d) technological environment

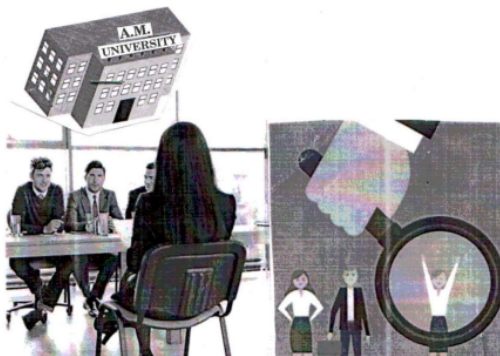
7. Which element of the marketing mix covers customer support services? [1]

- a) Product
- b) Place
- c) Promotion
- d) Price

8. Which of the following headings does **not** highlight the importance of **controlling** function of management? [1]

- a) Improving employees motivation
- b) Ensuring order and discipline
- c) Initialising action by people in the organisation
- d) Making efficient use of resources

9. Identify the external source of recruitment illustrated by the picture given below: [1]



- a) Employment Exchange
- b) Campus Recruitment
- c) Recommendation of Employees
- d) Labour Contractors

10. Identify the correct sequence of steps involved in the motivation process. [1]

- a) Drives, search behaviour, unsatisfied need, tension, satisfied behaviour, reduction of tension
- b) Search behaviour, reduction of tension, unsatisfied need, tension, drives, satisfied behaviour
- c) Tension, drives, search behaviour,
- d) Unsatisfied need, tension, drives, search

unsatisfied need, satisfied behaviour,  
reduction of tension

behaviour, satisfied behaviour, reduction of  
tension

11. Liquidity states of the certificate of deposit which is more negotiable are considered as: [1]  
a) less liquid b) team liquidity  
c) certified liquidity d) more liquid
12. A name, term, sign, symbol, design or some combination of them used to identify the products - goods or services of one seller or group of sellers and to differentiate them from those of the competitors is known as [1]  
a) brand mark b) trade mark  
c) brand d) brand name
13. Match the Levels of Management given in Column I with the functions performed at each level given in Column II: [1]

Column I	Column II
1. Top Level Management	(i) They directly oversee the efforts of the workforce.
2. Middle Level Management	(ii) They ensure that their department has the necessary personnel.
3. Operational Management	(iii) They are responsible for the welfare and survival of the organisation.

- a) (a) - (i), (b) - (iii), (c) - (ii) b) (a) - (iii), (b) - (ii), (c) - (i)  
c) (a) - (ii), (b) - (i), (c) - (iii) d) (a) - (i), (b) - (ii), (c) - (iii)
14. Which one of the following is a single-use plan? [1]  
a) Method b) Budget  
c) Strategy d) Rule
15. Name the most common method of recruitment of employees. [1]  
a) Advertisements b) Casual Callers  
c) Direct recruitment d) Web Publishing
16. When the stock market is bearish, a company must go for which of the following? [1]  
a) More debt b) More equity  
c) Equal mix of debt and equity d) Less debt
17. Which of the following is not a tangible asset? [1]  
a) Machinery b) Trademarks  
c) Factories d) Offices
18. What is meant by Demat Account? [1]  
a) Demand Depository Account b) Depository Participant Account  
c) Dematerialisation of Securities d) Development Market Account
19. Higher working capital usually results in: [1]  
a) higher equity, lower risk and lower profits b) lower equity, lower risk and higher profits  
c) higher current ratio, higher risk and higher d) lower current ratio, higher risk and profits

profits

20. **Statement I:** Service industries which usually do not have to maintain inventory require less working capital. [1]  
**Statement II:** In peak season, smaller amount of working capital is required.
- a) Both the Statements I and II are not correct.      b) Statement II is correct and Statement I is not correct.  
c) Both the Statements I and II are correct.      d) Statement I is correct and Statement II is not correct.

21. Identify the characteristic of management which states that the activities involved in managing an enterprise are common to all organisations whether economic, social or political. Also state two other characteristics of management. [3]

OR

Describe, in brief, any five functions of Operational or Lower Level Management in an organization.

