CBT AUGUST 2024 **KENDRIYA VIDYALAYA SANGTHAN BHOPAL REGION** SUBJECT – BUSINESS STUDIES CLASS XII

1	Ummy Foods Ltd. has its registered office in Mumbai, manufacturing unit in Kanpur and marketing department in Chandigarh type of organisational structure should be adopted by the company to achieve its objectives. (A) Functional (B) Divisional (C) Both (A) and (B) (D) Neither (A) nor (B)	1
ANS.1	(A) Functional Explanation: An organisation structure formed by grouping together all activities into functional departments and putting each department under one coordinating head is called functional structure.	1
2	 Which of the following statements is incorrect? (A) Superior-Subordinate relationship is the source of origin of 'Responsibility'. (B) Authority arises from the established 'scalar chain' which links various job positions and levels of an organisation. (C) Centralisation leads to quick decision making. (D) None of the above 	1
Ans.2	 (B) Centralisation leads to quick decision making. Explanation: In centralisation, the top management directs the day to day operations, and the subordinates have to report directly to the senior management. At times when there is no managerial staff, the subordinates are unable to take immediate decisions, thus, resulting in slowing down of business operations 	1
3	Assertion (A): Organising leads to the proper usage of all material, financial and human resources. Reason (R): The proper assignment of jobs avoids overlapping of work	1

	· · · · · · · · ·	
	and also makes possible the best use of resources.	
	 (A) Both Assertion (A) and Reason (R) are the true and Reason (R) is a correct explanation of Assertion (A). (B) Both Assertion (A) and Reason (R) are the true but Reason (R) is not a correct explanation of Assertion (A). (C) Assertion (A) is true and Reason (R) is false. (D) Assertion (A) is false and Reason (R) is true 	
Ans.3	Answer:	1
	(A) Both (A) and (R) are true, and (R) is the correct explanation of (A).	
	Explanation:	
	Avoidance of duplication of work helps in preventing confusion and	
	minimising the wastage of resources and efforts.	
_		
4	Which of the following importance of organising stimulates creativity amongst the managers?	1
	(A) Development of personnel	
	(B) Optimum utilization of resources	
	(C) Expansion and growth	
	(D) None of the above	
Ans.4	Answer:	1
	(A) Development of personnel	
	Explanation:	
	Organising stimulates creativity amongst the managers. Effective	
	delegation allows the managers to reduce their workload by assigning	
	routine jobs to their subordinates	

5	(sur-	1
	Which concept related to delegation is depicted in the figure (A) Accountability (B) Responsibility (C) Authority (D) decentralisation	
Ans.5	Answer (C) Explanation:	1
	The superior is giving authority to one of the subordinate as he is making him incharge	
6	Assertion (A): The staffing function has assumed greater importance in the present scenario.	1
	Reason (R): There has been rapid advancement of technology, increasing size of organisation and complicated behaviour of human beings.	
	 (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	
Ans.6	(D) Assertion (A) is False but Reason (R) is True. Ans – (A)	1
	Explanation: since all these factors creates need of qualified and updated staff, importance of staffing can not be ignored in dynamic environment	
7	When Rahul applied for the post of Computer teacher in a school in	1
	Bhubaneshwar, 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.	
	(A) Trade test	
	(B) Intelligence test	
	(C) Personality test	
	(D) Interest test	
Ans.7	Answer: (A)	1
	Explanation:	
	Trade test as this test is conducted to determine actual skills	
	possessed by the candidates	
8	Identify the correct sequence of the steps involved in the selection process.	1
	(A) Medical Examination, Contract of Employment, Reference and Background Checking, Selection Decision, Job Offer	
	(B) Reference and Background Checking, Selection Decision, Contract of Employment, Medical Examination, Job Offer	
	(C) Job Offer, Reference and Background Checking, Selection Decision, Medical Examination, Contract of Employment	
	(D) Reference and Background Checking, Selection Decision, Medical Examination, Job Offer, Contract of Employment	
Ans.8	Answer: (D) Reference and Background Checking, Selection Decision,	1
	Medical Examination, Job Offer, Contract of Employment	
	Explanation:	
	after background checking selection decision is taken and then after	
	taking medical test job is offered and issued contract of employment	
9	A company x Ltd. is setting up a new plant in India for manufacturing auto components. India has highly competitive and cost-effective production base in this sector. X Ltd. is planning to capture about 40% of the market share in India and also export to the tune of at least \$5 million in about 2 years of its planned operations. To achieve these targets, it requires a highly trained and motivated workforce. You have	1

	been retained by the company to advise it in this matter. (i) Which sources of recruitment the company should rely upon? (ii) Which methods of training should company initiate? (A)(I)External source, (II)Off the Job training (B)(I)Internal Source, (II)Off the job training (C)(I)External source, (II)On the job training (D)(I)Internal source, (II)On the job training.	
Ans.9	Answer: (C) Explanation: To capture large market share organization may need more staff which may not be fulfilled from existing staff. Also on the job training will be more beneficial for manufacturing industries	1
10	Which type of source of external recruitment depicted in the figure (A) Casual Callers (B) Campus recruitment (C) Employment exchange (D) None of the above	1
Ans.10	(B)Campus recruitment Colleges and institutes of management and technology have become a popular source of recruitment for technical, professional and managerial jobs. Many big organisations maintain a close liaison with the universities, vocational schools and management institutes to recruit qualified personnel for various jobs. Recruitment from educational institutions	1