**QUESTION BANK ( BUSINESS STUDIES)**

**CHAPTER 1**

**NATURE AND SIGNIFICANCE OF MANAGEMENT**

1. **MARK QUESTIONS**

1. ‘Success of business is not by chance but a result of deliberate processes. Name the process.

2. Name two factors responsible for higher profits and prosperity of an organization.

3. Management constantly reviews its organizational goals to meet the changing needs of the environment. Identify the characteristic of management.

4. Sarika Garments always reserve three positions in their office for physically challenged or lesser abled individuals. State the business objective Sarika Garments achieves through this.

5. A business is running successfully from last five years in Gujarat. Management has decided to focus on other states to sell their products. Identify the objective that the management is trying to achieve.

6. Company X is facing a lot of problems these days. It manufactures durable goods like washing machines, microwave ovens, refrigerators and air conditioners. The company’s margins are under pressure and the profits and market share are declining. The production department blames marketing for not meeting sales targets and marketing blames production department for producing goods, which are not of good quality meeting customers’ expectations. The finance department blames both production and marketing department for declining return on investment and bad marketing.

What quality of management do you think the company is lacking?

7. Why is management considered as a multi-faceted concept?

8. A.R.Rehman is the first Indian to win the Oscar award for his composition ‘Jai Ho’. His composition of music is unique and different as he has used the singing notes in a manner that is entirely his own interpretation. Like A.R. Rehman, Nandan , General Manager in Sea Ltd, uses his knowledge of management in a unique and different manner and all the employees working under his guidance are happy and satisfied. He rewards the employees who come to office on time. Identify the nature of management highlighted above.

9. In order to achieve target production of 5000 units per month, a Production Manager has to operate on double shifts. The workers are paid overtime charges. To earn higher wages workers try to go slow during normal working hours and complete their targets during overtime hours. Though the manager could achieve his target and produced 5000 units but a higher production cost. In your point of view, what is lacking in management.

10. Necter Life is a reputed company in the industry of medical equipment. They imported a huge quantity of Blood Glucose testing strips but could not sell due to high price. As a result, they had a huge stock of expired strips. In order to overcome loss they changed all the stickers with new expiry date and sold them at lower prices.

**3 / 4 MARKS QUESTIONS**

1. Mega Ltd manufactured water heaters. In the first year of its operations, the revenue earned by the company was just sufficient to meet its costs. To increase the revenue, the company analysed the reasons behind the less revenues. After analysis, the company decided:

* To reduce the labour costs by shifting the manufacturing unit to a backward area where labour was available at a very low rate
* To start manufacturing solar water-heaters and reduce the production of electric water heaters slowly.

This will not only help in covering the risks but also help in meeting other objectives.

a) Identify and explain the objectives of management discussed above.

b) State any two values which the company wanted to communicate to society.

2. Mr. NithinSinghania’s father has a good business of iron and steel. He wants to go to USA for his MBA but his father thinks that he should join the business. On the basis of emerging trends, do you think that Mr. Singhania should send his son to USA? Give any three reasons in support of your answer.

3. In order to achieve target production of 50,000 units per month, the Production Manager of Action Shoes Ltd had to operate on double shifts. Due to power failure most of the time, the manager was able to achieve the target, but at a production cost.

a. In your point of view, what is lacking in management?

b. Identify the values emphasized by management in the above mentioned case.

4. Various departments of Swift Automobiles Ltd have set up their own objectives without paying any interest to the organizational objectives.

a. Name the values which are ignored by the departmental heads.

b. What would be the impact of diverse objectives on the organization?

5. Mr. Amol passed his B.Sc (Non-medical) examination in the year 2014. After this he successfully ran the business of his father. Suddenly he thought of seeking employment. He got the job of a finance manager in a company on the basis of his knowledge, experience and proficiency. He is doing his job successfully.

i. Is the appointment of Mr. Amol as a manager valid?

ii.Was not it necessary for him to do M.B.A or some other course for this job?

6. Management provides judgement and vision. Explain

7. Unique Ltd. is engaged in manufacturing electrical appliances. The company has been facing a lot of problems for the last few months because of chaos between two departmentsi.e, Production department and Sales department. The sales department blames production department for delayed production. However, the production department blames sales department for poor sales. The force that integrates the two departments is missing.

a. Identify the missing force in the above case and list its two characteristics.

b. List any two values which can be cultivated among the employees by using the force identified in (a)

8. Why is management considered as a multifaceted concept?

9. State any four functions of Operational Level of management

10.Kayco ltd is manufacturing detergents. They decide to launch a new range of herbal products. As they in a hurry , they have tested products on animals only. The necessary information is missing on the package. The management also plan to launch a new factory in a tribal area where the required products are available for work at low wages in the absence of development opportunities and school

(a) Which value do you disturbing in the above para?

(b) will the decision to install a new unit in a tribal area help society? Highlight the social values involved in his decision.

**5 / 6 MARKS QUESTIONS**

1. Real Alliance Ltd is a well known cement company in India. It is able to earn adequate revenues to cover costs. Its capital base, number of employees and production turnover has increased manifolds over the years. The rate of profitability of the business is also creditable. The employees of the company are happy and satisfied with their remuneration, working conditions, promotion policy etc. As a part of its moral obligation, the company has taken many initiatives for providing employment to specially abled persons and promoting literacy in the villages adopted by it.

In the context of the above case:

a. Identify and explain the various types of objectives of management being fulfilled by Real Alliance Ltd by quoting lines from the paragraph.

b. List any two values that Real Alliance Ltd wants to communicate to the society.

2. Ajay and Sanjay are childhood friends. Sanjay had lost his right hand in an accident in childhood. They meet after a long time in a restaurant. On being asked, Sanjay tells Ajay that he feels very discontented in managing his family business after the death of his father as it does not match with his areas of interest. Ajay knows that Sanjay possess extraordinary skills in management although he hasn’t acquired any professional degree in management. Therefore, he asks Sanjay to wind up his business in India and join him in his hotel business in Dubai as an Assistant Manager in Sales and Marketing Division.

In context of the above case:

a. Can Sanjay be deployed at the post of Assistant Manager in Sales and Marketing Division though he hasn’t acquired any professional degree in management? Explain by giving suitable justifications in support of your answer.

b. List any two values that are reflected in this act of Ajay.

3. Ramanuja joins an IT firm as a system analyst after completing his masters in Computer Science. As the nature of his work demands he has to work in very close coordination with all the departmental heads in the firm, very soon Ramanuja realizes that each departmental head has its own individual style of working. They differ greatly in their day-to-day approach to work. They tend to deal with a given situation, an issue or a problem through a combination of their own experience, creativity, imagination, initiative and innovation.

In the context of the above case:

Identify and explain the nature of management highlighted in the above case

4. Kartik joins a garment factory as a plant supervisor in Lucknow. He observes that the output of some workers is very low as compared to the standards set for their performance. On analyzing the reasons for the same, he finds out that a lot of time of the workers is wasted in getting the requisite materials issued from the store. Whereas on asking, the store keeper complaints that there is no harmony in the working of the production department as a whole. Every day the workers approach him at the last minute to procure different kinds of threads, laces, mirrors, buttons etc. If it is not available in the store then he has to place an order with the purchase officer. As a result, a lot of time of the workers is wasted. So, inorder to integrate the various production activities, henceforth, Kartik ensures that the store keeper is informed well three days in advance about the requisite material. Consequently, the store keeper is able to keep the materials ready for the workers every morning in accordance with their requirements.

In context of the above case:

a. Identify and explain the quality of management that Kartik has introduced in the working of the production department as a corrective measure to control the output of the workers.

b. State briefly any two points highlighting the importance of quality of management identified in part

5. Jayant is working as Head Relationship Manager in the wealth management division of a private sector bank. He has created an internal environment which is conductive to an effective and efficient performance of his team of ten relationship management executives. A typical day at work in Jayant’s life consists of a series of interrelated and continuous functions. He decides the targets for his department which are in line with the objectives of the organization as a whole. The future course of action for his team members is laid out well in advance. The various resources required by the relationship managers like and iPad with GPS system, account opening forms, brochures, details of account holders etc. are made readily available to them. The executives are given sufficient authority to carry out the work assigned to them. Jayant works in close coordination with the Human Resource Manager in order to ensure that he is able to create and maintain a satisfactory and satisfied workforce in his department. Through constant guidance and motivation, Jayant inspires them to realize their full potential. He offers them various types of incentives from time to time keeping in view their diverse individual needs. Moreover, he keeps a close watch on their individual performance in order to ensure that they are in accordance with the standard set and takes corrective actions whenever needed.