22. "Every time I travelled, people asked me to bring them chips, khakra and pickles from all over the country," says Anoushka. Finally, she and her colleague, Sumeet, decided to make a business out of it. They launched a Facebook page, asked people what they wanted, and they came up with a list of about 100 places and tied-up with two dozen vendors to begin with. They were servicing people from Jaipur who wanted spices from Kerala, people from Panipat who wanted halwa from Jammu and people from Delhi who ordered fresh tea leaves from Darjeeling. Through their business, they wished to bridge the gap between sellers and buyers. The business is now worth millions. [3]
- Explain any two important activities that Anoushka and Sumeet will have to be involved in for making the goods available to customers at the right place, in the right quantity and at the right time.

23. Differentiate between the two segments of financial market on any five basis. [3]

OR

It is an institution which provides a platform for buying and selling of existing securities. Mention it.

24. Monika, Rashmi and Garima are childhood friends. After completing their education, Monika joined a school as a teacher. Rashmi joined a firm as a Chartered Accountant and Garima as a General Manager in a Multi-National Company. After a long time in a re-union function of the school, they met each other. Rashmi said that they were all professionals now. Garima told Rashmi that she can say this about Monika and herself, but not about her since Manager is not considered a full fledged professional. [3]
- Why did Garima say that she was not a professional?
  - State any three points in support of your answer.

25. "An important task in the marketing of goods relates to designing the label as it provides useful and detailed information about the product." In the light of the given scenario draw a label for 'Tea' and highlight the important information to be provided on it. [4]

OR

What is meant by advertising? State the role of advertising in marketing.

26. Distinguish between **objectives** and **policies** as types of plans. [4]

OR

Give the meaning of 'objectives' and 'budget' as types of plans.

27. Kapil Sharma is working as the Country Head of a company which owns a chain of malls under the name of 'Virtuoso' in the various parts of India. Through an analysis report of the business environment, it has been [4]

brought to his notice that in the coming years, shopping at a mall will not be a necessity for the buyers as purchases can be made online from anywhere and at any time with ease and at the consumer's convenience. Hence, malls will have to provide much more than shopping to be able to attract customers. So, he recommends that 'Virtuoso' malls should be restructured into recreation centres, offering more spaces to socialise, host events and concerts, and provide ample Food and Beverages options. Consequently, the share of the entertainment segment and Food and Beverages segment in the overall mall space is increased by 20%. As a result, the company gains enormously by getting the first mover advantage.

In the context of the above case :

- a. Define the term 'Business Environment'.
- b. Explain the terms 'Threats' and 'Opportunities' by quoting lines from the paragraph.

28. How does controlling helps in judging accuracy of standards and ensuring order and discipline? [4]

29. D&D Ltd. Co. is a large manufacturing unit. Recently, the company had conducted the 'time' and 'motion' studies and concluded that on an average a worker could produce 120 units per day. However, it has been noticed that average daily production of a worker is in the range of 80-90 units. [4]

- What steps will you suggest to ensure that the actual performance is in accordance with the performance as per time and motion studies?

30. Xeno Ltd. is a global information technology consulting company with 45,000 employees serving over 600 clients in 23 countries. Its Chief Executive Officer, Neil Suman, guided the company through two decades of diversification and growth to emerge as one of the leading Indian companies in the software industry. The company has set standards in ensuring the best training opportunities for its employees. [4]

Its 'Project Guidance Program' is a 52-day structured training programme. This is offered to all recruits of varied backgrounds to be trained on essential behavioural and technical skills that prepares them to work in live customer projects. These recruits are hired from universities and management institutes for technical, professional as well as managerial jobs. The training programme helps the new employees in settling down quickly into the job by becoming familiar with the people, the surroundings, the job and the business.

- i. Identify the external sources of recruitment used by the company to hire new employees.
- ii. Explain the method of training used by the company to train employees selected by the source of recruitment identified in part (a).
- iii. State any two ways in which the 'Project Guidance Programme' can benefit Xeno Ltd.

31. **Radhika Limited** manufactures blankets. Company's history has been satisfactory, but for the past some time, its cash flow position is in a bad shape. That is why a company has not been able to pay sufficient dividends to its equity shareholders. When Mrs. Rakhi Khetarpal, the finance manager, tried to find out the causes of the poor financial situation of the company, she observed that the control of the company was in the hands of several persons who were unable to take any concrete decision. To come out of this financial crisis, Mrs. Khetarpal has been deliberating on the kind of source of finance that needs to be tapped to arrange funds. She wants to make use of such a source as does not prove to be a fixed burden on the company. She has also to keep in mind that the company has got its premises on rent and the rent is exorbitant. Similarly, it has to bear the burden of fixed salaries. She is also worried about the fact that in the future control of the company should not be in the hands of too many persons. [6]

Above discussion hints at those factors which help the finance manager in deciding as to which financial source (Equity shares or Debentures) he should tap for the needed funds. Of the four factors mentioned here, two are in favour of issuing equity shares and the other two are in favour of issuing debentures.

