

- c) Vestibule Training d) Induction Training

7. Which of the following is a sales promotion activity? [1]

a) Rebate b) Discount
c) All of these d) Product Combination

8. **Diverse members of management work towards fulfilling the common organisational goals.** Which point of features of management is discussed here? [1]

a) Group activity b) Intangible force
c) Dynamic function d) Continuous process

9. Delegation of authority merely means the granting of authority to subordinates to operate: [1]

i. within prescribed limits
ii. beyond prescribed limits
iii. if commensurate with responsibility
iv. only when required

a) if commensurate with responsibility b) within prescribed limits
c) beyond prescribed limits d) only when required

10. What affects the market price of the company's shares? [1]

a) Dividend Decision b) All of these
c) Financing Decision d) Investment Decision

11. Your mother purchased a washing machine for ₹ 10,000 from an authorised dealer of the manufacturer with a verbal guarantee that the machine will be replaced with a new one if any of its parts becomes defective within 3 months from the date of purchase. The motor of the machine was burnt within 15 days of its purchase. On complaining, the seller refused to replace the machine. Name the redressal agency under Consumer Protection Act where your mother can file the complaint. [1]

a) None of these b) State Commission
c) National Commission d) District Commission

12. What are the techniques of measurement of performance? [1]

a) Performance reports b) Sample Checking
c) All of these d) Personal Observation

13. What type of relationship exists between the level of satisfaction of customers and the level of inventory? [1]

a) Indirect

b) Indifferent

c) Direct

d) According to the situation

14. The complete awareness and understanding of the business environment are called _____. [1]

a) Privatisation

b) Environmental awareness

c) Liberalisation

d) Technological advancement

15. Primary aim of financial management is to: [1]

a) All of these

b) Maximise shareholder's wealth

c) Maximisation of the market value of equity shares

d) Wealth maximisation concept

16. Planning is concerned with _____. [1]

a) Looking forward

b) Looking old records

c) Looking back

d) Looking new records

17. _____ is helpful in reducing the burden of the manager. [1]

a) Centralisation

b) None of these

c) Decentralisation

d) Delegation

18. Which source of recruitment is not available to the new organisations? [1]

a) Internal

b) Both internal and external

c) External

d) Direct Recruitment

19. A portion of profit after tax, which is distributed to shareholders is a _____. [1]

a) None of these

b) Dividend Decision

c) Financing Decision

d) Investment Decision

20. Which of the following is a feature of demonetisation? [1]

a) Tax administration measure

b) Development of less-cash economy

c) Channelising savings into the formal financial system

d) All of these

21. State any three features of directing function of management. [3]

22. Ramnath Ltd. is dealing in import of organic food items in bulk. The company sells the items in smaller quantities in attractive packages. Performance of the company has been up to the expectations in the past. Keeping up with the latest packaging technology, the company decided to upgrade its machinery. For this, the Finance [3]

Manager of the company, Mr. Vikrant Dhull, estimated the amount of funds required and the timings. This will help the company in linking the investment and the financing decisions on a continuous basis. Therefore, Mr Vikrant Dhull began with the preparation of a sales forecast for the next four years. He also collected the relevant data about the profit estimates in the coming years. By doing this, he wanted to be sure about the availability of funds from the internal sources. For the remaining funds, he is trying to find out alternative sources. Identify the financial concept discussed in the above paragraph. Also state any two points of importance of the financial concept, so identified.

23. Bharat is running an ice cream parlour in a local market. Keeping in mind the changing perceptions about health among the people, one of his employee Abhiraj suggests to him that they should introduce a range of flavored yogurt. Bharat accepts his suggestion as a result both the image and the profitability of his business increases. [3]

In the context of the above case:

- a. Identify the feature of management which is being highlighted.
- b. State the related dimension of the business environment.
- c. Name and explain the related principle of general management.

OR

Mr. Vikram Singh Churuwala is working as the General Manager - GM of 'Jaipur Hotels Limited' (JHL). Keeping a watch over the Business Environment is included in his routine. For the last few days, Mr. Churuwala has been observing that the Government is taking a special interest in the Tourism Industry. The receipt of Foreign Exchange and Employment Promotion are its two reasons. On the basis of this news, he decided to set up hotels at several tourist places. The JHL established 50 hotels before other companies considered this issue. Very soon, this Brand - JHL became well known in the market. Behind the fame of this company, another reason was that this company was giving its employees not only the responsibility but also the authorities of completion of work. Consequently, the employees felt good. The environment is to their liking now they had started meeting their immediate managers with the latest ideas. Their suggestions were being taken respectfully by the company.