In context of the above case:

a. Identify the concept being referred to in the following line, “He has created an internal environment which is conductive to an effective and efficient performance of his team of ten relationship management executives.”

b. Identify and describe the various functions of the concept as identified in part (a) of the question by quoting lines from the paragraph.

6. “In the absence of management, all the resources of an organization remain only as resources and never become production”. Explain the importance of management in the light of this statement.

7. ‘Coordination is regarded as an essence of management rather than a separate function of management.’ Do you agree with this statement? Give reasons.

8. “Art is concerned with personal application of knowledge.” In the light of this statement compare all the features of art with management and prove that it is an art.

9. Dharam is a well known business man in the field of publishing. He owes the success of his business to his own education in business management and his team of certified management consultants. Therefore, he decides to send both his children Dhanush and Damini abroad to acquire a degree in business management in their individual area of expertise. He feels that all over the world there is marked growth in management as a discipline, but still it is not considered to be a full-fledged profession for certain reasons.

In the context of the above case:

a. Explain the reasons because of which Dharam considers management as a discipline.

b. Critically examine the various reasons because of which management is not considered to be a full-fledged profession.

10. Geetika is working at the top level management in the private sector bank. One of her key function relates to the formulation of the overall organizational goals and strategies of the bank. Identify the level of management at which she is working? State any five other functions that she has to perform at this level.

**CHAPTER 2**

**PRINCIPLES OF MANAGEMENT**

**1 MARKS QUESTIONS**

1.’Principles of management help in thoughtful decision making.’ Explain how.

2. ‘Principles of management are less rigid than principles of Pure Science’. Give one reason.

3. Explain the ‘Contingent’ nature of principles of management.

4. Rama is daughter of the owner. She and another employee are looking after online sales department. Both work for eight hours and are giving similar performance. Rama is paid Rs. 10,000 as monthly salary but the other girl is paid Rs. 7,000 as monthly salary. Name the principle of management which is being violated.

5. This principle states that ‘people, materials and tools must be in suitable places at appropriate time to gain maximum efficiency.’ Name the principle.

6. Why did Fayol introduce the concept of Gang Plank in the principle of Scalar Chain?

7. State the principle of order?

8. What is meant by Fayol’s principle of esprit de corps?

9. Give the meaning of mental evolution as suggested by F.W.Taylor?

10. Which principle suggests that there should be one and only one boss for every individual employee?

11. Management should promote a team spirit of unity and harmony among employees. Which principle suggests this?

12. According the Fayol one principle refers to the right to give orders and obtain obedient where as other refers to the corollary of authority mention the names?

13. It refers to obedience to organizational rules and employment agreement which are necessary for the working of the organizations. What principle is referred here?

14.Which principal suggest that the interest of an organization should take priority over the interest of any one individual employee

15.The concentration of decision-making authority is called centralization whereas it is dispersal among more than one people is known as what?

16.Employ turnover should be minimized to maintain organizational efficiency. Mention the principle which indicates it?

17.Take the first step with self-motivation is one of the traits of an intelligent person. Which principle does it indicate?

18. List any two principles of ‘scientific management’ formulated by Taylor for managing an organization scientifically.

19.List any two principles of ‘Scientific Management’ formulated by Taylor for managing an organization scientifically?

20. What meant by Scientific Management?

21. It refers to the use of Scientific Method in decision making to resolve management problems rather than depending on rule of thumb or trial and error method. Name it?

22.Taylor believed that there was only one best way to maximize efficiency. This method can be developed through study and analysis. Which principle indicated by Taylor?

23.This principle of Taylor is an extension of Principle of ‘Harmony, not discord’. Name it?

24. What is the main objective of fatigue study?

25. What is the main objective of ‘Time Study’?

26. What is the main objective of simplification in scientific management?

**QUESTIONS CARRYING 3 / 4 MARKS**

1. For the last three years, Mahagun Industries is not functioning smoothly and systemically. The relations between management and employees are becoming bitter day by day. After a complete analysis, it was observed that employees are not working effectively and efficiently and management is not fulfilling its commitment of increments and promotions,

1) Which management principle is being ignored in given case?

2) Can the problem be solved if only management becomes in fulfilling its promises? What should be the appropriate course of action to achieve smooth and systematic functioning of Mahagun industries?

2. Rahul is a salesman in M/s Unique Industries. He did an aggressive research on a new cost saving advertisement technique and suggests the same to his sales manager. However, the sales manager did not pay attentions to his suggestion. Moreover, he has warned him not to come with any suggestions in future. Which principle of management is being violated by the manager? What should have been the appropriate way of response by the manager?

3. Pankaj, a purchase manager of a company, has to purchase 85 tons of raw materials. He purchased the raw material from a firm owned by his relative, at a rate more than market price. Which management principle is being violated? What should have been the appropriate course of action by Pankaj?

4.Satish is the sales manager in a detergent company. He is given the responsibility of meeting a sales target of 1500 detergents in a month. To achieve this target, Satish needs 30 sales executives. However, he has just 18 executives under him and he is not given the authority to employ 12 more executives. Satish is able to sell only 900 detergent only. The General Manager of the company blames Satish for not achieving the target results. Do you think Satish can be blamed for this? Why ?

5. Sanchit, after completing his entrepreneurship course from Sweden returned to India and started a coffee shop ‘Aroma coffee can’ in a famous mall in New Delhi. The speciality of the coffee shop was the special aroma of coffee and a wide variety of flavours to choose from. Somehow, the business was neither profitable nor popular. Sanchit was keen to find out the reason. He appointed Sandhya, an MBA from a reputed college, as a Manager to find out the causes for the same. Sandhya took feedback from the clients and found out that thought they loved the special unique aroma of coffee but were not happy with the long waiting time being taken to process the order. She analysed and found out that there were many unnecessary obstructions in between which could be eliminated. She fixed a standard time for processing the order. She also realized that there were some flavours whose demand was not enough. So, she also decided to stop the sale of such flavours. As a result within a short period Sandhya was able to attract the customers. Identify and explain any two techniques of scientific management used by Sandhya to solve the problem.

6. Pratap works as a head mechanic in M/s Royal Industries (machine assembling industry). He requires a number of tools while assembling the machine. For getting the tools, Pratap has to move frequently to the tool room, which is situated away from the work places. Such frequent movements leads to wastage of lot of time and no steps are taken by the factory manager to eliminate such unnecessary movements of Pratap and his co-workers.

1) Which method of Taylor is over looked by the factory manager?

2) How can the frequent movements be avoided?

3) What kind of benefits will accrue to M/s Royal Industries after avoiding such unnecessary movements?

7. During boom period (summer), Sohan Industries (water cooler industries) decided to reduce the rest interval of workers from 45 minutes to just 10 minutes. However, due to heavy work load and reduction in time of rest interval, efficiency of workers went down and it led to fall in production level, instead of rising.

1) Which technique of scientific management should be followed by Sohan Industries? Also describe the technique.

2) What should be done by the company to make the technique effective?

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

9. Explain briefly ‘discipline’ and ‘scalar chain’ as principles of general management

10. Pawan is working as a Production Manager in CFL Ltd which manufactures CFL bulbs. There is no class-conflict between the management and workers. The working conditions are very good. The company is earning huge profits. As a policy, the management shares the profit earned with the workers because they believe in the prosperity of the employees.

a. State the principle of management described in the above paragraph.

b. Identify any two values which the company wants to communicate to the society.

