



**Statement, Assertion-Reasoning type questions:**

**Q6. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** The main objective of any organisation is to utilise human and non - human resources in the most efficient and effective manner i.e. to fulfill the economic objectives of the business.

**Reason (R) :** As it will ensure survival, profit and growth of a business. Finance is the lifeblood of business. So, fulfilling economic objectives is the first priority.

- a. Both Assertion (A) and Reason (R) are correct.
- b. Assertion (A) is wrong but Reason (R) is correct.
- c. Assertion (A) is correct but Reason (R) is wrong.
- d. Both Assertion (A) and Reason (R) are wrong.

**Q7. Read the following statement carefully and choose the correct alternative:**

**Statement I :** The practice of management is an art.

**Statement II :** The principles of management constitute the science of management.

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

**Subjective type questions:**

**Q8.** 'Management increases efficiency.' How?

**Q9.** Why is management considered to be a multi-dimensional concept? Explain.

**Q10.** 'Management increases efficiency.' How?

**Q11.** Why is coordination known as the essence of the management?

**Q12.** Management is a complex activity that has three main dimensions. Name these dimensions.

**Q13.** 'Science is a systematized body of knowledge that explains certain general truths or the operation of general law.' In the light of this statement, describe management as a science.

**Case based question :**

**Q14.** Mr. Solution, who is an MBA, has been appointed at the post of general manager in Saregama Ltd. Company. Just after his appointment, he took a decision to set up a chemical plant near a residential colony. After some time, another important decision regarding the amount of charity being given annually to educational and religious institutions was withdrawn giving the justification that it was an unnecessary burden on the company. More emphasis was given to the share of the company in the market and in search of modern procedures. Apart from this, a long time labour dispute was resolved by taking a balanced decision.

- i. Tell whether Mr. Solution is at fault?
- ii. If yes, where does the fault lie?
- iii. How can the mistake be amended?



**Statement, Assertion - Reasoning type questions:**

**Q7. Read the following statement Assertion (A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** Management principles can be used in similar situations in large number of cases.

**Reason (R) :** They establish relationship between cause and effect and thus help in predicting the outcome of managerial actions.

- a. Both Assertion (A) and Reason (R) are correct.
- b. Assertion (A) is wrong but Reason (R) is correct.
- c. Assertion (A) is correct but Reason (R) is wrong.
- d. Both Assertion (A) and Reason (R) are wrong.

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :**Principles are basic truths or guidelines for behaviour .

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

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

**Subjective type questions :**

**Q9.** Explain briefly 'Initiative' and 'Esprit de Corps' as principles of general management.

**Q10.** Which technique of Taylor acts as the strongest motivator for a worker to reach standard Performance? Explain.

**Q11.** If an organisation does not provide the right place for physical and human resources in an organisation, which principle is violated? What are the consequences.

**Q12.** 'Taylor's principles of scientific management and Fayol's principles of management are mutually complementary.' Do you agree with this views? Give any four reasons to support your answers.

**Case based questions :**

**Q13.** In a particular company, no importance has been attached to the suggestions given by subordinates. In 2007, the company appointed Mr. Lotus as its Chief Executive Officer. He was an MBA degree-holder from IIM Ahmedabad with an experience of a decade. On assuming the charge of his office he started a sort of campaign asking for the suggestions from every big or small employee of the company. In a very short time, there were about 1000 suggestions. After studying them intensively about 1500 suggestions were implemented in different fields. This campaign fetched the company an additional profit of ₹ 50 crore.

- i. What principle of management will have been working behind Mr. Lotus's thinking?
- ii. What will be the effect of implementing these suggestions on the employees?



- a. a. ii, b. iii, c. i
- b. a. i, b. iii, c. ii
- c. a. iii, b. ii, c. i
- d. a. i, b. ii, c. iii

**Statement, Assertion - Reasoning type questions:**

**Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** Bajaj Auto made considerable improvements in its two wheelers when Honda and other companies entered the auto industry.

**Reason (R) :** It studied its business environment which helped it to identify such opportunities of making improvements and innovations and thus get the first mover advantage.

- a. Both Assertion (A) and Reason (R) are correct.
- b. Assertion (A) is wrong but Reason (R) is correct.
- c. Assertion (A) is correct but Reason (R) is wrong.
- d. Both Assertion (A) and Reason (R) are wrong.

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** “Attitude towards product innovations, lifestyles, occupational distribution and consumer preferences” is a component of technological environment.

**Statement II :** “Educational system and literacy rates” is a component of economic environment.

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

**Q9.** “The understanding of business environment helps the managers to identify “Threats.” What is meant by ‘Threats’ here?

**Q10.** Business Environment includes both ‘specific and general forces’. List any two general forces.

**Q11.** Why is understanding of business environment important for managers? Explain with the help of any two points.

**Q12.** What do you understand by the term ‘Demonetization’? Explain its features.

**Case based questions:**

**Q13.** Mr. Ajay after completing MBA from USA came to India to start a new business under the banner Ecom Creations Ltd. He launches a new product in e-learning for Senior Secondary School students in Commerce stream, which already has an established market in UK and USA but not in India. His business starts flourishing in India. Now more Indian companies entered into the market with other subjects also. Identify and quote the lines from above para which highlight the significance of understanding business environment.