- Identify these factors and explain by underscoring the relevant lines.

32. Mr. Shubhendu Bose is the owner of Bikmac Enterprises carrying on the business of manufacturing various kinds of biscuits. There was a lot of discontentment in the organisation and the targets were not being met. He asked his son, Naval, who had recently completed his MBA, to find out the reason. Naval found that all the decision-making of the enterprise were in the hands of his father. His father didn't believe in his employees. As a result, both the employer and the employees were not able to understand each others' messages in the same sense. Thus, the employees were not happy and targets were not met. [6]
- a. Identify any two communication barriers because of which Bikmac Enterprises was not able to achieve its target.
- b. State one more barrier each of the types identified in (a) above.
33. Preeti started her own cooking channel on Youtube **Mood Art**. As her subscribers increased, she was not in a position to manage everything on her own. She hired Rahul and Riya to help her with filming, editing, lighting and content research. She granted authority to them to operate within prescribed limits. She was thus, able to use her time on high priority activities like developing new recipes and content development etc. As a result, Rahul and Riya were given opportunities to develop and exercise initiative. Preeti was now able to focus on objectives and meet the target of achieving a subscriber base of one million in six months. [6]
- a. Identify the concept of management used by Preeti to focus on objectives of her business and meet her targets.
- b. Explain any five point of importance of the concept identified in (a) above.
34. State any two reliefs that the Consumer court can grant to consumers in case of genuine complaints in each of the following situations: [6]
- i. Divya was charged more than the printed maximum retail price (MRP) for a bottle of water.
- ii. Clara was sold a car with a defective engine.
- iii. Antony suffered injury while using newly bought defective electric heater.

OR

Explain the redressal mechanism available to consumers under the Consumer Protection Act, 2019.

# Solution

1.  
**(c)** Coordination  
**Explanation:**  
Coordination concept highlighted in the above sentence.
2.  
**(c)** good superiors at all levels  
**Explanation:**  
good superiors at all levels
3. **(a)** Both A and R are true and R is the correct explanation of A.  
**Explanation:**  
Both A and R are true and R is the correct explanation of A.
4.  
**(d)** Both the Statements I and II are correct.  
**Explanation:**  
Both the Statements I and II are correct.
5.  
**(c)** Democratic leadership style  
**Explanation:**  
Democratic leadership style
6. **(a)** legal environment  
**Explanation:**  
It is as per the law that the manufacturer should specify the statutory warning.
7. **(a)** Product  
**Explanation:**  
Product element of marketing mix.
8.  
**(c)** Initialising action by people in the organisation  
**Explanation:**  
Initialising action by people in the organisation
9.  
**(b)** Campus Recruitment  
**Explanation:**  
in campus recruitment business approaches to the university for selection of candidate.
10.  
**(d)** Unsatisfied need, tension, drives, search behaviour, satisfied behaviour, reduction of tension  
**Explanation:**  
Unsatisfied need, tension, drives, search behaviour, satisfied behaviour, reduction of tension
11.  
**(d)** more liquid

**Explanation:**

more liquid

Certificate of deposit has tight liquidity.

12.

**(c)** brand

**Explanation:**

brand

13.

**(b)** (a) - (iii), (b) - (ii), (c) - (i)

**Explanation:**

(a) - (iii), (b) - (ii), (c) - (i)

14.

**(b)** Budget

**Explanation:**

Budget is a single-use plan.

15.

**(a)** Advertisements

**Explanation:**

Advertisements

16.

**(a)** More debt

**Explanation:**

During a bearish phase, a company may find raising of equity capital more difficult and it may opt for debt.

17.

**(b)** Trademarks

**Explanation:**

Trademarks are not tangible assets.

18.

**(c)** Dematerialisation of Securities

**Explanation:**

In India, shares and securities are held electronically in a dematerialized (Demat) account, instead of the investor taking physical possession of certificates. A Demat account is opened by the investor while registering with an investment broker (or sub-broker).

19.