- a. Identify the importance of Business Environment described here by quoting the relevant lines.
- b. Identify two more concepts of management being used in the com.

24. Money market instruments are more liquid as compared to capital market instruments? [3]

OR

State any three protective functions of Securities and Exchange Board of India (SEBI).

25. State any two disadvantages of functional organisational structure. [4]

OR

What is Informal Organisation? Describe.

26. It is important for management to achieve its goals effectively and efficiently. [4]

Explain.

OR

Ritu is the manager of the Northern Division of a large corporate house. At what level does she work in the organization? What are her basic functions?

27. Explain briefly the benefits of advertising to consumers. [4]
28. Post demonetisation, bank employees have been experiencing hectic long working hours, which has been highly praised by all. Banks chalked out a compensation plan for their employees, who have been working long hours like offering compensatory "off-days" in lieu of holidays on which the employees worked, giving "additional money" to the employees and so on. Reshma (42), who has been working with a nationalized bank for seven years, said, "We have worked tirelessly to meet customer's demands,". Moreover, she added that "There were several circulars from the head office and RBI. We had to go through them thoroughly and adhere to all the instructions. It is also important to ensure transactions go smoothly and we solve customer-staff disputes,"
In context of the above case:
a. Identify the human need of Reshma as per Maslow's need hierarchy theory which was affected due to demonetisation.
b. Identify the type of incentives which were provided to the bank employees for assuming their responsibility diligently. [4]
29. Xeno Ltd. is a global information technology consulting company with 45,000 employees serving over 600 clients in 23 countries. Its Chief Executive Officer, Neil Suman, guided the company through two decades of diversification and growth to emerge as one of the leading Indian companies in the software industry. The company has set standards in ensuring the best training opportunities for its employees. [4]
Its 'Project Guidance Program' is a 52-day structured training programme. This is offered to all recruits of varied backgrounds to be trained on essential behavioural and technical skills that prepares them to work in live customer projects. These recruits are hired from universities and management institutes for technical, professional as well as managerial jobs. The training programme helps the new employees in settling down quickly into the job by becoming familiar with the people, the surroundings, the job and the business.
i. Identify the external sources of recruitment used by the company to hire new employees.
ii. Explain the method of training used by the company to train employees selected by the source of recruitment identified in part (a).
iii. State any two ways in which the 'Project Guidance Programme' can benefit Xeno Ltd. [4]
30. SEBI is the watch dog of security market. Do you agree? Give reason. [4]
31. Reena purchased one litre of pure desi 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 complains and the consumer court is satisfied about the genuineness of the complaint. [6]

OR

What are various ways in which the objective of consumer protection can be achieved? Explain the role of consumer organisations and NGOs in this regard?

32. 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 on 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 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 C.C.T.V. that some of the workers were busy in gossiping. [6]
- Identify the function of management discussed above.
 - State those steps in the process of the function identified which are discussed in the above paragraph.

OR

Define Controlling. Explain the relationship between planning and controlling functions of management.

33. Which type of plan is referred through each of the following statements? [6]
- They are defined as ends which the management seeks to achieve by its operations.
 - These are general statements that guide thinking or channelise energies towards a particular direction.
 - They provide details in the exact manner in which any work is to be performed.
 - They provide the prescribed ways or manner in which a task has to be performed considering the objective.
 - These are specific statements that inform what is to be done and it does not allow for any flexibility.
 - These are detailed statements about a project which outlines the objectives, policies, procedures, rules, tasks, human and physical resources required and the budget to implement any course of action.
34. Mr. Suksharn Khan is the CEO of **Perfect Shoes Limited** Before joining this company, he used to work as Management Expert. The peculiarity of Mr. Khan is that he observes very minutely every small or big activity. Likewise, he gives equal importance to what is said by every junior or senior person. He is not satisfied with the performance of the production department. This department discharges the functions of both production and stock. Both the activities of the department are in a state of chaos. Mr. Khan took personal interest to scrutinise this dismal state of affair. He found that shoes of several sizes were being made. Some of the sizes were not needed. As a consequence, there was a wastage of material, machines, and manpower. It was the biggest weakness of the department. During the survey of the production department, Mr. Khan also noticed that many persons while doing work were making certain movements that were least needed. It slowed down the pace of production. Mr. Khan was an experienced management expert. He knows that to utilise cent-percent production capacity of the employees they need to be provided [6]

with a healthy and clean environment. He, therefore, paid special attention to this aspect. Besides, he believes that whether male or female, they must be given equal facilities, equal rights and equal opportunities for promotion.