**Q14.** Beni, after completing her MBA, took up a job with a multinational company named ‘Fortio’. The company was paying good salary and perks to its employees. The wages were within the paying

capacity of the company that provided the employees a reasonable standard of living. The company also had a good work-culture and the behavior of superiors was very good towards their subordinates. Beni was very happy in this organization, but due to long working hours she did not have time to cook her meal. She had to depend upon outside food, which was deteriorating her health. She observed that this problem was faced by many of her colleagues, not only in her company but also many other companies. This was because of increase in the number of working women and non-availability of hygienic home-cooked food. She identified this as a great opportunity and decided to give up her job to supply packaged home-cooked food to office goers at a reasonable price.

At the end of the day she was also distributing the left-over food in the nearby night-shelters.

- i. State the dimension of business environment being discussed above.
- ii. State the principle of management being followed by 'Fortio'.
- iii. Identify any two values being communicated by the company to the society in the above case.

#### CHAPTER-4 (PLANNING)

**Answer the following questions:**

**Multiple choice questions:**

- Q1.** "Planning helps the management to anticipate the future and prepare for the risks by making necessary provisions." It indicates which one of the merits of planning?
- a. Planning promotes innovative ideas
  - b. Planning facilitates decision - making
  - c. Planning reduces risks of uncertainly
  - d. Planning establishes standards for controlling
- Q2.** As the head of a financial consultancy firm, Mohit formulates the objectives for the whole year for the firm. The departmental managers on the other hand prepare the plans for their respective departments. The feature of planning being described in the given lines is \_\_\_\_\_.
- a. Planning is futuristic
  - b. Planning is goal - oriented
  - c. Planning is pervasive
  - d. Planning is a mental exercise
- Q3.** Which of the following is not an advantage of planning?
- a. Uniformity of action
  - b. Reducing risk and uncertainties
  - c. Preventing misunderstandings and conflicts
  - d. Flexibility of working
- Q4.** It requires application of mind involving foresight, intelligent imagination and sound judgement. Which feature of planning is being highlighted?
- a. Planning is pervasive
  - b. Planning is a mental exercise
  - c. Planning is futuristic
  - d. Planning involves decision-making
- Q5.** Match the following by choosing the correct option -

Column I	Column II
a. Anticipate Changes	i. Planning.
b. Planning decides in advance how work is to be done	ii. Reduce the risk of uncertainty.

c. Establishes standards for controlling	iii. Promotes innovation
d. Planning encourages new ideas.	iv. Provides directions

a. a. i, b. ii, c. iv, d. iii

b. a. ii, b. iv, c. i, d. iii

c. a. iii, b. iv, c. i, d. ii

d. a. iii, b. iv, c. ii, d. i

**Q6.** Sushmita is planning to start an online coaching centre. She wants to introduce innovative teaching techniques especially for slow learners. Therefore, she is constantly interacting with parents and encouraging them to share their ideas. This will make her aware of more alternatives. The step of planning being described in the given lines is \_\_\_\_\_.

a. Selecting the best course of action

b. Identifying alternative courses of action

c. Evaluating the courses of action

d. Follow up action

**Statement, Assertion - Reasoning type questions:**

**Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** If target of a company is to produce 12,000 cars per year, then company must ensure that at least 1,000 cars are produced per month.

**Reason (R) :** It is necessary because follow up action is the last step of planning process that requires monitoring of plans to ensure that objectives are achieved on time.

a. Both Assertion (A) and Reason (R) are correct.

b. Assertion (A) is wrong but Reason (R) is correct.

c. Assertion (A) is correct but Reason (R) is wrong.

d. Both Assertion (A) and Reason (R) are wrong.

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** Planning seeks to bridge the gap between where we are and where we want to go.

**Statement II :** Planning involves setting objectives and developing appropriate course of action to achieve these objectives.

a. Both the statements are true.

b. Both the statements are false.

c. Statement I is true, Statement II is false.

d. Statement I is false, Statement II is true.

**Subjective type questions:**

**Q9.** Why is planning prerequisite for controlling?

**Q10.** "Planning will be a futile exercise if it is not implemented." How?

**Q11.** Though a budget is a control device from which deviations can be taken care of, yet it comes under planning. Why?

**Q12.** Why is it that organization are not always able to accomplish all their objectives?

**Q13.** 'Though planning is an important tool of management, yet it is not a remedy for all types problems.' Do you agree? Give reasons to support your answer.

**Case based type question:**

**Q14.** Saurabh decides to start a chocolate 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 chocolate 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

- i. Which function of management is mentioned above. Explain?
- ii. List the first two steps, which have been followed by Saurabh that are related to the process of one of the functions of management.