**(c)** higher current ratio, higher risk and higher profits

**Explanation:**

Working capital refers to an excess of current assets over current liabilities. The higher current ratio, higher risks, higher profits indicate large scale operation thus require large working capital.

20.

**(d)** Statement I is correct and Statement II is not correct.

**Explanation:**

Statement I is correct and Statement II is not correct.

21. The characteristic of management that states the activities involved are common to all organizations is known as "Management is universal." Two other characteristics of management are "Management is goal-oriented" and "Management involves the utilization of resources."



OR

Main functions of Lower Level Management are:

- i. Interaction with the actual work force i.e; how to work properly and complete it on time with minimum wastage of resources.
- ii. Provides instructions to the workers given by upper level management.
- iii. Minimization of wastage of materials as to make its worker effective and efficient.
- iv. Maintains safety standards at workplace so that the worker feel secured.
- v. Maintains discipline among the workers and motivates workers to accomplish the given task on time in an efficient manner by giving them proper incentive time to time.

22. Anoushka and Sumeet need to perform the activities involved in the physical distribution of goods. Two such activities are explained below:

- a. **Transportation:** Transportation is a major contributor to the economy and a competitive force in business. It is the activity that physically connects the business to its supply chain partners, such as suppliers and customers, and is a major influence on the customer's satisfaction with the company. It creates place utility by facilitating the movement of goods from the place of production to the place of distribution. In the absence of efficient, reliable and cost-effective transportation, facility marketing of goods is difficult.
- b. **Warehousing:** Warehousing is the act of storing goods that will be sold or distributed later. While a small, home-based business might be warehousing products in a spare room, basement, or garage, larger businesses typically own or rent space in a building that is specifically designed for storage. It creates time utility by providing for the storage of goods from the time they are produced until the time they are sold. Every marketer needs to take this decision wisely in order to create a balance between the level of customer service and the cost of warehousing.

23.	<b>Basis</b>	<b>Capital market</b>	<b>Money market</b>
	<b>Meaning</b>	It refers to the whole network of organisations, institutions and instruments that deal in medium and long-term funds.	Money market is a market for short-term funds which deals in monetary assets whose period of maturity is upto one year.
	<b>Liquidity</b>	Only actively traded securities have ready market.	In this market, there is a formal arrangement of creating liquidity.
	<b>Duration</b>	Period of maturity is more than one year.	Period of maturity ranges from one day to one year.
	<b>Expected return</b>	The expected returns are high as there is scope of earning capital gains and long-term prosperity is also shared by the company in form of high dividends and bonus issues.	The expected return is less due to short duration and lower risk.
	<b>Investment outlay</b>	Investment outlay does not necessarily require huge investment outlay. The unit prices is low, i.e. Rs10, Rs100 and so even the trading lots are small, i.e. 5, 50, 100 etc.	Money market transactions entail huge sums of money as instruments are quite expensive.
	<b>Participants</b>	Individual investors, as well as institutional investors like financial institutions, banks, corporate houses and foreign investors, participate in the capital market transactions.	The participants are RBI, Commercial Banks financial institutions, mutual funds and corporate houses. Individual investors do not participate in money market.

OR

Stock exchange- Organized and regulated financial market where securities (bonds, notes, shares) are bought and sold at prices governed by the forces of demand and supply.

24. Garima stated that she was not a professional because she is not regarded a full-fledged professional as a manager.

The following three points in support of the statement:

- i. **Lack of a standardised qualification:** Managers, unlike other professions such as law, engineering, or accountancy, do not have a standardized capability. While some managers may have a business administration degree, becoming a manager is not required. As a result, the lack of a standardized certification for managers makes it difficult to regard them as full-fledged professionals.
- ii. **Lack of regulatory bodies:** Professional bodies establish standards and ensure that their members follow ethical norms of conduct. For example, the Institute of Chartered Accountants of India regulates the accounting profession in India. There is, however, no governing agency for managers. Because of this lack of regulation, it is impossible to regard managers as full-fledged professionals.

- iii. **Varied job roles:** A manager's function can vary significantly among industries and organizations. For example, a general manager at a manufacturing firm has distinct job responsibilities than a general manager in a software firm. Because work duties vary so widely, it isn't easy to define what it means to be a manager and what skills are required to become one. As a result, it is impossible to regard managers as fullfledged professionals.

