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class 12 commerce Sub. BST. Date 23.7.2020

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LATEST CBSE QUESTIONS

ADDITIONAL QUESTIONS

Question 1.

Josh Ltd. is a one of the largest two-wheeler manufacturer in India. It has a market share of about 42% in the two-wheeler category. The company had witnessed almost a 35% drop in the booking as the currency crunch was prompting people to withhold new purchases due to demonetisation. Therefore, the production manager of the company had decided to align production to factor in slower sales in the market.

In context of the above case:

1. Identify and explain the function of management being discussed in the above lines.
2. Which limitations of the function of management as identified in part (a) of the question was the production manager trying to overcome due to demonetisation?

Answer:

1. Planning is the function of management which is being discussed in the above lines. Planning is deciding in advance what to do, how to do, when to do and who has to do it. Thus, it involves setting objectives and developing an appropriate course of action to achieve these objectives.
2. The production manager is trying to overcome the following limitations of planning:
 - Rigidity
 - Planning may not work in dynamic environment

Question 2.

The term demonetisation has become a household name since the government pulled the old Rs. 500 and Rs. 1,000 notes out of circulation in November 2016. Prior to the year 2016, the Indian government had demonetised bank notes on two prior occasions—once in the year 1946 and then again in the year 1978. In both cases, the purpose was to combat tax evasion by 'black money'. Identify the types of one of the functions of management being discussed in the above lines.

Answer:

Objective and Strategy

Question 3.

The arrangement to demonetise the ₹ 500 and ₹ 1000 bank notes began six to ten months prior to the public announcement and was kept highly confidential. The cabinet was informed about the demonetisation on 8th November 2016 in a meeting called by the Prime Minister of India, Narendra Modi. This was followed by Modi's public announcement about the demonetisation in a televised

address where he announced that currency notes with the denomination of ₹ 500 and ₹ 1000 would cease to be the legal tender from 9th of November 2016. The most interesting thing regarding the demonetisation is that people were devising various unique ways for transforming their black money in to white one by depositing money in the accounts of their poor relatives and friends, converting black money in to gold, paying a few months salaries in advance and so on.

In context of the above case:

Identify and explain the types of plans being discussed in the above lines with regard to demonetisation.

Answer:

The various types of plans being discussed in the above lines with regard to demonetisation are detailed below:

- **Procedure:** It is a series of chronological steps which are performed to do a particular activity.
- **Rule:** A rule is a specific statement relating to the general norms in terms of Do's and Don'ts that guide the behaviour of people.

Question 4.

Flipkart is an e-commerce company founded in the year 2007 by Sachin Bansal and Binny Bansal. The company is registered in Singapore, but has its headquarters in Bangaluru, India. The company seeks to increase traffic (more clicks on their products) and boost sales and revenue through integration of Mobile Apps, Display, Pay Per Click and Search Engine Optimization. In order to dispel the fear of people related to shopping online, Flipkart was the first company to implement the popular 'Cash on Delivery' facility. All the products sold by the company under a particular category may have different return/replacement period. Flipkart allows multiple payment options such as cash on delivery, credit or debit card transactions, net banking, e-gift voucher and card swipe on delivery. The company operates both ways when an order is received. The products for which it holds inventory are dispatched by it directly. For the products they do not store in inventory, they just send the order received by them to the supplier who ships it. The company plans to spend about ₹ 75 crores on e-Commerce advertising in the year 2016. Flipkart reserves the right to terminate your membership and/or refuse to provide you with access to the website if it is brought to Flipkart's notice or if it is discovered that you are under the age of 18 years. This is because as per the Indian Contract Act, 1872, the minors, un-discharged insolvents, etc. are not eligible to use the website.

In context of the above case, identify and explain the different types of plans being used by Flipkart by quoting lines from the paragraph.