**CHAPTER-5 (ORGANISING)**

**Answer the following questions:**

**Multiple choice questions**

- Q1.** In order to make the 'Annual Day' of the school a successful event, the Headmistress of the school segregated all the activities into task groups each one dealing with a specific area. For instance, decorations, refreshments, backstage support, etc. Each group was put under the charge of one teacher. identify the function of management performed by the Headmistress by dividing the activities and assigning the duties?
- a. Planning
  - b. Organising
  - c. Staffing
  - d. Directing
- Q2.** "It refers to the right of an individual to command his subordinate and to take action within the scope of his position." Which element of delegation is being referred to in the given statement?
- a. Accountability
  - b. Responsibility
  - c. Authority
  - d. Delegation
- Q3.** \_\_\_\_\_ is the process by which the manager brings order out of chaos, removes conflict among people over work or responsibility sharing and creates an environment suitable for teamwork.
- a. Planning
  - b. Organising
  - c. Staffing
  - d. Controlling
- Q4.** Authority flows \_\_\_\_\_ and accountability flows \_\_\_\_\_.
- a. upwards, downwards
  - b. downwards, upwards
  - c. upwards, sideways
  - d. sideways, downwards
- Q5.** Which of the following importance of organising reduces the workload as well as enhances productivity?
- a. Clarity in working relationships
  - b. Benefits of specialisation
  - c. Adaptation of change
  - d. Effective administration

**Q6.** Match the steps in the 'process of organising' in Column I with the appropriate 'explanation' in Column II -

<b>Column I</b>	<b>Column II</b>
a. Identification and division of work.	i. Allocating jobs to the members of each department.
b. Departmentalisation	ii. Creation of accountability
c. Assignment of duties	iii. Grouping similar activities together.
d. Establishing authority and reporting relationship.	iv. Avoiding duplication of work and sharing burden

a. a. ii, b. iii, c. iv, d. i

b. a. i, b. iii, c. iv, d. ii

c. a. iv, b. iii, c. i, d. ii

d. a. iii, b. ii, c. iv, d. i

**Statement, Assertion - Reasoning type questions:**

**Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** In an organisation, sales and advertisement activities are grouped under marketing department.

**Reason (R) :** This is because organising calls for departmentalisation as it facilitates specialisation.

- a. Both Assertion (A) and Reason (R) are correct.
- b. Assertion (A) is wrong but Reason (R) is correct.
- c. Assertion (A) is correct but Reason (R) is wrong.
- d. Both Assertion (A) and Reason (R) are wrong.

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** Decentralisation is a compulsory act of the top management.

**Statement II :** The purpose of decentralisation is to increase the role of the subordinates in the organisation by giving them more autonomy.

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

**Subjective type questions:**

**Q9.** Besides 'Effective management' and 'Employee development', delegation helps the organization in different ways. Enumerate any two such ways.

**Q10.** Can a large sized organization be totally centralized or decentralized? Give your opinion.

**Q11.** What is meant by Functional Structure of an organization? State its any two advantages.

**Q12.** Organising involves a series of steps that need to be taken in order to achieve the desired goals. Explain the steps.

**Q13.** Explain 'Authority', 'Responsibility' and 'Accountability' as elements of delegation.

**Case based question:**

**Q14.** A company is manufacturing sewing machines set up in 1946 follows formal organization structure. It is facing a lot of problems such as delay in decision making. As a result, it is not able to adapt to the changing business environment. The work force is also not motivated, there is problem of red tapism and employees' turnover is high.

- i. Advise the company with regard to change it should bring about in its organization structure to overcome the problems faced by it.
- ii. Give reasons in terms of benefits it will derive from the changes suggested by you.
- iii. In which sector can the company diversify keeping in mind the declining market for the product the company is manufacturing?

**CHAPTER-6 (STAFFING)**

**Answer the following questions:**

**Multiple choice type questions:**

**Q1.** In the job application form for the post of Production Manager, Ketan had given details of his present employer. The company contacted the General Manager of his present company to establish

Ketan’s credibility. Identify the step in selection process being described in the above lines.

- a. Job offer
- b. Contract of employment
- c. Reference and background checking
- d. Selection decision

**Q2.** 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 selection procedure.

Identify the type of selection test being mentioned in the above lines.

- a. Trade test
- b. Personality test
- c. Intelligence test
- d. Interest test

**Q3.** Real Tech Builders has to deliver the flats to its buyers for possession on time. Due to this, there is a sudden increase in workload. Therefore, the company needs to arrange workers to work at the sites at a short notice. The source of recruitment which may be used by the company to tap the casual vacancy is:

- a. Direct recruitment
- b. Advertisement
- c. Recommendation of employees
- d. Employment exchange

**Q4.** Solar Horse Ltd. Decided to import new hi-tech machines from Korea to decrease the cost of production and increase quality of work. It decided to give one month training to 5 supervisors and 10 workers to provide technical knowledge and skills to operate those machines. For this, dummy models of machinery were provided to them to practice on it. Identify the type of training provided by Solar Horse Ltd.

- a. Internship Training
- b. Induction Training
- c. Apprenticeship Training
- d. Vestibule Training

**Q5.** Match the STEPS in the staffing process in Column I with their correct EXPLANATION in Column II:

Column I	Column II
a. Placement and Orientation	i. Opportunity for higher position with more pay, responsibility, etc.
b. Performance Appraisal	ii. Employee occupies the post and gets familiar with the organisation.
c. Promotion and career planning	iii. Search prospective employee and stimulate to apply for the job
d. Recruitment	iv. Employee’s performance is evaluated for salary hike, promotion, etc.

- a. a. i, b. iv, c. ii, d. iii
- b. a.ii, b. iv, c. i, d. iii
- c. a. iv, b. i, c.ii, d. iii
- d. a.iii, b. ii, c. i, d. iv

**Q6.** \_\_\_\_\_ enables an assessment of the number and types of human resources necessary for the performance of various jobs and accomplishment of organisational objectives.