**QUESTIONS CARRYING 5 / 6 MARKS**

1. Radhika opens a jewellery showroom in Jaipur after completing a course in jewellery designing. She has employed eleven persons in her showroom. For greater productivity, she divides the work into small taks and each employee is trained to perform his/her specialized job. The sales persons are allowed to close a deal with a buyer by giving a maximum of 10% discount, whereas the decision to give any further discount rests with Radhika as the final authority. In the earlier days of starting of the business, fiver of her employees were asked to put in extra hours of work. In return she had promised to give them a special incentive within a year. Therefore, after six months when the business was doing well, she awarded a cash bonus to each of these employees to honour her commitment. However, when it comes to settling the conflicts among her employees, she tends to be more biased her female employees.

In context of the above case:

a. Identify and explain the various principles of management that are being applied by Radhika by quoting lines from the paragraph.

b. Identify and explain the principle of management which is being violated by Radhika by quoting lines from the above paragraph

c. State any one effect of the violation of the principle of management by Radhika as identified in part (b) of the question.

2. Rajvir works as a plant superintendent in a carpet making factory. In order to complete the export orders on time, the production manager asks him to make the workers work over time whereas the finance manager is strictly against this practice because it will increase the cost of production. Moreover, Rajveer feels that since the company is manufacturing handmade carpets as well as machine made carpets there is lot of overlapping of activities. Therefore, ther should be two separate divisions for both of them wherein each division should have its own in charge, plans and execution resources.

In context of the above case:

a. Identify and explain the principle of management which is being violated.

b. Also identify the principle of management that Rajveer feels should be implemented in the factory

c. Give any two differences between the principle of management as identified in part (a) and part (b) respectively.

3. Gaurika has been appointed as the chief organizer of a weeklong cultural event. Being a staunch follower of scientific management, she decides to execute her work by putting into practice the various techniques of scientific management. On the basis of several observations, she is able to determine that the standard time taken by the security officer at the gate to check the credentials of each visitor is 30 seconds. So she decides to employ two persons on this job for every function along with the other necessary support staff. She considers the fact that every day, the functions will take place in three shifts of four hours each, therefore it is important to give breaks to the support staff even in a single shift to take her/his lunch etc. moreover, on introspection, she determines that the best way to distribute refreshment boxes to the visitors will be to hand it over to them at the exit gate as it would help to save time and eliminate any kind of confusion.

In the context of the above case:

a. Identify and explain the various techniques of work study which have been put into practice by Gaurika.

b. List any two values that Gaurika wants to communicate to the society

4. Neeraj is selected for the post of software developer in an IT company. On the first day of his joining Mehul, his project manager tells Neeraj that during the course of his work he will come across many such opportunities which may tempt him to misuse his powers for individual or family’s benefit at the cost of larger interest of the company. In such situations, he should rather exhibit exemplary behaviour as it will raise his stature in the eyes of the company. Also, for interacting with anyone in the company on official matters, he should adopt the formal chain of authority and communication.

In context of the above case:

a. Identify and explain the various principles of management that Mehul is advising Neeraj to follow while doing his job.

5. Davinder is a class 12th commerce student in a reputed school in Punjab. Satinder and his elder brother who is doing his Masters in Hospital Administration from Delhi after completing his B.Sc course. During vacations when Satinder comes home, Davinder shows him the business studies project that he is preparing on the topic “Principles of management”. Satinder tells him that these principles are also a part of MBA course curriculum at the beginner’s level as they form the core of management in practice. But he finds these principles are different from those of pure science.

In context of the aboe case:

a. Outline the concept of principles of management

b. Why does Satinder find the principles of management different from those of pure science?

c. Why do the principles of management form the core of management in practice ? Explain by giving any two points highlighting the importance of principles of management.

6. Gurpreet is running a retail mart in Varanasi to provide various types of products of daily use under one roof to the buyers. The employee turnover in his business is very high and he is perpetually on a look out for new staff. The fact of the matter is that he lacks managerial skills and assigns work to his employees on adhoc basis without letting them settle down in a specific work. This approach of his creates a sense of insecurity among the employees and they tend to leave the job very quickly. However, he is a very god fearing person and offers fair wages to his employees so they can afford a reasonable standard of living.

In context of the above case:

a. Identify and explain the principle of management which Gurpreet is unable to apply and is perpetually on a look out for new staff.

b. “He is a very god fearing person and offers fair wages to his employees so they can afford a reasonable standard of living.” Name and explain the relevant principle of management will has been brought into effect by Gurpreet.

7. Swaraj is running an office furniture showroom. Most of his clients are businessmen and they prefer to buy goods on credit. Keeping this in mind, he has given the power to the sales manager, Mr. Bhardwaj, to offer a credit period of only 20 days, while negotiating a deal with a buyer. On a specific day, Mr. Bhardwaj finds that if he can offer a credit period of 30 days as an exception to a prospective buyer, he is likely to finalise a highly profitable deal for the business. So Mr. Bhardwaj requests Swaraj to grant him additional authority for offering a credit period of 30 days in the interest of the business. But Swaraj refuses to extend his authority and as a result, the deal is not finalized.

a.Can Bhardwaj be held responsible for loss of the deal? Why or why not? Give a suitable reasonin support of your answer.

b. Also, explain the related principle.

8. Raj and Simran are both qualified eye surgeons and good friends. After obtaining a certificate of practice, they decide to persue a career of their own choice. Raj starts an eye care centre in the city whereas Simran joins a government hospital in a small village. They meet after a long time in a party. Raj invites Simran to visit his eye care centre and she accepts his invitation. She observes at his clinic the there is a fixed place for everything and everyone and it is present there so that there is no hindrance in the activities of the clinic. Also, Raj always tends to replace ‘I’ with ‘We’ in all his conversations with the staff members. Later on Raj shares with her that he always deals with lazy staff sternly to send the message that everyone is equal in his eyes.

a. Identify and explain the various principles of management that Raj is applying for the successful management of his eye care centre.

b. List any two values that Simran wants to communicate to the society by taking up a job in a village

9. Hritik is desirous of setting up a small factory to manufacture different kinds of eco-friendly packing materials. He proposes to adopt a logical approach to his business rather than hit and trial method as he knows that this can result in tremendous saving of human energy as well as wastage of time and materials. He plans to adopt paternalistic style of management in practice in order to avoid any kind of class-conflict that may emerge between him and the workers. Moreover, he plans to seek the opinion of his workers before taking any important decisions and also offers incentives to them for providing valuable suggestions for the business.

a. Identify and explain the various principle of scientific management that Hritik plans to apply in his business.

b. List any two values that he wants to communicate to the society by offering eco-friendly packaging material.

10. Explain the principles of Scientific Management.

**CHAPTER 3**

**BUSINESS ENVIRONMENT**

**1 MARKS QUESTIONS**

1.” The understanding of business environment enables the firm to identify opportunities”. What is meant by opportunities here?

2.”It is very difficult to know the influence of a particular force on the functioning of a business enterprise.” Which feature of business environment is being highlighted?

3.” Preference of Smart TV instead of Plasma, LED or LCD.” Name the dimension of business environment highlighted in the given statement.

4. What do you mean by first mover advantage?

5. Which concept of business environment is related to the innovation of the world’s cheapes ‘lakhtakia car’ known as ‘Nano’?

6. What was the immediate cause of economic reforms in 1991?

7. “The celebration of festivals brings opportunities for the businessmen to increase their sales”. Which dimension of the business environment is referred to in the above statement?

8. Due to instability in the government, many MNCs did not show any interest to invest in India. Which values have been boosted in India due to such decisions of MNCS?

9. Name the economic reform which simplified the export-imports procedure.

10. “It integrates national economy with the world economy by removing barriers of international trade and capital investments.” Identify the term related to the above statement.

**3 / 4 MARKS QUESTIONS**

1. With changes in the consumption habits of people, Neelesh, who was running a sweet shop, has shifted to the chocolate business. On the eve of Diwali, he offered chocolates in atrractive packages at reasonable prices. He anticipated huge demand and created a website chocolove.com for taking orders online. He got a lot of orders and earned huge profits by selling the chocolate. Identify and explain dimensions of business environment discussed in the above case.

2. A recent cut in the interest on loans announced by the banks encouraged Amit, a science student of Progressive School, to take a loan from State Bank of India to experiment and develop cars to be powered by fuel produced from garbage. He developed such a car and exhibited it in the Science Fair organized by the Directorate of Education. He was awarded the first prize for this invention. Identify and explain the dimensions of business environment discussed in the above case.