Answer:

The different types of plans being used by Flipkart are listed below:

1. **Objectives:** Objectives are the end results of the activities that an organisation seeks to achieve through its existence. All other activities within the organisation are directed towards achieving these objectives. "The company seeks to increase traffic (more clicks on their products) and boost sales and revenue through integration of Mobile Apps, Display, Pay Per Click and Search Engine Optimization."
2. **Strategy:** A strategy is a comprehensive plan for achieving the objectives of the organisation. This comprehensive plan involves:
 - determining long term objectives
 - adopting a particular course of action
 - allocating resources necessary to achieve the objective."In order to dispel the fear of people related to shopping online, Flipkart was the first company to implement the popular 'Cash On Delivery' facility."
3. **Policy:** A policy is a set of general guidelines that help in managerial decision making and action. "All the products sold by the company under a particular category may have different return/replacement period."

4. **Method:** A method refers to the prescribed ways or manner in which a task has to be performed considering the objective.
“Flipkart allows multiple payment options such as cash on delivery, credit or debit card transactions, net banking, e-gift voucher and card swipe on delivery.”
5. **Procedure:** A procedure contains a series of specific steps to be performed in a chronological order to carry out the routine activities.
“The company operates both ways when an order is received. The products for which it holds inventory are dispatched by it directly. For the products they do not store in inventory, they just send the order received by them to the supplier who ships it.”
6. **Budget:** A budget refers to a financial plan that is expressed in -numerical terms.
“The company plans to spend about ? 75 crores on e-commerce advertising in the year 2016.”
7. **Rule:** A rule is a specific statement relating to the general norms in terms of Do’s and Don’ts that guide the behaviour of people. It commands strict obedience and a penalty is likely to be imposed on its violation.
“Flipkart reserves the right to terminate your membership and/or refuse to provide you with access to the Website if it is brought to Flipkart’s notice or if it is discovered that you are under the age of 18 years. This is because as per the Indian Contract Act, 1872, the minors, un-discharged insolvents etc. are not eligible to use the Website.”

Question 5.

Rajender has been running a successful business of manufacturing traditional wedding wear for women including sarees and lehengas. His friend Surinder who is engaged in the business of providing web designing solutions to his clients, suggests him to explore the option of selling his products online. Rajender agrees to his suggestion and decides to venture into online business, keeping in view the various e-commerce regulations in order to avoid imposition of any penalty. In order to facilitate the sale of his products, Rajender decides to offer multiple payment options such as cash on delivery, credit or debit card transactions, net banking to the buyers etc. In context of the above case:

1. Identify the two different types of plans mentioned in the above paragraph that relate to the online portal that Rajender intends to start by quoting lines from the paragraph.
2. Distinguish between the two types of plans as identified in part (a).

Answer:

1. Rule and Method are the two different types of plans that relate to the online portal that Rajender intends to start.
 - **Rule:** “Rajender agrees to his suggestion and decides to venture into online business keeping in view the various e-commerce regulations in order to avoid imposition of any penalty.”
 - **Method:** “However, he decides to offer multiple payment options such as cash on delivery, credit or debit card transactions, net banking to the buyers etc.”
2. The difference between rule and method is as follows:

Basis	Rule	Method

Meaning	Rules are specific statements that tell people what should or should not be done.	Methods define the way of doing routine or respective job.
Violation	Violation of rules may lead to imposition of penalties.	Method does not involve any penalties on violation.
Purpose	Rules help to maintain discipline.	Methods help in carrying out the job efficiently.
Nature	Rules are both specific and rigid.	Methods are specific (well defined) but flexible.
Example	No smoking, No Parking etc.	Method of payment of fee-cheque, cash, online etc.

Question 6.

Wazir Ahmed joins 'Ashiyana Ltd.' a company dealing in real estate, as a human resource manager.

Through a series of interactions with his team during lunch breaks, he comes to know that quite a few managers at middle and senior levels have recently left the organisation as their promotions were overdue. Therefore, in order to reinstate the confidence of the staff, he lays out a clear cut plan consisting of a set of general guidelines for both time bound and performance related appraisals of the managers at all levels. Moreover, he develops standardized processes containing a series of steps specified in a chronological order for its implementation.

In context of the above case:

1. Identify the two different types of plans that Wazir Ahmed proposes to implement in order to reinstate the confidence of the staff by quoting lines from the paragraph.
2. Distinguish between the two types of plans as identified in part (a).