- a. Workload analysis
- b. Workforce analyses
- c. Work level analysis
- d. Manpower analyses

**Statement, Assertion - Reasoning type questions:**

**Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A):** Direct method of recruitment is very inexpensive as it does not involve any cost of advertising for the vacancies.

**Reason (R):** Under direct recruitment, a notice is placed on the notice-board of the enterprise specifying the details of the jobs available.

- a. Both (A) and (R) are correct.
- b. (A) is correct (R) is incorrect.
- c. Both (A) and (R) are correct and R is the correct explanation of (A).
- d. Both (A) and (R) are correct and R is not the correct explanation of (A).

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** Training is a job oriented process of learning new skills and application of knowledge.

**Statement II :**Development is a career oriented process to enable the overall growth of the employee.

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

**Subjective type questions:**

**Q9.** Define the term workload analysis and workforce analysis.

**Q10.** State the steps in the selection procedure, after the employment interview and before the job offer

**Q11.** Name the function of management under which policies and strategies are formulated. Explain any two points highlighting its importance.

**Q12.** An organisation provides security services. It requires such candidates who are reliable and do not leak out the secrets of their clients. What steps should be incorporated in selection process? Explain.

**Q13.**The staffing function is performed by every manager and not necessarily by a separate department. Explain.

## **CHAPTER-7 (DIRECTING)**

**Answer the following questions:**

**Multiple choice type questions:**

**Q1.** Mr. Priyank Goyal, the Ex-chairman of Surya Ltd., built up his successor before retiring. Following the norms set up by him, he handed over the reins of the company to the co-founder Mr. Anand Sharma, who had the potential to bring about change in the behaviour of others. Name the concept of management which was the reason, why Mr. Priyank Goyal choose Mr. Anand Sharma to be his successor.

- a. Motivation
- b. Leadership
- c. Communication
- d. Staffing

**Q2.** Mr. Joseph Symonds, operation manager is there only to support his subordinates and supply them the required information to complete the task. Which style of leadership has been exhibited by him?

- a. Autocratic leadership
- b. Laissez Faire leadership
- c. Democratic leadership
- d. Fare leadership

**Q3.** Noise means some obstruction or hindrance to communication. This hindrance may be caused to sender, message or receiver. Which of the following is not an example of noise?

- a. Ambiguous symbols
- b. An attentive receiver
- b. A poor telephone connection
- d. Faulty decoding

- Q4.** The channel of communication which is transmitted through informal channels is called \_\_\_\_\_.
- Horizontal communication
  - Formal communication
  - Grapevine
  - Gang plank
- Q5.** Ankur is working as a production manager in an organisation. His subordinate, Saurabh, discussed with him a method of production which will reduce the cost of production. But due to some domestic problems and Ankur's mind being pre-occupied, he is not in a position to understand the message. Saurabh got disappointed by this. Identify the factor which acts as communication barrier.
- Semantic barrier
  - Organizational barrier
  - Psychological barrier
  - Personal barrier

**Q6.** Match the ELEMENTS of Directing in Column I with their correct EXPLANATION in Column II.

Column I	Column II
a. Supervision	i. Process of influencing people to strive willingly for group objectives.
b. Motivation	ii. Process of stimulating people to action to accomplish desired goals.
c. Leadership	iii. Process of exchange of ideas between or among people to create a common understanding
d. Communication	iv. Process of overseeing the work.

- a. i, b. iii, c. iv, d. ii
- a. iv, b. ii, c. i, d. iii
- a. ii, b. iii, c. i, d. iv
- a. iv, b.iii, c. i, d. ii

**Statement, Assertion - Reasoning type questions:**

**Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A):** Motivation is the technique used to motivate people in an organisation.

**Reason (R):** Negative motivation provides positive rewards like increase in salary, promotion, recognition, etc.

- Both (A) and (R) are correct.
- (A) is correct (R) is incorrect.
- Both (A) and (R) are correct and R is the correct explanation of (A).
- Both (A) and (R) are correct and R is not the correct explanation of (A).

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** Formal communication flows through official channels designed in the organisation chart.

**Statement II :** Formal communication may be oral or written but generally recorded and filed in the office.

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

**Subjective type questions:**

- Q9.** In an organization employees always feel they are under stress. They take least initiative and fear to express their problems before the manager. What do you think is wrong with the manager?
- Q10.** To create a desire among employees to perform to the best of their abilities is an important aspect of directing. Explain how it contribute to the success of an organization.
- Q11.** It takes place throughout the life of the organization irrespective of people occupying managerial positions. Mention the characteristic of directing highlighted here and also explain two more characteristics.
- Q12.** What do you mean by barriers to effective communication? Name these barriers and how they can be overcome?