- a. By which technique of scientific management wastages occurring in production department can be prevented?
- b. Highlight the technique of scientific management used to enhance the pace of work in the production department.
- c. Which principle of management is being followed here? Quote the lines.
- d. What value is being offered by the company to the employees?

SOLUTION

1. (a) Treasury Bill

Explanation: Treasury Bill issued by RBI on behalf of Central Government.

2. (d) Financing

Explanation: Financing decision relates to the proportion in which funds are raised from various sources. Factors like cost of fund, risk involved, control, cash flow, etc. are considered before taking financial decision. In financing decision the firm has to decide the ratio of owned funds and borrowed funds.

3. (b) Transportation

Explanation: A marketing firm has to analyse its transportation needs after taking into consideration various factors such as nature of the product, cost and location of target market and take decisions in respect of mode of transportation to be chosen and other related aspects.

4. (a) socety

Explanation: Personal selling plays an important role in marketing goods by serving businessman, customers and society. It serves society by converting latest demand into effective demand.

5. (a) Span of management

Explanation: The span of management, to a large extent, gives shape to the organisational structure. Span of management refers to the number of subordinates that can be effectively managed by a superior. This determines the level of management in the structure.

6. (a) Internship Training

Explanation: Internship Training is a joint programme of training.

7. (c) All of these

Explanation: All of these are examples of sales promotion technique.

8. (a) Group activity

Explanation: Group activity

9. (b) within prescribed limits

Explanation: Delegation of authority within prescribed limits

10. (b) All of these

Explanation: The market price of a company's shares is linked to the three basic financial decisions. Financial decision-making is concerned with three broad decisions which are Investment Decision, Financing Decision, Dividend Decision.

11. (d) District Commission

Explanation: Under the Consumer Protection Act, 2019, the District CDRC will entertain complaints when the value of goods or services is ₹ 1 crore.

12. (c) All of these

Explanation: Personal observation, sample checking, performance reports written by supervisors/ clients etc. are the techniques of measurement of performance.

13. (c) Direct

Explanation: A direct relationship exists between the level of satisfaction of customers and the level of inventory.

14. (b) Environmental awareness

Explanation: Environment scanning is the process by which organisations monitor their relevant environment to identify opportunities and threats. It finds out the influence of different factors and persons on the business.

15. (a) All of these

Explanation: All the options are the primary aim of financial management.

16. (a) Looking forward

Explanation: Managers make predictions for the future not for the past. The past is used as a basis to make assumptions for the future. So, planning is concerned with looking forward.

17. (d) Delegation

Explanation: The managers can not perform all the tasks on their own. To reduce their burden, managers delegate their less important work to their subordinates. So that the managers can concentrate on their important work.

18. (a) Internal

Explanation: Internal since no employees exist during start of organisation

19. (b) Dividend Decision

Explanation: A portion of profit after tax, which is distributed to shareholders is a dividend decision.

20. (d) All of these

Explanation: All the options are the feature of demonetisation.

21. Features of directing function of management:

- i. Directing Initiates Action: Other functions prepare a base or setting of an action, i. e. how the action has to be carried on the directing initiate or start an action.
- ii. Continuing Function: Directing is a continuous process. A manager cannot just rest after issuing orders and instructions.
- iii. Directing takes place at every level: Directing is a pervasive function as it is performed by managers at all levels and in all locations.

22. The concept discussed in the above paragraph is financial planning.

The two points of importance of this concept are:

- a) It helps in meeting the financial requirements of the business in time.
- b) It helps in avoiding the wastage of funds.

23. a. The feature of management which is being highlighted is **Dynamic**.

b. The related dimension of the business environment is **Social**.

c. The related principle of general management is **Initiative**.