25. <b>AMIT TEA</b>	
Rahul Industries Pvt. Ltd. 2 <sup>nd</sup> Floor, Arihant Towers, Karkarduma complex, New Delhi – 110092	Net Weight: 500gm <b>Packed: April 2004</b> MRP: Rs.75 Batch No: 9875 <b>Best Before: Feb. 2014</b>

OR

Advertising is an impersonal form of communication, which is paid for by the marketers (sponsors) to promote some goods or services. It is the most commonly used tool of promotion. Most common modes of advertising are newspaper, television, and radio. Advantages to manufacturers are as follows

- Provides economies of scale:** Large and steady demand enables a manufacturer to sell more and to produce goods on large scale. Mass production on regular basis helps to reduce the costs of production and distribution. Because of its wide reach, the overall cost of advertising gets spread over numerous communication link established.
- Reduces dependence on middlemen:** Advertising helps to establish direct contact between manufacturers and consumers. It is easy to find consumers, as they are made aware of the availability and utility of goods. It is medium through which a large number of people can be reached over a vast geographical area.

26. Following table shows the distinction between **objectives** and **policies**:

Basis of Distinction	Objectives	Policies
Purpose	Objectives are the purposes for which the organisation exists.	Policies are not the basis for the existence of an organisation.
Focus	Objectives are ends towards which all activities of the organisation are directed.	Policies are the means for the achievement of objectives in a consistent way.
Philosophy	Objectives reflect the philosophy of management. They summarise the pious intention of the management.	Policies provide meaning and contents to objectives. Policies provide standing answers to recurring questions.
Nature	Objectives indicate the destination.	Policies determine the routes.
Formulation	Objectives are always laid down by the top management.	Policies are formulated by the top and the middle management.

OR

### Objectives

- These are defined as ends which the management seeks to achieve by its operations.
- The objectives are usually set by the top management of the organisation.
- Objectives focus on broad and general issues.
- They define the future state of affairs which the organisation strives to realise.
- For example, An organisation may have an objective of increasing sales by 10% or earning a reasonable rate of return.

### Budget

- It is a statement of expected results expressed in numerical terms.
- It is a projection designed to define the anticipated costs and results in numerical terms of a single project.
- It comes under the single-use plan.
- It is considered as a control device, prepared during the planning process.
- Various types of budget are cash budget, production budget, sales budget etc.

27. a. The term '**Business Environment**' means the combination of internal and external factors that influence a company's operating situation. The business environment can include factors such as clients and suppliers; its competition and owners; improvements in technology; laws and government activities and market, social and economic trends.

b. **Threats and Opportunities are as follows:** refer to factors that have the potential to harm an organization.

- i. **Threats:** "Through an analysis report of the business environment, it has been brought to his notice that in the coming years, shopping at a mall will not be a necessity for the buyers as purchases can be made online from anywhere and at any time with ease and at the consumer's convenience. Hence, malls will have to provide much more than shopping to be able to attract customers."
- ii. **Opportunities** refer to favourable external factors that could give an organization a competitive advantage. For example, if a country cuts tariffs, a car manufacturer can export its cars into a new market, increasing sales and market share.

"As a result, the company gains enormously by getting the first mover advantage."