**Case based questions:**

- Q13.** Y Limited is a bank functioning in India. It is planning to diversify into insurance business. Lately , the government of India has allowed the private sector to gain entry in the insurance business. Previously, it was the prerogative of LIC and GIC to do insurance business. But now with Liberalization of the economy and to make the field competitive other companies have been given licenses to start insurance business under the regulation of 'Insurance Regulatory and Development Authority' Y.
- Q14.** Limited plans to recruit high quality employees and agents and exercise effective direction to capture a substantial part of life and non –life insurance business.
- i. Identify how the company can supervise its employees and agents effectively. What benefits will the company derive from effective supervision?
  - ii. What financial and non- financial incentives can the company use for employees and agents separately to motivate them? What benefits will the company get from them?
  - iii. How can the company ensure that higher order needs i.e. esteem and self- actualization as specified by Abraham Maslow are met?
  - iv. Identify the qualities of leadership in this line of business that the company managers must possess to motivate employees and agents.
  - v. Give a model of formal communication system that the company can follow. Identify the barriers In this model. How can they be removed?
  - vi. How can informal communication help to supplement formal communication model given by you In answer to question ?

**CHAPTER -8 (CONTROLLING)**

**Answer the following questions:**

**Multiple choice questions:**

- Q1.** Rohan runs a logistic company. The tour incharges of each trip in the company are expected to submit a report to the Event Manager on the completion of every trip. Identify the step in the controlling process being described in the above lines:
- a. Setting of standard performance
  - b. Taking corrective action
  - c. Measurement of actual performance
  - d. Analysing the deviations

- Q2.** In a marketing firm, the Financial Manager pays more attention towards an increase of 2% in the marketing cost as compared to a 10% increase in the courier expenses. Identify the concept being used by the manager.
- Management by exception
  - Critical point control
  - Corrective action
  - Specific deviation
- Q3.** Ankit Kumar has set up a small business unit for the manufacturing of detergent. In order to market the detergent in the local residential areas, he has appointed a team of ten salesmen. Each salesman is expected to sell at least 150 units of the detergent within a week's time. Identify the point of importance of controlling being highlighted in the above case.
- Controlling helps in judging accuracy of standards.
  - It ensures efficient use of resources.
  - It helps in improving employee motivation.
  - It facilitates co-ordination in action.
- Q4.** As per the terms of employment each employee in Victoria Furniture Limited should manufacture 28 designer wardrobes each day. A group of employees is manufacturing only 16 designer wardrobes each day whereas all other groups are meeting the said target. To have a proper check on the activities of the employees, the management installed closed circuit cameras in the factory. Which of the following elements of one of the managerial functions is involved in installing the closed circuit cameras in the factory?
- Setting of standards
  - Take corrective action
  - Measurement of actual performance
  - Analysing the deviation
- Q5.** \_\_\_\_\_ statements does not highlight the relationship between planning and Controlling.
- Planning and controlling are separable twins of management.
  - Planning without controlling is meaningless, controlling without planning is blind.
  - Planning is prescriptive, controlling is evaluative.
  - Planning and controlling are interrelated and interdependent.

**Statement, Assertion - Reasoning type questions:**

- Q6. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A):** Controlling ensures that resources are used in the most effective and efficient manner.

**Reason (R):** In controlling, each activity is performed in accordance with predetermined standards and norms.

- Both (A) and (R) are correct.
  - (A) is correct (R) is incorrect.
  - Both (A) and (R) are correct and R is the correct explanation of (A).
  - Both (A) and (R) are correct and R is not the correct explanation of (A).
- Q7. Read the following statement carefully and choose the correct alternative:**
- Statement I :** Planning is clearly a prerequisite for controlling.
- Statement II :** If the standards are not set in advance, managers have nothing to control.
- Both the statements are true.
  - Both the statements are false.
  - Statement I is true,Statement II is false.
  - Statement I is false,Statement II is true.

**Subjective type questions:**

- Q8.** Explain 'setting performance standards' and 'measurement of actual performance, as steps of 'controlling process'.
- Q9.** Deviation is a term used in controlling .Explain the term in the light of the statement that if you try to control everything you may end up by controlling nothing.
- Q10.** "Planning is looking ahead and controlling is looking back." Comment.
- Q11 .** The last step in the process of controlling is 'taking corrective actions'. Briefly explain the steps in chronological order that are taken in the process of controlling before this step.

**Case based question:**

- Q12.** A company 'M' Limited is manufacturing mobile phones both for domestic India market as well as for export. It had enjoyed a substantial market share and also had a loyal customer following. But lately it has been experiencing problem because its targets have not been met with regard to sales and customer satisfaction. Also mobile market in India has grown tremendously and new players have come with better technology and pricing. This is causing problems for the company. It is planning to revamp its controlling system and take other steps necessary to rectify the problems it is facing.
- Identify the benefits the company will derive from a good control system.
  - How can the company relate its planning with control in this line of business to ensure that its plans are actually implemented and targets attained?
  - What techniques of control can the company use?
  - Give the steps in the control process that the company should follow to remove the problems it is facing. In all the answers keep in mind the sector of business the company is in.