Initiative means taking the first step with self-motivation. The workers should be encouraged to develop and carry out their plans for improvement. A suggestion system should be adopted in the organization.

OR

a. i. "The Government is taking tourism industry." (Assisting in Planning and Policy formulation)

ii. The JHL established other companies considered this issue." (First Mover Advantage)

b. i. Principle of Authority and Responsibility.

ii. Principle of Initiative.

24. Money market instruments are more liquid as compared to capital market instruments due to presence of Discount Finance House of India (DFHI) in money market. DFHI provides a ready market for money market instruments and that is why, these instruments enjoy higher liquidity. In capital market instruments also enjoy liquidity as they are tradeable on stock exchanges. However, they are not so liquid as sometimes it becomes very difficult to sell them at good price. So, money market instruments provide more liquidity than capital market instruments.

OR

These functions are performed by SEBI to protect the interest of investor and provide safety of investment.

- i. Promotion of fair practices and code of conduct in securities market.
- ii. Undertaking steps for investor protection.
- iii. Controlling insider trading and imposing penalties for such practices.

25. Following are two disadvantages of functional structure of organisation:

- i. **Difficult to fix responsibility-** The responsibility of each department towards the end result is joint and it is very difficult to fix responsibility on one department.
- ii. **Inflexibility-** Functional structure may lead to inflexibility as employees have specialised knowledge of one function only. The head of one department cannot be shifted to other departments.

OR

INFORMAL ORGANISATION :

The informal organisation may be defined as “a network of personal and social relationships that arise spontaneously as people associate with one another in a work environment. It is composed of all the informal groupings of people within a formal organisation. When people have frequent contacts they cannot be forced into a rigid formal structure. Rather, based on their interaction and friendship they tend to form groups which show conformity in terms of interest. Examples of such groups formed with common interest may be those who take part in cricket matches on Sundays, meet in the cafeteria for coffee, are interested in dramatics etc.

26. It is rightly observed that management should achieve its goals effectively and efficiently. Being effective means doing the right work, completing activities and achieving goals on time. But effectiveness is not sufficient. Management has to be efficient also. Being efficient means doing the work correctly with minimum cost. In this way, effectiveness and efficiency are two sides of same coin. A manager has to maintain a balance between two. He cannot ignore efficiency or effectiveness. Being effective and efficient ensures optimum utilisation of resources.

OR

Ritu is working as a manager at middle level of management who act like a linking pin between top and lower level of management. She has to perform following basic functions:

- i. To act as a link between top level management and operative management and to interpret the policies framed by top management to the lower level management.
- ii. To ensure that their department has the necessary personnel if not then recruit them.
- iii. To assign duties and responsibilities to the people working under him to fulfill the obligation on time.
- iv. To motivate and co-operate others to achieve the desired objectives and cooperate with all departments to make functioning smooth & reliable.

27. Following are the benefits of advertising to consumers:

- i. **Making shopping easier-** Advertising makes shopping easier for the consumer. A consumer is well aware of the source of availability of products and also the prices at which these are available. This knowledge helps in saving a lot of time and efforts involved in shopping.
- ii. **Education of consumers-** Advertising helps to overcome old habits of the consumers and educates them in the use of new products and their diverse uses. Consumers get the benefit of better advice in safe and proper use of the product and develop new ways of life.
- iii. **Satisfaction-** Advertising creates confidence amongst prospective buyers as they feel more comfortable and assured about the quality of the product.

28. 1. The human need of Reshma as per Maslow's need hierarchy theory of which was affected due to demonetisation is described below:

Physiological Needs

The basic physiological needs are probably fairly apparent—these include the things that are vital to our survival. Some examples of the physiological needs include:

- Food
- Water
- Breathing
- Homeostasis

In addition to the basic requirements of nutrition, air and temperature regulation, the physiological needs also include such things as shelter and clothing.