3. The Court passed an order to ban polythene bags as:

a. These bags create many environmental problems which affect the life of the people

b. Society at large is more concerned about the quality of life.

c. The Government decided to give a subsidy to the jute industry in order to promote this business. As a result,-

d. Innovative techniques are being developed to manufacture jute bags at low rates.

e. Incomes are rising and people can afford to buy these bags.

Identify the different dimensions of business environment by quoting lines from the above particulars.

4. Both husband and wife Nikhil and Sweta were born and brought up in Joint family system. Now they are in a nuclear family with their son Vicky. Both them are employed and thus they mostly use packed ready to use food stuffs. This is a typical example of the changing life style of this generation.

Identify the business environment referred to this context

Name any two industrial sectors, which found new business opportunities by this change in the family life style and customs.

5. Following is the headline of an article published in a business journal. “Awareness of environment is a must for business success”. Do you agree with this statement? Justify your answer.

6. ‘Accent Electronics Ltd’ was operating its business in Malaysia. The company started exporting its products to India when the Prime Minister announced relaxation in import duties on electronic items. The company appointed retailers in India who had direct online links with the suppliers to replenish stocks when needed.

Identify and explain the dimensions of business environment discussed here.

7. Post demonetization in a further push to cashless economy, the Central cabinet has recently approved the ordinance for paying wages via electronic means. Accordingly, the government approved to Amended Section 6 of the Payment of Wages Act 1936, to allow employers of certain industries to make payment through the electronics modes and cheques. The new ordinance will be applicable to the public sector. Identify the various dimensions of business environment which relate to the above mentioned case.

8. Eco-friendly products are gaining power as the consumers’ awareness about environmental issues has increased over the years and they are conscious about choosing products that do not have adverse effects on the environment. They are now more conscious about the carbon emission and climate change effects, and want themselves to be ‘seen’ as a green advocate among their peers. In such a scenario, it has become a challenge for the companies as they have to not only meet the needs of the consumers but also ensure that their products are safe and environmental friendly. As a result, there is growing need for better and advanced technologies to works as a catalyst in this regard.

a. Identify the relevant features of business environment being discussed above.

b. Describe briefly any three points which highlight the importance of business environment and its understanding by managers.

9. In the year 2016, the State Government of Kerala had made it mandatory for anganwadis hostels and canteens in educational institutions to secure the Food Safety and Standards Authority of India (FSSAI) license to ensure food safety. As the educational institutions also get categorized as food business operators in the event of the annual turnover of the hostels, they run exceeding Rs. 12 lakh per annum.

a. Identify and explain the various dimensions of the business environment being referred to here.

b. List any two values which the State Government of Kerala wants to convey through this initiative.

10. Postage stamps have been unveiled to commemorate 140 years of existence of the country’s first stock exchange Bombay Stock Exchange (BSE). The setting up of BSE is considered to be the greatest revolution that took place in the financial markets in India as it acts as a key driver for economic growth of a country. This is due to the fact that there exists a strong correlation between economic growth and capital accumulation.

a. Identify the dimension of business environment of India being referred here.

b. State any three factors which broadly affect the dimension of business environment of India as identified in part (a) of the question.

**QUESTIONS CARRYING 5 / 6 MARKS**

1. After completing his education, Arun joins his father in their family business of manufacturing cookware. As a businessman, his father is rigid in his approach and has fixed ideas about various issues. He tends to maintain a distance from the factory workers. However, Arun is more receptive to the needs of the workers and doesn’t seem to believe in any class-differences. He believes that the prosperity of their business greatly depends upon the prosperity of their workers and vice-versa. At the same time, he has a good understanding of the business environment. Therefore, he introduces new range of green pans that provide a healthy cooking surface, as they are manufactured with all ceramic or silicon coating and are considered safer than the traditional petroleum based non-stick surfaces which may contain toxic substances. Although, the new cookware range is highly priced, he expects a ready market for it as both the purchasing power of people and their preference for better quality products has increased over the years.

a) Identify the nature of management which is being reflected in the different styles of management in practice adopted by Arun and his father.

b) Name and explain the related principle of scientific management

c) State the related dimensions of business environment

2. On 8th November 2016, the Government of India announced the demonetization making all 500 and 1000 rupee bank notes of Mahatma Gandhi Series invalid past midnight. The Government claimed that the action would curtail the use of illicit and counterfeit cash to fund illegal activity and terrorism. The BSE SENSEX and NIFTY 50 stock indices fell over 6 percent on that day after the announcement. The decision was heavily criticized by members of the opposition parties, leading to debates in both houses of Parliament and triggering organized protests against the government in several places across India. People seeking to exchange their bank notes had to stand in lengthy queues, and several deaths were linked to the inconveniences caused due to the rush to exchange cash. After demonetization, the demand for point of sales (POS) or card swipe machines has increased. E-payment options like PayTM have also seen a rise:

a) Identify and explain the various dimensions of business environment which relate to the above mentioned case.

b) List any through two values that the government seeks to promote through demonetization.

3. Naman and Govind after finishing their graduation under vocational stream decided to start their own travel agency which will book Rail Tickets and Air Tickets on commission basis. They also thought of providing tickets within ten minutes through the use of internet. They discussed the idea with their Professor Mr. Mehta who liked the idea and suggested them to first analyse the business environment which consists of investors, competitors and other forces like social, political etc. that may affect their business directly or indirectly. He further told them about the technological improvements and shifts in consumer preferences that were taking place and hence they should be aware of the environmental trends and changes which may hinder their business performance. He emphasized on making plans keeping in mind the threat posed by the competitors, so that they can deal with the situation effectively. This alignment of business operations with the business environment will result in better performance.

a) Identify and state the component of business environment highlighted in the above Para.

b) State any two features of business environment as discussed by Professor Mehta with Naman and Govind.

c) Also sate two points of importance of business environment as stated by Professor Mehta in the above situation.

4. Lately many companies have planned for significant investment in organized retailing in India. Several factors have prompted their decision in this regard. Customers income is rising .people have developed the taste for better quality products. The government is liberalized to economic policies in this regards and has permitted even 100% FDI in some sectors of retailing.

On the basis of above condition, identify changes in business environment under different heads –economic, social, technological , political and legal that have facilitated the companies decisions to plan significant investment in organized retailing.

5. Indians mostly being vegetarians as per the studies of KFC has planned to introduce veg rice meals in its menu.

(i) Which characteristic of management is highlighted in the given statement?

(ii) Name and explain the dimension of business environment which is responsible for this step of KFC

6. Roshinee is the owner and manager of textile industry, which is her family business. Last year she attended the seminar on the topic globalization. She found the topic relevant and helps her expanding the business by conducting operations worldwide.

Why she considers the topic relevant?

What will be the positive impact of opting globalization?

7. A Foreign Based MNC was allowed to set Up Its Cold Drink Plants at several Place in India. Different flavours of its drink are liked by Many Indians. The Company’s name has now become a lip word and It has launched Intensive advertisement though T.V. and various Papers.

a) In What Respect is This MNC Beneficial to India?

b) What are its harmful effects?

c) Under Which Policy Was This MNC allowed To Enter in India?