**CHAPTER-9 (FINANCIAL MANAGEMENT)**

**Answer the following questions:**

**Multiple choice questions:**

- Q1.** The size of assets, the profitability and competitiveness are affected by one of the financial decision. State that decision :
- |                        |                       |
|------------------------|-----------------------|
| a. Investment decision | b. Financing decision |
| c.Dividend decision    | d. Dividend decision  |
- Q2.** One of the concept of financial management takes into consideration the growth, performance, investment and requirement of fund for given period. Identify the concept.
- |                         |                       |
|-------------------------|-----------------------|
| a. Financial management | b. Capital structure  |
| c. Investment decision  | d. Financial planning |
- Q3.** Megha is planning to enter in the business of herbal shampoo. In the beginning she was thinking there are very few companies making herbal shampoo, but when she started selling her product she realized that many companies are already in the business of selling herbal shampoo. Identify the factor affecting working capital in the above para.
- |                        |                               |
|------------------------|-------------------------------|
| a. Growth prospects    | b. Nature of business         |
| c.Level of competition | d. Business cycle fluctuation |
- Q4.** If large number of shareholders of the firm are from middle income group and old age group who prefer regular income, then the firm should prefer giving
- |                 |                |
|-----------------|----------------|
| a. Low dividend | b. No dividend |
|-----------------|----------------|



c. High dividend

d. Moderate dividend

**Q5.** Match the following by choosing the correct option –

<b>Column I</b>	<b>Column II</b>
a. Objective of financial planning	i. Process of estimating the fund requirement.
b. Meaning of financial planning	ii. Shortage and excess of funds
c. Importance of financial planning	iii. To ensure availability of funds at a reasonable cost.
d. Financial planning helps in avoiding	iv. Avoid business shocks and surprises.

a. a. iii, b. i, c. iv, d. ii

b. a. ii, b. i, c. iii, d. iv

c. a. iv, b. iii, c. i, d. ii

d. a. i, b.ii, c. iv, d. iii

**Q6.** \_\_\_\_\_ increases the return of equity shares with the change in the capital structure of the company.

a. Trading on equity

b. Investment decision

c. Capital structure

d. Financial planning

**Statement, Assertion - Reasoning type questions:**

**Q7.** Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.

**Assertion (A):** Financial planning is concerned only with raising capital.

**Reason (R) :** Fixed capital is required for longer period.

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

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

c. Assertion (A) is correct but Reason (R) is wrong.

d. Assertion (A) is incorrect and Reason (R) are correct.

**Q8.** Read the following statement carefully and choose the correct alternative:

**Statement I :** Net working capital is the excess of current assets over current liabilities.

**Statement II :** Net working capital is financed through short- term sources.

a. Both the statements are true.

b. Both the statements are false.

c. Statement I is true, Statement II is false.

d. Statement I is false, Statement II is true

**Subjective type questions:**

**Q9.** Explain briefly the objectives of financial management.

**Q10.** Identify the decision in financial of management which affects the liquid as well as the profitability of business.

**Q11.** “Financial planning is essential for the success of any business enterprise”. Explain this statement by given any two reasons.

**Q12.** What is the role and objective of financial management for the company?

**Q13.** What is meant by capital structure? What are the factors to be kept in mind while determining the capital structure of a company?

**Case based questions**

**Q14.** Mr. A. Bose is running a successful business. Mr. Bose is the owner of R. K. Cement Ltd. Mr. Bose decided to expand his business by acquiring a Steel Factory. This required an investment of Rs. 60 crores.

To seek advice in this matter, he called his financial advisor Mr. T. Ghosh who advised him about the judicious mix of equity (40%) and Debt (60%). Employ more of cheaper debt may enhance the EPS. Mr. Ghosh also suggested him to take loan from a financial institution as the cost of raising funds from financial institutions is low. Though this will increase the financial risk but will also raise the return to equity shareholders. He also apprised him that issue of debt will not dilute the control of equity shareholders.

At the same time, the interest on loan is a tax deductible expense for computation of tax liability. After due deliberations with Mr. Ghosh, Mr. Bose decided to raise funds from a financial institution.

i. Identify the concept of Financial Management as advised by Mr. Ghosh in the above situation.

iii. Why in the above case Mr. Ghosh suggested to raised more fund from debt.

iii. "Mr. T. Ghosh who advised him about the judicious mix of equity (40%) and Debt (60%)" Name the term used for the proportion of debt in the overall capital ?

iv. Employing more of cheaper debt may enhance the EPS. What do we call Such practice?

### CHAPTER-10 (FINANCIAL MARKET)

**Answer the following questions:**

**Multiple choice type questions:**

- Q1.** If a firm requires two crores for six months time to keep the stock of raw material, it should approach:
- a. Money market
  - b. Capital market
  - c. Both a. and b.
  - d. Primary market
- Q2.** Conversion of physical form of share certificate into an electronic entry is called:
- a. Exchange mechanism
  - b. Conversion
  - c. Dematerialization
  - d. Rematerialisation
- Q3.** It is a number assigned to each transaction by the stock exchange and is printed on the contract note.
- a. Contract number
  - b. PAN number
  - c. Unique order code
  - d. Aadhar number
- Q4.** Stock exchange works as a mechanism for valuation of securities through the forces of demand and supply. Identify the related function of performed by the stock exchange.
- a. Pricing of securities.
  - b. Spreading of equity culture
  - c. Safety of transact
  - d. Providing liquidity and marketability of existing securities
- Q5.** Match the following by choosing the correct option.