2. Both monetary and non-monetary incentive were being provided to the bank employees for assuming their responsibility diligently.
29. i. The external source of recruitment used by the company to hire new employees is '**Campus Recruitment**'.
- ii. **Induction Training** is the training provided to new employees by the employer in order to assist in adjustment to their new job tasks and to help them become familiar with their new work environment and the people working around them.
- iii. Ways in which Project Readiness Program can benefit Xeno Ltd.:
a. Avoiding wastage of efforts and money as training is systematic learning, better than hit and trial methods.
b. Enhancing employee productivity both in terms of quantity and quality leading to higher profits.
30. Yes, I agree as SEBI regulates and protects the interest of investors. SEBI was established in 1988 and given a statutory status in 1992, to protect the investors from the fraudulent malpractices, rampant in securities market before 1988. As a watch dog, it regulates the market and protects the investors by keeping a check on various manipulative activities by performing the following functions:
i. Regulates takeover bids by companies.
ii. Prohibits fraudulent and unfair trade practices.
iii. Undertakes several steps to protect the investors, for example calls for information by conducting inspections, enquiries and audits of the companies.
31. In case of genuineness of the complaint, the court can issue one or more directions to the opposite party. Six reliefs available to Reena, if she complains are
i. **To remove defect from goods or services:** If there is defect in the goods or services then the court can pass the order to remove defect from goods or services. For example, if there is defect in TV then court can pass the order to remove the defect from TV.
ii. **To refund the price:** If the seller is failed to remove defect from the product, order can be passed to refund the customer. In above example if seller fails to remove defect from TV then court can pass order to refund the price paid by the customer.
iii. **To replace the defective good with a new one:** If the seller is failed to remove defect from the product, order can be passed to replace the product immediately. In above example if seller fails to remove defect from TV then court can pass order to replace the TV immediately.
iv. To pay a reasonable amount of compensation for any loss or injury suffered: Seller is liable to pay appropriate compensation if Loss or injury suffered from defective product.
v. **To pay punitive damages:** Punitive damages may be recovered from seller in some cases.

- vi. To discontinue the unfair/restrictive trade practices: Unfair or restrictive trade practices should be stopped immediately to save consumers.

OR

There are various ways in which the objective of consumer protection can be achieved

- i. **Self Regulation by Business-** Socially responsible firms follow ethical standards and practices in dealing with their customers. Many firms have set up their customer service and grievance cells to redress the problems and grievances of their consumers.
- ii. **Awareness Programme-** To improve the level of awareness among the consumers the government of India has initiated various publicity measures. It regularly brings out journals, brochures, booklets and various posters depicting the rights and responsibilities of consumers, redressal machineries etc. It observes World Consumer Right Day on 15 March and National Consumer Day on 24 December.
- iii. **Business Associations-** The associations of trade, commerce and business like Federation of Indian Chambers of Commerce of India (FICCI) and Conference of Indian Industries (CII) have laid down their code of conduct which lays down for their members the guidelines in their dealings with the customers.
- iv. **Consumer Awareness-** A consumer, who is well informed about his rights and the reliefs, would be in a position to raise his voice against any unfair trade practices or exploitation.
- v. **Consumer Organisations-** Consumer organisations plays an important role in educating consumers about their rights and protecting them. These organisations can force business firms to avoid malpractices and exploitation of consumers.
- vi. **Goods and Services Covered Under CPA, 1986-** The term 'goods' under this Act has the same meaning as under the sale of goods Act. Accordingly it covers all types of movable property other than money and includes stocks and shares, growing crops etc. The term 'service' means service of any description made available to potential users and includes banking; financing, housing construction, insurance, entertainment, transport, supply of electrical and other energy, boarding and lodging, amusement, etc. The services of doctors, engineers, architects, lawyers etc are also to be included under the provisions of Consumer Protection Act.

Role of Consumer Organisations and NGOs

Consumer organisation and NGOs perform several functions for the protection and promotion of interest of consumers. In India, these associations are performing lots of functions some of them are

- i. Educating the general public about consumer rights by organising training programmes, seminars and workshops.
 - ii. Publishing periodicals and other publications to impart knowledge about consumer problems, legal reporting, reliefs available and other – matters of interest.
 - iii. Carrying out comparative testing of consumer products in accredited laboratories to test relative qualities of competing brands and publishing the test results for the benefit of consumers.
 - iv. Encouraging consumers to strongly protest and take an action against unscrupulous, exploitation and unfair trade practices of sellers.
32. i. The function of management discussed above is Controlling.
- The term control has different connotations depending upon the context of the use of the term. In manufacturing it refers to a Device or mechanism installed or instituted to guide or regulates the activities or operation of an apparatus, machine, person, or system; in law it refers to controlling interest and in management as an authority to order and manage the workings and management of an entity.