**PLANNING**

**1 mark questions**

1. **which function of management is considered as the base of all other functions?**
2. **State any two types of plans McDonald co. does not give its franchise to any other co. which is running foods business. This is related to which type of plan**
3. **Define derivative plan?**
4. **Which plan suggests actions and non actions of rules?**
5. **Which plan helps in analyzing competitors policy?**
6. **Define policy.**
7. **Mention any two features of planning.**
8. **Define planning premises.**
9. **ABC Ltd gives promotion on the basis of seniority which type of plan it is.**
10. **Name the type of plan which is time bound and linked with measurable outcomes.**

**3 /4 marks questions**

1. **Explain any three types of plans?**
2. **Differentiate between policies and rules.**
3. **Explain any three limitations of planning.**
4. **Explain following features of planning.**
5. **Planning is pervasive**
6. **Planning is mental exercise**
7. **Planning is forward looking**
8. **Differentiate between single use plans and standing plans .**
9. **“Failing to plan is planning to fail.” Give three reasons for this and explain with examples.**
10. **Rohini a homescience graduate from a college has done cookery course. She decided to provide health food at reasonable prices.she discussed her ideas with her teacher after analyzing various options for staring the business,they decided to sell readymade and ready to make vegetable shakes and sattu milk shakes .then they both weighed the pros and cons of the option.**
11. **Name the function of management being discussed above and give any one of its charecteristics.**
12. **Briefly discuss any three limitations of function discussed.**
13. **Two years ago Mayak obtain degree in food technology. For sometime he worked in a company manufacturing bread and biscuits.for this he decided the objectives and targets and formulated action plan to achieve the same. One of his objective was to earn 50% profit on the amount invested in the first year. It was decided that raw materials like flour,sugar etc will be purchasesd on two months credit. He also decided to follow the steps required for marketing the product through his own outlets.He appointed Harsh as a Production manager who decided the the exact manner in which the production activities are to carried out.Harsh also prepared a statement showing the requirement of workers in the factory throughout thyear.Mayank informed Harsh about his sales target for different products, areawise for the forth coming quarter.While working on the production table a penalty of Rs 150 per day was announced for not wearing the ,gloves and apron by the workers.**

**Quoting lines from the above para identify and explain the different type of plans discussed.**

1. **How does planning facilitate control? Justify the answer with the help of suitable example.**
2. **What kind of strategic decisions are taken by business organizations?**

**5/6 mark questions**

1. **‘Though planning is an important tool of management, yet it is not a remedy for all types of problems.’ Do you agree with the statement? Give any five reasons in support of your answer.**
2. **Why does planning sometimes fails in spite of the best efforts of management?**
3. **“Planning is a continuous process.” State and explain the various steps of planning process.**
4. **“Planning is not a guaranty of success of business.” Comment.**
5. **“Planning is an important function of management “. State any four reasons in favour of the statement.**
6. **Is planning actually worth the huge cost involved? Explain.**
7. **Explain ‘objective’ and ‘Strategy’ as a type of plan?**
8. **The management of Tripura X Ltd has decided that all orders received from customers must be acknowledged on the same day. What type of plan it is? Discuss.**
9. **Planning is of vital importance in the managerial process. Do you agree? Give reasons in support of your answer.**
10. **If planning involves working out details for the future, why does it not ensure success?**

**ORGANISING**

**1 mark questions**

1. **Define delegation of authority?**
2. **Give the meaning of responsibility as an element of delegation.**
3. **List two benefits of delegation of authority.**
4. **What are the elements of Delegation of authority?**
5. **Why is it easy to fix responsibility in formal organization?**
6. **Name the organization which is directed by group norms?**
7. **What is the outcome of the organizing process is called?**
8. **What are the types of organization structure?**
9. **State one advantage of functional structure?**
10. **What is the term span of management refers to?**

**3/4marks questions**

1. **State the steps involved in the process of organizing?**
2. **How does organizing as a function of management helps in bringing administrative efficiency?**
3. **Maan and shaan Ltd is a manufacturing baby bottles and has separate departments of production,sales and finance . Which type of structure you would suggest to them and state some of its advantages?**
4. **State the features of formal organization?**
5. **Why is informal organization considered better than formal organization?**
6. **You are working in HR department. Day by day you are cfacing problems due to the existence of informal groups. What steps would you take to manage such informal groups?**
7. **How does informal organization support the formal organization?**
8. **Why is it necessary to delegate authority? Give three reasons.**
9. **Distinguish between authority, responsibility and accountability?**
10. **“if we delegate authority, we multiply it by two; if we decentralize it, we multiplied by many”. How?**

**5/6 marks questions**

1. **Decentralization is an optional policy,still it is opted by enterprises frequently. Why?**
2. **What is meant by decentralization? State any any four points, why decentralization is important?**
3. **How is decentralization of authority different from delegation of authority?**
4. **What organization structure changes should the company bring about in order to retain its market share?**
5. **An organization is facing the problem of poorly motivated employees,delay in communication and procedural delay. What is lacking in the organization? Suggest remedy and explain its positive impact on the organization?**
6. **A company is manufacturing televisions, refrigerators, air conditioners, washing machines and gas stoves using different productive resources. Suggest a suitable organizational structure for the company and explain any three advantages and disadvantages, each of this structure?**
7. **What is meant by organizing as a process? Explain any four points highlighting the importance of organizing?**
8. **‘Organizing involves a series of steps that need to be taken in order to achieve the desired goals. Explain these steps?**
9. **What is meant by functional structure of an organization and state any five advantages of this form of organization structure?**
10. **Distinguish between centralization and decentralization?**

**STAFFING**

**1 MARK QUESTIONS**

1. **What is meant by staffing?**
2. **Why staffing considered as a continuous process?**
3. **Give any two reasons why staffing is needed in an organization?**
4. **Identify the step in which capability of the employee is judged?**
5. **Define recruitment?**
6. **Staffing is referred to as both line as well as staff function why?**
7. **Name the source of recruitment, which is needed to bring new blood in the organization?**
8. **Name any two external source of recruitment?**
9. **Why do employees become lethargic when the organization uses internal source of recruitment?**
10. **If the employees are shifted vertically, what is this process called?**

**¾ marks questions**

**CHAPTER: DIRECTING**

**1 MARK QUESTIONS**

1. Name the function of management which recognizes the importance of every single person employed by an organization.
2. How does a supervisor can act as a link between management and the operatives?
3. Which element of directing is referred as overseeing subordinates at work?
4. How Co- Partnership stock option does motivates the employees
5. Give some examples of perquisites offered to employees
6. What is meant by motivation?
7. Name the financial incentive offered to the employees over and above the wages or salary to the employees.
8. What is meant by Informal communication?
9. Mention any two measures to improve the communication effectiveness.
10. Give two obstacles or hindrance in the process of communication.

**3/4 MARK QUESTIONS**

1. Explain any three functions performed by supervision.
2. Sarang Gupta is the MD of Dunlop Ltd .The Company had established a good name for it and had been doing well. It was known for timely completion of orders. The production manager, Ms Kiran was efficiently handling the processing of order and had a team of fourteen motivated employees working under her. Unfortunately Ms Kiran met with an accident. Sarang Gupta knew that in the absence of Ms Kiran , the company may not be able to meet the deadlines and it will lead to customer dissatisfaction ,business loss and goodwill. So he had meeting with the employees in which accurate and speedy processing or orders was planned. Everybody agreed to work as team because the behavior of Sarang Gupta was positive towards the employees of the organisation. Hence everyone put extra effort and the targets were met time.

Not only this, Sarang visited Ms.Kiran and advised her to take sufficient rest.

1. Identify the leadership style of Umang Gupta and draw diagram depicting the style.
2. State any two values highlighted by the behavior of Umang Gupta.
3. Explain any three points that highlights the importance of directing as a function of management initiates action, integrated employees effort, helps to realise their potential.
4. Neeraj a sales representative of Omida Lltd has changed seven jobs in the last one year. He is a hardworking person but he is not able to finalise deals with the customers due to his inadequate vocabulary and omission of needed words. Sometimes he uses wrong words because of which intended meaning is not conveyed. All this created a misunderstanding between home and his clients.
5. Identify the communication barrier discussed above. State the category of this communication barrier.
6. Explain other communication barriers of the same category
7. Blue Bird Ltd offers to its employees to issue shares at a price less than the market price.

A) Name and explain the type of incentive offered to the employees.

B) Explain two more incentive of the same category.

1. Prateek is working in a multinational company in Noida. He was running a temperature for the last many days. When his blood was tested, he was found to be positive for Malaria and admitted in a hospital and blood transfusion was advised by the doctors as his condition was very serious. One of his colleagues sent text message to his superior Mr. B Chatterjee. Mr. Chatterjee sent text message to the employees to donate blood for the Prateek. When the company’s General manager knew about it, he ordered for fumigation in the company premises and cleaning the surroundings.
2. From the above paragraph, quote the lines that indicate formal and informal communications.
3. State any two features of Informal communication.
4. Identify any two values that are being communicated to the society in the above case.