Column I	Column II
a. Money market	i. It deals with instrument with a maturity of more than one year.
b. Primary Market	ii. It deals with sale and purchase of existing securities.
c. Capital Market	iii. It requires huge financial

	investment
d. Secondary Market	iv. Price is determined by demand and supply of securities.

a. a. iii, b. iv, c. i, d. ii

b. a. ii, b. iv, c. i, d. iii

c. a. ii, b. i, c. iv, d. iii

d. a. iv, b. ii, c. iii, d. i

**Q6.** \_\_\_\_\_ is the institution where the investor can deposit his share/debentures in electronic form and withdraw the same.

a. Depository

b. Demat account

c. OTCEI

d. SEBI

**Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** SEBI aims to protect the interest of investors.

**Reason (R) :** SEBI is empowered to regulate the working of financial intermediaries.

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

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

c. Assertion (A) is correct but Reason (R) is wrong.

d. Assertion (A) is incorrect and Reason (R) are correct.

**Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** Financial market helps to link the savers and the investors by mobilizing funds between them.

**Statement II :** A financial market allocates or directs funds available for investment into their most productive investment opportunities.

a. Both the statements are true.

b. Both the statements are false.

c. Statement I is true, Statement II is false.

d. Statement I is false, Statement II is true

**Subjective type questions:**

**Q 9.** How do "Flotation costs" affect the choice of capital structure of a company? State.

**Q10.** State any five regulatory functions of Securities and Exchange Board of India.

**Q11.** One of the functions of Securities and Exchange Board of India is 'Promotion of fair practices and code of conduct in securities market.' State the category to which this function belongs and state any two other functions of this category.

**Q12.** What is the Trading procedure of stock exchange?

**Q13.** 'SEBI' is a watchdog of security market. Comment.

**Case based type questions:**

**Q14.** Aditya Khosla, the Managing Director of 'D.L.W. Ltd.' and Rajesh Puri, the Finance Manager were discussing about the avenues of investing the idle funds of the company. Aditya Khosla was of the opinion that money should be invested in the capital market whereas Rajesh Puri, being

more conservative, feels that it would be better if the investment was made in money market. Since the economy was buoyant, the Managing Director convinced Rajesh that they should take advantage of it and invest in the capital market to get good returns. Ultimately it was decided to invest the idle funds in the capital market.

- i. What kind of instruments should the company buy?
- ii. Why is the capital market expected to give a better return in a buoyant economy? State the reason.
- iii. Why and how safe are the securities in this market as compared to money market?

## CHAPTER -11 (MARKETING MANAGEMENT)

**Answer the following questions:**

### **Multiple choice type questions**

- Q1.** A marketer of TV, having 10% of the current market share, aims to increase it to 20% in the next three years. For this, he needs to develop a complete marketing plan covering various important aspects and specify the action programs to achieve these objectives. Which function of marketing is being discussed?
- a. Standardization & grading
  - b. Product designing and development
  - c. Gathering and analyzing market information
  - d. Marketing planning
- Q2.** It is necessary that goods and services must be made available to the customers at the right place, in the right quantity and at right time. Identify the concerned element of marketing mix.
- a. Product mix
  - b. Place mix
  - c. Price mix
  - d. Promotion mix
- Q3.** "A popular brand of Hair Conditioners comes in different categories for different hair, say for normal hair and for other categories". Identify the function of labeling in the above example.
- a. Providing information required by law
  - b. Describe the product and specify its contents
  - c. Grading of products
  - d. Promotion of products
- Q4.** 'Airtight Containers protects the product from moisture'. Which function of packaging is being highlighted?
- a. Product identification
  - b. Product protection
  - c. Product promotion
  - d. Facilitating use of the product
- Q5.** Match the following by choosing the correct option -

Column I	Column II
a. Name of the whole class of the product	i. Brand Mark
b. A part of the brand which is spoken	ii. Hallmark
c. A part of the brand which is unspoken	iii. Generic Name
d. A registered brand name	iv. Brand name

a. a. iii, b. iv, c. i, d. ii

b.a.iv, b. iii, c. i, d. ii

c. a. ii, b. i, c. iii, d. iv

d. a. ii, b. iv, c. iii, d. i

**Q6.** The basic role of firm under \_\_\_\_\_ concept is to identify a need and satisfy it better than competitors.

a. Production

b. Marketing

c. Selling

d. Product

**Statement, Assertion - Reasoning type questions:**

**Q7.** Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.

**Assertion (A) :** Labelling is also an important feature of the product.

**Reason (R) :** It is not only protects the product but also serves as a promotional tool.

a. Both Assertion (A) and Reason (R) are correct

b. Assertion (A) is wrong but Reason (R) is correct

c. Assertion (A) is correct but Reason (R) is wrong

d. Both Assertion (A) and Reason (R) are wrong

**Q8.** Read the following statement carefully and choose the correct alternative:

**Statement I :** The demand for a product or services is directly related to its price.

**Statement II :** Generally lower the price, higher would be the demand for the product and vice-versa.

a. Both the statements are true.

b. Both the statements are false.

c. Statement I is true, Statement II is false.

d. Statement I is false, Statement II is true.