Answer:

1. Policy and Procedure are the two different types of plans that Wazir Ahmed proposes to implement in order to reinstate the confidence of the staff.
 Policy: "... he lays out a clear cut plan consisting of a set of general guidelines for both time bound and performance related appraisals of the managers at all levels."
 Procedure: "Moreover, he develops standardized processes containing a series of steps specified in a chronological order for its implementation."
2. The difference between Policy and Procedure is outlined below:

Basis	Policy	Procedure
Meaning	Policies are general statements that guide managerial decision making.	It is a series of chronological steps which are performed to do a particular activity.
Level of management	It is determined by top level management.	It is determined by lower and middle level management.
Expression	It is a general statement.	It is a specific statement.

Manager's Discretion	It provides scope for managerial discretion.	There is no scope for managerial discretion.
Purpose	Policies are framed to achieve the objectives of an organisation. They all guide in implementing the strategy.	A procedure is framed to implement a policy.

Question 7.

'Apna Ghar/ a company dealing in consumer durables, plans to increase the sale of its products by 25% around Diwali this year. Moreover, in order to cash on the implementation of the seventh pay commission by that time, which is likely to raise the income of 47 lakh serving employees of the Central government and 52 lakh pensioners, the company has created 30 advertisement films which will be aired across 85 national and regional channels until Diwali.

In context of the above case:

1. Identify the two different types of plans that 'Apna Ghar' proposes to implement by quoting lines from the paragraph.
2. Distinguish between the two types of plans as identified in part(i).

Answer:

1. Objective and Strategy are the two different types of plans that 'Apna Ghar' proposes to implement.
Objective: "Apna Ghar", a company dealing in consumer durables, plans to increase the sale of its products by 25% around Diwali this year."
Strategy: "Moreover, in order to cash on the implementation of the seventh pay commission by that time which is likely to raise the income of 47 lakh serving employees of the Central government and 52 lakh pensioners, the company has created 30 advertisement films which will be aired across 85 national and regional channels until Diwali."
2. The difference between objectives and strategy is outlined below:

S. No.	Basis	Objectives	Strategy

1.	Meaning	Objectives are the end results of the activities that an organisation seeks to achieve through its existence.	A strategy is a comprehensive plan prepared for winning over the given challenge or problem.
2.	Source	Objectives are based on the mission or philosophy of the organisation.	A strategy is based on the objectives of the organisation.
3.	Level of persons involved	Objectives are determined by top level management.	A strategy may be determined by top level or middle level management.

Question 8.

After completing a diploma in Bakery and Patisserie, Payai sets up a small outlet at Goa Airport to provide a healthy food option to the travellers. To begin with, she has decided to sell five types of patties, three types of pizzas and low sugar muffins in four flavours. Thus, by deciding in advance what to do and how to do, she is able to reduce the risk of uncertainty and avoid overlapping and wasteful activities. But sometimes her planning does not work due to some unavoidable circumstances like cancellation of flights due to bad weather conditions, government alert etc. which adversely affects her clientele.

In context of the above case:

1. Identify and explain the points highlighting the importance of planning mentioned in the above paragraph.
2. Describe briefly the limitation of planning which adversely affects Payal's business

Answer:

1. The points highlighting the importance of planning mentioned in the above paragraph are described below:
 - **Reduces the risk of uncertainty:** Planning relates to deciding in advance about the tasks to be performed in future. This enables a manager to anticipate changes and devise the ways to deal with changes and uncertain events effectively.
 - **Avoiding overlapping and wasteful activities:** Planning ensures clarity in thought and action and serves as the basis of coordinating the activities and efforts of different individuals and departments. Therefore, by curtailing useless and redundant activities, it helps in the smooth working of the organisation's work without interruptions. Moreover, it makes detection of inefficiencies easier so that timely corrective measures may be taken to avoid them in future.
2. The limitation of planning which adversely affects Payal's business is:
 - **Planning may not work in a dynamic environment:** The business environment is dynamic in nature. Every organisation has to constantly adapt itself to changes in its environment in order to survive and grow. However, it difficult to anticipate all the likely future changes in the environment with utmost accuracy. Hence, even with planning, everything cannot be foreseen.