**5/6 Mark questions**

1. Rahim was working in an enterprise on daily wages basis. It was difficult for him to fulfill the basic needs of his family. His daughter fell ill. He had no money for his daughter’s retirement. To meet the expenses of her treatment, he participated in a cycle race and won the prize money. The Cycle Company offered him a permanent pensionable job which he happily accepted.
2. By quoting the lines from the above para identify the needs of Rahim that are satisfied by the offer of cycle company.

B) Also explain all other needs of Rahim followed by above that are still to be satisfied.

1. Jaideep recently joined as the managing director of Tivori Ltd. , an apparel designing Company. He observed that the company had a number of experienced fashion designers on its pyroll. They regularly offered useful suggestions which neither appreciated nor rewarded by the company. Instead the company outsourced the services to some renowned fashion designers and paid them a good compensation for their services. Because of this, the employees felt disheartened and stopped giving useful suggestions.
2. Identify the communication barrier discussed above.
3. State the category of this communication barrier.
4. Explain any other communication barrier of the same category.
5. Smita had been working as an assistant manager with Jhonson Enterprises for the last ten years. She was very popular amongst her colleagues because of her commitment and dedication towards the work. When the manager senior to her retired, all her colleagues thought that now smitha would be promoted. But everyone’s surprise, the vacant post was filled by an outsider, Mrs Rita. Smita felt demoralized and her performance started declining.

She would absent herself often and could not meet her targets. Mrs Rita was a good leader, who not only instructs her subordinates but also guide and inspire them. She noticed smitha’s behavior and felt that her performance could be improved. She started involving smita in decision making issues related to the organization and made her part of high level of joint management committee. Smita was now punctual in office and her performance started improving.

1. Identify the function of management being performed by Rita.
2. Name the element of the above function of management which helped Rita to improve Smita’s behaviour.
3. State any two features of the element identified in (b) above.
4. Explain the importance of communication.

**CHAPTER: CONTROLLING**

**1 MARK QUESTIONS**

1. Why it is said that controlling is a continuous activity?
2. Is controlling the end of management functions cycle? Give reason in support of your answer.
3. Control systems lose some of its effectiveness when standards cannot be defined in quantitative terms. What difficulty does this situation create?
4. What is important while analysing the deviations in controlling?
5. What should be the focus point of a manager while controlling, as controlling at each and every step is not possible. Key Result Areas
6. In controlling process standards were set according to the efficiency of the average employee. Which value has been kept in mind while setting the standards?

Increase the morale of the employees and improving the quality of production.

1. What is important while analysing the deviations in controlling? To determine the acceptable range of deviations.
2. What is meant by standards in the process of controlling? Standards are the criteria against which actual performance would be measured.
3. What corrective action should be taken in case deviations are caused due to defective machinery? Repair or Replace the machinery.
4. Name the concept in which only significant deviations which go beyond the permissible limit should be brought to the notice of management. Management by Exceptions.

**3/4 Mark questions**

1. Clarify the difference between critical point control and management by exceptions.
2. Write a note on negative deviations and positive deviations.
3. A. S Ltd is a large company engaged in assembly of air conditioners. Recently the company had conducted the time and Motion study and concluded that an average a worker can assemble ten air conditioners in a day. The target volume of the company in a day is assembling of 1,000 units of air conditioners. The company is providing attractive allowances to reduce labour turnover and absenteeism. All the workers are happy. Even then the assembly of air conditioners per day is 800 units only. To find out the reason the company compared actual performance of each worker and observed through CCTV that some of the workers were gossiping.
4. Identify the function of management discussed above.
5. State those steps in the process of the function identified which are discussed in the above paragraph.
6. There are two managers of a company Rahul and Rohit. Rahul is saying that planning is looking ahead where as controlling is looking back. On the other hand, according to Rohit, Planning is looking back where as controlling is looking ahead. who is correct and why?
7. Mr. Anil has been appointed by suntech Ltd to ensure that the performance of employees is going as per the plans made. In the report which he submitted to the management, he mentioned that carriage charges had risen by 8 % however labour absenteeism had increased from the previous year from 5 % to 15 %. He felt that this increase in absenteeism required immediate action of management on priority basis.

a) Identify the step of one of the management functions referred above.

b) Identify the principle due to which increase in absenteeism required immediate action of management.

1. State three examples each of standards used in different areas – production, Marketing, Personal management, Finance and Accounting to gauge performance.

**5/6 Mark Questions**

1. Trilok Ltd was established with a total capitalisation of Rs 25.20 crores. The company maintained a good balance between debt equity by having a debt equity ratio of almost 2:1. It was established with a mission of generating employment and producing quality goods with fair prices. It hired qualified and experienced staff even then, it organised training programmes to improve the skill level of employees. Managers at different levels were of the opinion that everything was organised very well, so subordinates can do everything, at their own level. So they decentralised the authority till lowest level and restricted themselves to policy making. At the end of the financial year, results were shocking. Annual target of production of 5,00,000 units could not be achieved.
2. Name the functions of management practiced by managers
3. Which management function was totally ignored by the mangers at different levels?
4. What would be the benefits, Trilok Ltd could get, by adopting this missed Function.
5. You are a management expert. You have been asked by a business firm to make its managers understand the importance of controlling function of management. How will you explain this to the manager?
6. Michal John is a Sole proprietorship in Nicobar. He has started trade after getting M.B. A degree. He is fully familiar with all the functions of management. He starts his business with planning function of management. He desires that all his activities should confirm to planning . to this effect he has adopted a system that keeps a constant watch on all activities of business. Consequently there is zero possibility of adverse results. It can therefore be said that this method is directly related to the results. Mr Jhon also believes that this method applies not only to any one level of management but to all the levels as well.
7. Identify the function of management referred in the above paragraph.
8. Describe any two features of the functions of management as identified under point (a) above.
9. Visesh works as as an interior designer. He gets a contract to redesign a play school. He employs three painters on the site assuming that an average painter will be able to paint 10 desks in a day. At the end of the first day of their work, Visesh finds that the painter A,B and C has painted 12,14,15 desks respectively. On comparing the actual performance with the planned performance, he realises that the standard set by him is too low. Consequently he decides to review and revise the standard and raise it. In the context of the above case;
10. Identify the function of management being performed by Vishesh.
11. “Planning and controlling are both backward looking as well as forward looking functions”. Explain the statement with reference to the above paragraph.

**CHAPTER: FINANCIAL MANAGEMENT**

**1MARK QUESTIONS**

1. What is meant by financial management?
2. Define Trading or Equity.
3. Define Capital structure.
4. How does cost of equity affect the choice of capital structure of a company?
5. What is meant by financial risk?
6. What is the difference between financial risk and business risk?
7. State the objectives of financial management.
8. Name the financial decision which will help a business man in opening a new branch of its business.
9. Name the financial decision which affects the liquidity as well as profitability of a business.
10. Name any two essential ingredients of sound working capital management.
11. When is financial leverage favorable?