**Subjective type questions:**

**Q9.** What do you mean by advertising and what are the objections against advertising?

**Q10.** What do mean by channel of distribution and how the choice of it is made?

**Q11.** What is the factor determining price?

**Q12.** What are the different marketing management philosophies?

**Q13.** Bhuvan and company has invented a fuel saving instrument which can reduce the consumption of

**Case based question:**

**Q14.** Radhika was a student of class 12<sup>th</sup>. Her father was a farmer and grew different varieties of rice and was well versed about various aspects of rice cultivation. He was also selected for a pilot project on rice cultivation. As a project work in business studies she decided to study for feasibility of marketing goods quality rice at a reasonable price. Her father suggested her to use internet to gather customer view and opinions. She found that there was a huge demand for packed organic rice. She knew that there was no per determined specifications in case of rice because of which it would be difficult to achieve uniformity in the output. To differentiate the product from its competitors, she gave it the name of "Malabari Organic Rice" and classified into three different varieties namely – popular, classic and supreme based on the quality . She felt that these name would help her in product differentiation.

i) What is meant by "Branding"? State any two advantages of branding to customers.

ii) Explain the three function of marketing with reference to the above paragraph.

## CHAPTER - 12 (CONSUMER PROTECTION)

**Answer the following questions:**

**Multiple choice type questions:**

- Q1.** In case an aggrieved consumer is not satisfied with the decision of the State Commission, he can make a further appeal in
- a. National Commission  
b. Supreme Court of India  
c. District Forum  
d. State Commission
- Q2.** If the value of goods or services is more than 1 crore but less than 10 crore, then consumer can file case in:
- a. District commission  
b. State commission  
c. National commission  
d. Supreme Court
- Q3.** In developing countries like India the number of consumer organization are very less. This is related to which importance of consumer protection.
- a. Widespread exploitation of consumers  
b. Consumer ignorance  
c. Unorganised Consumer  
d. Uneducated consumer
- Q4.** On a packet of juice, chips, biscuits what mark should be present.
- a. Agmark  
b. FPO  
c. ISI mark  
d. Hallmark
- Q5.** Match the following by choosing the correct option

Column I	Column II
a. District Commission	i. Right to be file a complaint and to be heard in case of dissatisfaction with a product and service.
b. State Commission	ii. Compensation amount up to 1 crore
c. National Commission	iii. Compensation amount from 1 crore to 10 crore
d. Right to be heard	iv. Compensation amount above 10 crore

- a. a. ii, b. iii, c. iv, d. i  
b. a. iv, b. iii, c. ii, d. i  
c. a.i, b.iii, c. iv, d. ii  
d. a. iii, b. ii, c. iv, d. i

- Q6.** Information consumer about the contents of product, its usage, etc. is part of \_\_\_\_\_
- a. Right to consumer protection Act  
b. Right to safety  
c. Right to information  
d. Right to be heard

**Statement, Assertion - Reasoning type questions:**

- Q7. Read the following statement Assertion(A) and Reason (R). Choose one of the correct alternative given below.**

**Assertion (A) :** According to “right to seek redressal”, consumer has the right to file a complaint and to be heard.

**Reason(R) :** According to “right to be assured”, consumer has complete freedom to compare various product and select the most suitable one.

- a. Both Assertion (A) and Reason (R) are correct and (R) is the correct explanation of (A)  
b. Both Assertion (A) and Reason (R) are correct and (R) is not the correct explanation of (A)  
c. Assertion (A) is correct but Reason (R) is wrong  
d. Assertion (A) is incorrect and Reason (R) are correct

- Q8. Read the following statement carefully and choose the correct alternative:**

**Statement I :** The consumer protection act 2019 provides for five right of consumers.

**Statement II :** Right to be assured means that the consumer has the freedom to access variety of product at competitive prices.

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

**Subjective type questions:**

**Q9.** What type of judiciary machinery is available to deal with consumer grievances and disputes?

**Q10.** Why is consumer protection required in India?

**Q11.** Enumerates the various acts passed by the government of India which helps in protection of consumer interest.

**Q12.** State any eight reliefs available to the consumer, if the court is satisfied about the genuineness of the complaint.

**Case based questions :**

**Q13.** Rajiv, a consumer purchased medicines without noticing the date of expiry. He also did not obtain the cash memo. Do you think he will be able to protect himself by the loss caused due to expired medicine? Give reasons to support your answer.

**Q14.** "Bhuvan, who was a vegetarian went to a snack bar for having French fries and later found out that it had non vegetarian content. Neither the advertisement nor the packing of the product displaced that the product has non vegetarian content. Will Bhuvan be able to claim compensation which right of the consumer is violated"?

Identify the relevant rights of a consumer being violated in the following instances.

- a. A bottle of acid sold but the cap was not properly sealed.
  - b. Medicine sold without date of manufacturing and date of expiring printed on its packaging.
  - c. Madan bought a cooler with 2 years warranty. The cooler started giving problem within 6 months. Madan approached the seller. The seller did not listen to his grievances.
  - d. The seller compels the consumer to purchase the available product.
  - e. The common consumers are not aware of their rights, right path and procedure for filing the complaints.
- Q15.** Himesh after completing his graduation, started working with a multinational company in Delhi. But due to ill health of his parents he had to go back to his village. There he noticed that the villagers were literate but ignorant about their rights. Many vegetable vendors were using stones as weights to sell their vegetables. Some shopkeepers were selling food items without having 'FPO mark'. Villagers did not find anything wrong with these practices. So to create awareness among villagers Himesh decided to publish a weekly Journal 'Jan Jagriti'.
- i. State there 'Right' which Himesh has exercised by doing so.
  - ii. Explain any other four rights as well.