Question 9.

'Agile Ltd.' is a well-known automobile manufacturing company in India. The company plans to increase the sale of its sedan cars by 20% in the next quarter. In order to achieve the desired target, the marketing team of the company considers the impact of policy of the government towards diesel vehicles and the level of competition in this segment of cars. They explore the various available options like offering more discount to dealers and customers, providing more customer friendly finance options, lucky draws on test drives, increasing advertising, offering more of free accessories on the purchase of the car, etc. A thorough analysis of the various available options is done keeping in view the relative viability of each option. The company decides to pursue the option of offering more discount to dealers and customers in order to boost the sale of sedan cars. In order to implement the plan, they determine the various discount packages and communicate the same to their product dealers. To make the prospective consumers aware about the new available benefits, advertisements are made through various sources of print and electronic media. The market analysts of the company keep a close watch on the revenue from the sedan cars to study the effect of new initiatives by the company to promote its sales.

In context of the above case:

1. Name the function of management described in the above paragraph.
2. Identify and explain the various steps involved in process the function of management as identified in part (a) by quoting lines from the paragraph.

Answer:

1. Planning is the function of management which is being described in the above paragraph.
2. The various steps involved in the planning process are explained below:
 - **Setting objectives:** The planning process is initiated by setting the objectives in clear, specific and measurable terms. The objectives may be set for the organization as a whole and for each department or unit within the organization.
"The company plans to increase the sale of its sedan cars by 20% in next quarter."
 - **Developing Premises:** Planning process is carried out keeping in view the assumptions related to the future, which is uncertain. These assumptions are called premises and may relate to

government policy, interest rate, inflation, etc. Accurate forecasts are therefore essential for successful planning.

“In order to achieve the desired target the marketing team of the company considers the impact of policy of the government towards diesel vehicles and level of competition in this segment of cars.”

- **Identifying alternative courses of action:** The next step in the planning process involves identification of the various ways in which the goals can be achieved.
“They explore the various available options like offering more discount to dealers and customers, providing more customer friendly finance options, lucky draws on test drives, increasing advertising, offering more of free accessories on the purchase of the car, etc.”
- **Evaluating alternative courses:** In order to select the best option, the relative positive and negative aspects of each alternative should be evaluated in the light of their feasibility and consequences.
“A thorough analysis of the various available options is done keeping in view the relative viability of each option.”
- **Selecting an alternative:** The best plan is adopted to achieve the desired goals. Sometimes, a combination of plans may be selected instead of one best course of action.
“The company decides to pursue the option of offering more discount to dealers and customers in order to boost the sale of sedan cars.”
- **Implement the plan:** This step is concerned with putting plans into action.
“In order to implement the plan, they determine the various discount packages and communicate the same to their product dealers. To make the prospective consumers aware about the new available benefits, advertisements are made through various sources of print and electronic media.”
- **Follow up action:** Monitoring of plans is equally important to ensure that objectives are achieved efficiently and effectively.
“The market analysts of the company keep a close watch on the revenue from the sedan cars to study the effect of new initiatives by the company to promote its sales.”

Question 10.

Arush joins as a sales manager of a company dealing in naturotherapy products. Being proficient in his work, he knew that without good planning he will not be able to organise, direct, control or perform any of the other managerial functions efficiently and effectively. Only on the basis of sales forecasting, he would assist in the preparation of the annual plans for its production and sales. Besides, he will have to prepare sales plans regularly on weekly, monthly, quarterly and half yearly basis. While preparing the sales forecasts, he undertakes intellectual thinking involving foresight, visualization and issued judgement rather than wishful thinking or guess work. Most importantly, all these planning activities will be meaningful only if they will coincide with the purpose for which the business is being carried out.

In context of the above case, identify the various features of planning highlighted in the above paragraph by quoting lines from it.