**3/4 MARK QUESTIONS**

1. Shalini after acquiring a degree in Hotel Management and business Administration took over her family food processing company of manufacturing pickles, jams and squashes. The business Adbeen established by her grandmother and was doing reasonably well but the fixed operating cost was very high and the cash flow position was weak. She wants to modernaise and diversify it . She approached a financial consultant, who told her that approximately Rs 50 Lakh would be required for modernaisation and expansion programme. He also informed her that the stock market was going through a bullish phase.
2. After considering the above discussion, Name the source of finance Shalini should not choose for financing the modernisation and expansion of her food processing business. Give one reason in support of your answer.
3. Explain two other factors she should keep in mind while taking this decision.
4. Mr. Vaibhav Garg holds the designation of finance manager in “Jai shree Limited”. Last year performance of his department was as per expectation. Currently, he is preparing financial blue print of the next five years. To Begin with he tired to forecast the sales in the next five years. It is so because it is the sales on which depends the need for the fixed and working capital. Thus an estimate was made with regard to both these items. Similarly he collected data in respect of possible profits in the coming years. In this way one can know how much of capital will be available from within the business. The rest of the funds will be arranged from outside the business. He is also thinking about the sources of finance to be adopted outside the business.
5. Identify the concept referred to in the above paragraph.
6. Write any two points of importance of the financial concept, so identified.
7. Arif and Mohemmed were twin brothers. Both were MBA students in a renowned institute. They got selection in a multinational company in the last year. Both of them are interested in social activities also. They decided to set up a job in such a way to give employment opportunities to the villagers and they left the job in the MNC. Arif set up a factory in which he produced flour, oil and cotton and could give employment to 80 people. On the other hand , Mohemmed opened a show room in nearby town. He engaged himself in trading the goods produced by Arif. The salient features of the business were that he used to sell 100 % pure products at minimum possible price. Efforts of both the brothers were resulted in full support to the development of their area.
8. Identify the two factors affecting the fixed capital have been concerning Arif business.
9. Identify any two values being provided to the society.
10. Pranav is engaged in Transport business. Identify the working capital requirements of Pranav stating the reason in support of your answer. Pranav also wants to expand and diversify his transport business. Explain the two factors that will affect his fixed capital requirements.
11. What is meant by capital structure of a company? State any two factors affect the capital structure of a company.
12. Explain the objectives of financial planning.

**5/6 Mark Questions**

1. Saraha Ltd is a company manufacturing cotton yarn. It has been consistently earning good profit for many years. This year too, it has been able to generate enough profits . There is availability of enough cash in the company and good prospectus for growth in future. It is a well managed organization and believes in quality, equal employment opportunities and good remuneration practices. It has many shareholders who prefer to receive a regular income from their investments. It has taken a loan of Rs 40 Lakhs from IDBI and is bound by certain restrictions on the payment of dividend according to the terms of loan agreement. The above discussions about the company leads to various factors which decide how much of the profits should be retained and how much has to be distributed by the company.

Quoting lines from the above discussion identify and explain any four such factors.

1. Radhika Ltd manufactures blankets. Company’s history has been satisfactory, but for the past sometime its cash flow position in a bad shape. That is why the company has not been able to pay sufficient dividend to its equity shareholders. When Mrs Rakhi Khetarpal the finance manager, tried to find out the causes of poor financial situation of the company, she observed taht the control of the company was in the hands of several persons who are unable to take any concrete decision. To come out of this financial crisis , Mrs Khetarpal has been deliberating on the 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 keep in mind that company has got its premises on rent and the rent in exorbitant. Similarly it has to bear the burden of fixed salaries. She is also worried about the fact that in future control of the company should not be in the hands of too many persons.
2. Identify the two sources of finance discussed in the above para.
3. Identify and explain the advantages of one source and disadvantages of another source by quoting lines from the above paragraph.
4. Every manager has to take three major decisions while performing the finance function. Explain them.
5. To avoid the shortage and surplus of funds what is required in financial management? Name the concept and explain its any three points of importance.
6. To tackle the uncertainty in respect of availability and timings of funds what is required? Name the concept involved and explain its three points of importance.

**CHAPTER: Financial Market**

**1 MARK QUESTIONS**

Q1. It is a market of short market term funds in monetary assets whose period of maturity is up to one year. Name the market?

Q2. Which type of financial market is known as new market and Why?

Q3. Why treasury bills by the RBI on behalf of government are, also called zero coupon bands.

Q4. According to SEBI, an individual who has sensitive information about the company by virtue of his work, cannot use it trading for trading in the securities for his personal gains which objective is SEBI trying to achieve through this.

Q5. It is a short term negotiable self liquidating instrument which is used to finance the credit sale of firms. Which instrument is referred here.

Q6. By linking the savers and the investors by mobilizing funds between them which function does financial market perform?

Q7. It is used for interbank transaction it is a short term finance repayable on demand with a maturity period of one day to fifteen days. Which does it indicate.

Q8. In this method of floatation in primary market, securities are not issued directly to the public but are offered for sale through inter me diaries like issue houses or stock brokers. Name the method.

Q9. Stock exchange gives investors chance to disinvest and reinvest which function of stock exchange is highlighted here?

Q10. Membership of a stock exchange is well regulated and its dealing are well defined according to the existing legal framework. What does it ensure to investing public?

Q11. Sunita took her niece, Aishwarya for shopping to Benetton to buy her a dresson the occasion of her birthday. She was delighted when on payment for the dress she got a discount voucher to get 20% off for a meal of Rs.500 or above at a famous eating joint.

Identify the technique of sales promotion used by the company in the above situation.

Q12.Good living Ltd. manufactures mosquito repellent tablets tables. These tablets are packed in strips of 12 tablets each. Each of these strips is packed in a cardboard box, 48 such boxes are then placed in a big corrugated box and delivered to various retailers for sale. State the purpose of packaging the tablets in a corrugated box.

**3/4 MARK QUESTIONS**

1. What are the functions of a financial market?
2. Money market is essentially a market for short term funds. Discuss.
3. What is treasury bill?
4. Distinguish between capital market and money market.
5. What are the functions of a stock exchange?
6. What are objectives of the NSE.
7. Explain the following money market instrumental:
8. Treasury bills
9. Commercial paper
10. How the depository system is parallel to the banking system?
11. State any three Development functions of securities and exchange boards of India(SEBI).
12. State any three protective functions of securities and exchange board of India(SEBI).

**5/6 MARK QUESTIONS**

1. Incorporated in 1990, raju diary Ltd is one of the leading manufacturers and marketers of diary-based branded foods in India. In the initial years, its operation were restricted only to collection and distribution of milk. But, over the years it has gained a reasonable market share by offering a diverse range of diary based products including fresh milk, flavoured yogurt, ice creams, butter milk, chease, ghee etc. In order to raise the capital finance its expansion plans, raju diary Ltd. has decided to approach capital market through a mix of offer for sale of 4 crore shares and a public issue of 2 crores shares.

In context of the above case :

1. Name and explain the segment of capital being approached by the company
2. Identify the methods of floatation used by the company to raise the required capital. Give one difference between them.
3. The SEBI has imposed a penalty of 7269.5 crore on pearls Agrotech Corporation Limited (PACL) and its four directors- tarlochan singh, sukudev singh , gurmeet singh, and Subrata Bhatacharya who had mobilized funds from the general public through illegal collective investments schemes in the name of purchase and development of agriculture land. While imposing the penalty, the biggest in its history, securities and exchange boards of india said the company deserved maximum penalty for duping the common man. Its prevention of Fraudulent and Unfair Trade Practises Regulations provides for severe to severe penalties for dealing with such violation. As per SEBI norms, it can impose penalty of 25 crore or three times of the profit made by indulging in Fraudulent and unfair trade practices of the illicit gains.

In the context of the above case:

1. State the objectives of setting up SEBI
2. Identify the type of function performed by SEBI by quoting lines from the paragraph
3. Ragu works as a waiter in a five star hotel in Mumbai. While serving the customer he overhears him at the table saying that the he has made profits higher than expected by investing in securities market. So, ragu also decides to make a nominal investments from his saving in the stock market in pursuit of higher gains:

In context of the above case:

As a financial consultant, apprise him of the steps involved in the working of a demat system.

1. The stock market regulator, securities and exchange board of india (SEBI), has initiated a certification programme for all market intermediates. Under this programme, people associated with stock markets in any way, will have to obtain a qualifying certificate from the regulator. The national institute of securities market (NISM), a trust formed by SEBI, is tasked with the certification programme.

In the context of above case

1. Identify the type of functions performed by SEBI
2. Outline any two reasons for setting up SEBI
3. The stock market regulator, securities and exchange board of india (SEBI), has initiated a certification programme for all market intermediaries. Under this programme, people associated with stock markets in anyway will have to obtain a qualifying certificate from the regulator. The national institute of securities market, a trust formed by SEBI, is tasked with certification programme.

In the context of the above case.

1. Identify the type of function performed by SEBI
2. Outline the two reasons for setting up SEBI
3. After doing a course in online trading, arsh stared an online portal for stock trading under the name investment guru. He met his school friend Ajay after a long in a bank where Ajay had open a D-Mat account. Arsh urged Ajay to invets in the forthcoming IPC of a blue chip companies wheareas Ajay was inclined to buy existing securities of the other companies to build his investment portfolio.