28. i. **Controlling helps in judging accuracy of standards-** A good controlling system enables management to verify whether standards set are accurate and objective. An efficient controlling system keeps a careful check on the changes taking place in the organisation and in the environment and helps to review and revise standards, if necessary.
- ii. **Controlling helps in ensuring order and discipline-** Controlling creates an atmosphere of order and discipline in the organisation. Controlling helps to minimise dishonest behaviour on the part of the employees by keeping a close check on their activities.
29. The following steps can be taken:
- (i) Eliminate unnecessary movements in doing a work;
  - (ii) Conduct 'Fatigue study' and provide rest intervals to employees so as to enable them to regain lost stamina;
  - (iii) Use 'Differential piece wage system' in which efficient and inefficient workers are paid at different rates. It will motivate the workers to put in their maximum efforts.
30. i. The external source of recruitment used by the company to hire new employees is '**Campus Recruitment**'.
- ii. **Induction Training** is the training provided to new employees by the employer in order to assist in adjustment to their new job tasks and to help them become familiar with their new work environment and the people working around them.
- iii. Ways in which Project Readiness Program can benefit Xeno Ltd.:
- a. Avoiding wastage of efforts and money as training is systematic learning, better than hit and trial methods.
  - b. Enhancing employee productivity both in terms of quantity and quality leading to higher profits.
31. The given discussion relates to Financing decisions.
- a. **Lines favouring equity shares:**
- i. Company's history.....is in a bad shape.  
**Cash Flow Position:** These lines tell the bad cash flow position of the company. In such a situation the company should avoid fixed financial costs like interest on debentures. Thus, in this situation, it would be helpful for the company to issue equity shares.
  - ii. "She has also to keep in mind the burden of fixed salaries."  
**Level of Fixed Operating Costs:** These lines refer to the company's high fixed operating costs. In this situation, it would be of advantage to the company to keep fixed financial cost at the minimum. Thus, in this situation also it will be correct to issue equity shares.
- b. **Lines favouring debentures:**
- i. "She wants to make use of \_\_\_\_\_ a fixed burden."  
**Flexibility:** It means when required by the business amount of capital could be enhanced or reduced easily. A company can get this facility by issuing debentures.
  - ii. "She is also worried about \_\_\_\_\_ too many persons."  
**Control Consideration:** These lines mean that too many persons should not participate in the control of the company. Equity shareholders have the final control over the company affairs. Thus by issuing debentures, in place of equity shares, company can prevent the control from loosening its hold.
32. i. The two communication barriers because of which Bikmac Enterprises was not able to achieve its targets are:
- a. **Organisational barriers:** The Organizational Barriers refers to the hindrances in the flow of information among the employees that might result in a commercial failure of an organization. Organizational Rules and Policies: Often, organizations have the rule with respect to what message, medium, and mode of communication should be selected. And due to the stringent rules, the employees escape themselves from sending any message.
  - b. **Psychological barriers:** The Psychological or Emotional Barriers refers to the psychological state i.e. Opinions, attitudes, status consciousness, emotions, etc. of a person that deeply affects the ability to communicate.
  - c. **Distrust and Defensiveness :** Communication is successful when the communicators trust each other. Lack of trust makes them derive negative meaning of the message and they ignore the message. When a person tries to force his/her own ideas

and opinions, then receiver does not listen. If the receiver does not agree to the message provided or thinks of it as a threat, he/she will not listen to it.

- ii. Organisational barriers (Status): Sometimes a status-conscious manager also may not allow his subordinates to express their feelings freely. This kind of attitude may create psychological distance between him and his subordinates.
  - iii. Psychological barriers (Premature evaluation): Sometimes people tend to evaluate the meaning of message even before the sender completes his message on the basis of their own judgement, experience etc.
33. a. Delegation
- b. Importance of delegation:
    - i. Effective management
    - ii. Employee development
    - iii. Motivation of employees
    - iv. Facilitation of growth
    - v. Basis of management hierarchy
34. i. Reliefs that the Consumer court can grant to the customers are:
- a. To refund the price paid
  - b. To discontinue the unfair/restrictive trade practice and not to repeat the same in future.
- ii. Reliefs that the Consumer court can grant to the customers are:
- a. To remove the defect in engine.
  - b. To replace the defective engine with a new one, free from any defect.
- iii. Reliefs that the Consumer court can grant to customer are:
- a. To remove the defect in electrical heater.
  - b. To replace the defective electrical heater with a new one, free from any defect.

OR

Under the consumer protection act, three redressal forums have been set up to deal with consumer protection-

**i. District forum-**

- a. It is available in every district, it consists of one president and minimum members and one of them should be a woman, who is appointed by the state government.
- b. All cases where the value of goods and services is less than 20 lakh Rs, needs to be addressed by the district forum.
- c. If the consumer is not satisfied with the decision of the district forum, he can appeal to the state commission.

**ii. State commission-**

- a. It consists of one president and minimum of members who are appointed by the state government.
- b. It is for the goods and services where the value of the item concerned is more than 20 lakhs but less than 1 cr, also for the cases where one of the parties is not satisfied with the decision of district forum and has approached the state commission.
- c. If any of the party is not satisfied with the decision of state commission, he can appeal to the national commission within 30 days.

**iii. National commission-**

- a. The national commission is established by the central government and it has one president and minimum of four other members, one of them should be a woman.
- b. It is for the goods and services where the value of the matter concerned is more than 1 crore, also for the cases where any of the party is not satisfied with the decision of state commission.
- c. If any of the party is not satisfied with the decision of the central government, they can move to the supreme court, only those cases where the value of material concerned is more than a crore will go to the supreme court.