Answer:

The features of planning highlighted in the above paragraph are explained below:

1. **Planning is a primary function:** Planning precedes all the functions of management i.e. organizing, staffing, directing and controlling. This refers to primacy of planning. Planning provides the basis of all other functions.
“... without good planning he will not be able to organise, direct, control or perform any of the other managerial functions efficiently and effectively. “
2. **Planning is futuristic:** Planning is called a forward looking function as it enables an organization to meet future events effectively.
“Only on the basis of sales forecasting, he would assist in the preparation of the annual plans for its production and sales.”
3. **Planning is continuous:** Plans need to be continuously made, implemented and followed by another plan and so on till an organization exists

“Besides, he will have to prepare sales plans regularly on weekly, monthly, quarterly and half yearly basis.”

4. **Planning is a mental exercise:** Planning is done on the basis of rational thinking involving foresight, visualization and issued judgement rather than wishful thinking or guess work.
“While preparing the sales forecasts, he undertakes intellectual thinking involving foresight, visualisation and issued judgement rather than wishful thinking or guess work.”
5. **Planning focuses on achieving objectives:** Planning is a purposeful activity as it contributes to the achievement of predetermined goals of the organisation both efficiently and effectively.
“Most importantly, all these planning activities will be meaningful only if they will coincide with the purpose for which the business is being carried out.”

Question 11.

Holistic Education Public School in Bahadurgarh decides to implement the literacy programme of the government in the school. It is decided that within the year, the forty five support staff employees of the school will be made literate by the school counsellors and social workers. In order to enhance the learning process, the school decides to use audio-visual aids. To start the programme, the school has to first procure the literacy books from State Resource Centre at Jamia. Besides the curriculum, each literacy book contains a series of nine tests which the volunteers have to get completed by the learners during the programme. Moreover, by implementing the plan of ‘each one teach one’, each student of the school from classes fifth to tenth will be encouraged to make one person literate. The student volunteers may select a learner by adopting any one of the two ways; either from the slum areas adopted by the school or on their own within the vicinity of their residence. As per the norms of the Delhi Government, it is mandatory for the volunteers to send back the filled copy of only the ninth test paper in the series to the authorities as a conclusive proof of the completion of the course, else the certificate of commendation will not be awarded to them. Considering the implementation of the programme to be a part of its corporate social responsibility initiative, the school has decided to spend around Rs. 50,000 on the distribution of free stationery items, refreshments of the learners, etc.

In context of the above case:

1. Identify the various types of plans being used by Holistic Education Public School in order to implement the literacy programme in their school by quoting the lines from the paragraph.
2. Categorise the various types of plans as identified in part (a) into single use plans and standing plans.

Answer:

1. The various types of plans being used by the school to implement the literacy programme in the school are:
 - **Objectives:** “It is decided that within the year, all the forty five support staff employees of the school will be made literate by the school counsellors and social workers.”
 - **Strategy:** “In order to enhance the learning process, the school decides to use audio visual aids.”
 - **Policy:** “Moreover, by implementing the plan of ‘each one teach one,’ each student of the school from classes fifth to tenth will be encouraged to make one person literate.”
 - **Procedure:** “To start the programme the school has to first procure the literacy books from State Resource Centre at Jamia. Besides the curriculum, each literacy book contains a series of nine tests which the volunteers have to get completed by the learners during the programme.”
 - **Method:** “The student volunteers may select a learner by adopting any one of the two ways; either from the slum areas adopted by the school or on their own within the vicinity of their residence.”
 - **Rule:** “As per the norms of the Delhi Government, it is mandatory for the volunteers to send back the filled copy of only the ninth test paper in the series to the authorities as a conclusive proof of the completion of the course, else the certificate of commendation will not be awarded to them.”

- **Budget:** “Considering the implementation of the programme to be a part of its corporate social responsibility initiative, the school has decided to spend around ? 50,000 on the distribution of free stationery items, refreshments of the learners, etc.”
2. Single use plans are the ones that are formulated to deal with new or non-repetitive situations that may arise in an organisation from time to time. This includes programmes, budgets and projects. Standing plans refer to the types of plans which once formulated may be used for a long period of time in similar or repetitive situations that may prevail in an organisation. These include objectives, strategies, policies, procedures methods and rules.