In the context above case:

1. Identify the two difference types of capital market market being referred to by quoting lines from the para.
2. State any four differences between the two types of capital markets as identified in part (a)

1. Supriyas grand mother who was unwell, called her and gave her as gift packet. Supriya opened the packet and saw many crumpled share certificates inside. Her grandmother told her that they had been left behind by her late grandfather

As no trading is now trading is done on physical form, supriya wants to know the process by adopting which she is in a position to deal with these certificates.

1. Identify and state the process
2. Also, give two reasons to supriya why dealing with shares in physical form has been stopped.
3. Ganesh steel ltd. is a large and creditworthy company that manufacture steel for the Indian market. It now wants to cater the asian market and decides to invest in new new hi tech machines. Since the investment is large, it requires long term finance. It decides to raise funds by issueing equity shares. The issue of equality shares involves huge floatation cost. To meet the expenses of floatation cost, the company decides to tap the money market.
4. Name and explain the money market instrument that company can use for the above purpose.
5. What is the duration for which the company can get funds through this investment?
6. State any other purpose for which this instrument can be used.
7. Distinguish between capital market and money market.
8. What are the methods of floatation in primary market?

**CHAPTER: Marketing**

**1 MARK QUESTIONS**

**Q1.** It refers to the use of communication with twin objective of informing potential customers about a product and persuading them to buy it. Name it

Q2. For any exchange to place, it is important that some conditions should be satisfied Mention such conditions

Q3. Why is marketing called a social process?

Q4. Distinguish between selling concept and marketing concept of marketing management philosophies on the basis of main focus.

Q5. What is the advantage of registering trademark?

Q6. State the meaning of product identification function of packaging.

Q7.state the meaning of product promotion function of packaging?

Q8.define ‘brand name’

Q9. They don’t sell what they can make, but they make what they can sell “. Name the marketing philosophy to which this statement is related.

Q10. Which concept of marketing suggests that the organization should earn profit through consumer satisfaction and social welfare?

3/4mark questions

1. As marketing manager of a big hotel located at an important tourist destination , what societal concerns whould be faced by you and what steps whould you plan to take care of these concerns? Discuss.
2. Suppose you are the marketing vice president of an insurance company,planning to design a new mechanism policy for senior citizens. What information whould you like to collect to perform this task and how will you collect such information? Discuss.
3. What information is generally placed on the package of a food product. Design a label for one of the food products of your choice
4. For buyers of durable consumer products , what customer care service whould you plan as a manager of a firm marketing new brand of motorcycle. Discuss.
5. Nisha a school bag manufacturer decided to improve the product for profit maximization and thus added a waterbottle holder to existing design
6. Identify the marketing management philosophy adopted by nisha and
7. Explain this philosophy on the basis of:
8. Main focus and
9. Means and ends
10. Mansi , a shoe manufacturer for school students , decided to maximize her profits by producing and distributing at large scale and thereby reducing the average cost of production.
11. Identify the marketing management philosophy adopted by manasi and
12. Explain the philosophy on the basis
13. Main focus and (2) means and ends
14. Jasdeep, a dealer in school uniforms, decided to maximize his profit by using different aggressive promotional efforts.
15. Identify the market management philosophy adopted by Jasdeep
16. Explain this philosophy on the basis of
17. Main focus (2) means and ends
18. What is meant by packaging? State four functions of packaging?
19. What is meant by brand name? state any four characteristcts of a good brand name.
20. What is meant by labeling? State any four functions performed by labeling?

5/ 6 marks questions

1. Explain the following sales promotion activities:
2. Discount
3. Product combination
4. Financing]
5. Lucky draw
6. What are the characteristics of a good brand name. Explain?
7. Identify and explain the promotional tool of marketing –mix which plays a persuasive, service and informative role and thereby link a business firm to its customers. Also explain by giving any four reasons how this tool helps in increasing the sales of businessmen.
8. Name the element of marketing mix in which a set of firms and individuals creates possession, place and time utility and helps in market offering. Also explain any five important functions performed by this element.
9. Generally consumers prefer to buy goods directly from the producers but it is not always possible. Give reasons, why is it so by explaining four different factors responsible for this?
10. Bending the customer according to product and developing the product according to customer needs are two important concepts of marketing management. Identify the concepts and differentiate between the two.
11. Choice of channels of distribution depends upon various factors. Explain any four factors which affect the choice of channels of distribution.
12. Pricing occupies an important place in the marketing of goods and services and its determination is affected by many factors. Explain any four such factors.
13. Physical distribution includes some components for physically moving the goods from manufacturers to the consumers. Explain these components.
14. Differentiate between ‘Advertising’ and ‘Personal selling ‘on any five bases.

**CHAPTER: Consumer Protection**

**1 mark question**

1. What is the purpose of enacting the consumer protection act, 1986?
2. What is meant by consumer protection?
3. What is meant by right to choose to a consumer?
4. State any two points of the responsibility of a consumer.
5. What is the advantage of registering trade mark.
6. Ahmed wants to buy a iron. As an aware customer how can he be sure about the quality of iron.
7. Give the names of two consumer organization.
8. State of commission redresses the grievances of what amount?
9. Why consumer protection is important for a businessman? Give any one reason.
10. Which Act of consumer protection provides safety to consumers against deficient services?

**3 /4 Marks Questions**

1. Explain any three points of importance of consumer protection from the point of view of consumer.
2. State any six reliefs available under the consumer protection act, 1986.
3. What is meant by a consumer as per the provisions of consumer protection act 1986?
4. What are various ways in which the objective of consumer protection can be achieved? Explain the role of consumer organizations and NGOs in this regard.
5. How are consumer grievances redressed by the three tier machinery under consumer protection Act, 1986? Explain.
6. Explain any two points of importance of consumer protection from the point of view of business and any two points of view consumers.
7. State any three responsibilities that a consumer should keep in mind while purchasing, using and consuming goods and services.
8. Explain any four ways and means of consumer protection available in India.
9. Explain the following rights of a consumer as provided under consumers protection Act 1986:
10. Right to be informed
11. Right to seek redressal
12. State the various Acts passed by the Government of India which help in protection of consumers’ interests.

**5/6 Marks Questions**

1. Explain the redressal mechanism available to consumers under the consumer protection Act,1986.
2. Explain the rights and responsibilities of a consumer.
3. Reena purchased one litre of pure Deshi Ghee from a shopkeeper. after using it she had a doubt that it is adulterated. She sent it for a laboratory test which confirmed that the ghee is adulterated. State any six reliefs available to Reena, if she complaints and the consumer court is satisfied about genuineness of the complaint.
4. Homeshop18 is an online and on-air retail and distribution venture of the network 18 group,india. It is a part of the network18 media and investments limited which is owned and operated by Reliance industries. Currently, homeshop18.com comprises of more than 15 categories namely Mobiles, Health & beauty, apparel, jewellery, home &kitchen ,household appliances etc. to name a few. The company offers a wide variety of goods under each of these categories.
5. Identify and explain the relevant consumer right being promoted by the company.
6. Also mention any two values being reflected through this approach adopted by the company.
7. Ananya is a pure vegetarian. She went to a snacks bar and asked for “Veg. French Fries”. Later on, she found that it had some no vegetarian content. Neither the advertisement, nor packing of the product showed that it may have no vegetarian content. Identify the values missing here in this context.
8. . Explain briefly any five ways and means of consumer protection followed in India.
9. What are the remedies available to consumers under the consumer protection act, 1986?
10. Explain briefly any five ways and means of consumer protection followed in India.
11. Explain in brief any five responsibilities of consumers to safeguard their interests.
12. Aryan went to purchase a pack of chocolate for his son from a shop in the nearby market. Despite his preference to buy a pack of a particular brand the shopkeeper forced him to buy the pack of chocolate of another brand, by giving some odd justifications. After coming back home, he was feeling very dissatisfied.
13. Identify and explain the right of the consumer being violated in the above mentioned case.
14. Briefly explain any four points highlighting the importance of consumer protection from the consumer’s point of view.

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