



INDIAN SCHOOL AL WADI AL KABIR

Class: XII	Department: Commerce
Worksheet: 01	BUSINESS STUDIES
Topic- OTQs and DTQs	Chapter 4 - PLANNING

Q.NO	PART 1- OBJECTIVE TYPE QUESTIONS/MCQs
1	<p>HDFC Bank has a fixed sequence for processing a home loan application — first document verification, then credit score assessment, followed by property valuation, and finally loan approval or rejection. This sequence is followed for every applicant without exception. Identify the type of plan.</p> <p>A. Rule B. Policy C. Strategy D. Procedure</p>
2	<p>Read the following statements carefully: Statement- I – Planning provides the basis of control. Statement- II - If there were no goals and standards, then finding deviations which are a part of controlling would not be possible. The nature of corrective action required depends upon the extent of deviations from the standard.</p> <p>In the light of given statements, choose the correct alternative from the following:</p> <p>a) Statement I is true and Statement II is false. b) Statement I is false and Statement II is true. c) Both Statement I and II are true d) Both Statement I and II are false</p>
3	<p>Assertion (A): Planning is not required at lower levels of management. Reason (R): Planning is a pervasive function required at all levels — top management undertakes organisational planning, middle management does departmental planning, and supervisors do day-to-day operational planning.</p> <p>Alternatives:</p> <p>(a) Both Assertion (A) and Reason (R) are true. (b) Both Assertion (A) and Reason (R) are false. (c) Assertion (A) is false and Reason (R) is true (d) Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of the Assertion.</p>
4	<p>In T-pex Ltd, a company trading in stationery items, it was decided that all purchases would be made from AK Ltd. on credit basis with credit period of at least 7 days. This was done because no other company was offering credit facility. Which type of plan has been referred to in the above paragraph?</p> <p>(A) Rule (B) Policy (C) Method (D) Strategy</p>
5	<p>Choose the correct statement based on the image given below</p>

Principles of Management

Planning



- a. Planning is the primary function of management.
- b. Planning pre-supposes success.
- c. Planning is one of the principles of management.
- d. Planning is a wasteful activity of the managers of a business.

6 Match the features of principles of management explained in column I with the given features in column II

	COLUMN I		COLUMN II
A	They are guides to managerial action and decisions in the implementation of strategy.	i	Objective
B	Refers to future decisions defining the organisations direction and scope in the long run	ii	Budget
C	Specific statements that inform what is to be done. They do not allow for any flexibility or discretion.	iii	Strategy
D	A statement of expected results expressed in numerical terms.	iv	Rules
E	the desired future position that the management would like to reach.	v	Policy

Choose the correct option from the following:

- a) A-v, B-iv, C-iii, D-ii, E- i
- b) A-iv, B-i, C-ii, D-v, E-iii
- c) A-iv, B-ii, C-i, D-v, E-iii
- d) A-v, B-iii, C-iv, D-ii, E-i



7 In planning, generally managers have to follow pre-determined plans and they are not in a position to change it. This statement highlights the following limitation of planning:

- a) Planning may not work in a dynamic environment
- b) Planning does not guarantee success
- c) Planning leads to rigidity
- d) Planning is time-consuming

8 Identify the incorrect statement.

- a. Planning precedes other functions.
- b. At the lowest level, day-to-day operational planning is done by supervisors.
- c. Continuity of planning is related with the planning cycle.
- d. Planning guarantees success

<p>9</p>	<p>Which of the following are 'Standing Plans'?</p> <ul style="list-style-type: none"> (i) Budgets (ii) Policies (iii) Programmes (iv) Procedures (v) Methods (vi) Rules <p>Choose the correct option.</p> <p>(A) (ii), (iii), (v) and (vi) (B) (ii), (iv), (v) and (vi) (C) (iii), (iv), (v) and (vi) (D) (i), (ii), (iii) and (iv)</p>
<p>10</p>	<p>Mr Gun Amroha, the General Manager of Welworth Textiles scans the business environment and adapts the organisation to the changes taking place in different dimensions of the business environment. However, it is still difficult for him to accurately assess the future trends. Identify the limitation of planning related to the above.</p> <ul style="list-style-type: none"> a) Planning leads to rigidity. b) Planning may not work in a dynamic environment. c) Planning does not guarantee success. d) Planning reduces creativity.
<p>11.</p>	<p>Read the following case and answer the questions that follow.</p> <p>Rahul, the owner of a chain of pharmacies, sat down with his management team to outline the direction of his business for the coming year. He began by stating that the company must increase its market share by 15% within 12 months. To achieve this, he decided that the company would expand into three new cities by acquiring smaller local pharmacies. He then announced that all stores would follow a strict rule of never selling medicines without a valid prescription. The stores were also given a step-by-step checklist to follow whenever a new medicine was added to the inventory. For customer convenience, a specific method of arranging medicines on shelves — by category and alphabetical order — was made mandatory across all stores. A three-month campaign was launched with clearly defined tasks, timelines, staff responsibilities, and a detailed allocation of funds. All purchases above ₹50,000 required written approval — no exceptions. Finally, the finance team prepared a projected statement of expected income and expenditure for the entire year.</p> <p>(i) "The company must increase its market share by 15% within 12 months." (ii) "The company would expand into three new cities by acquiring smaller local pharmacies." (iii) "Never selling medicines without a valid prescription." (iv) "A step-by-step checklist to follow whenever a new medicine was added to the inventory." (v) "A specific method of arranging medicines on shelves — by category and alphabetical order." (vi) "A three-month campaign with clearly defined tasks, timelines, staff responsibilities, and a detailed allocation of funds." (vii) "All purchases above ₹50,000 required written approval — no exceptions."</p>
<p>12</p>	<p>"All managers involved in planning should be familiar with and use the same assumptions." What are these assumptions called?</p> <ul style="list-style-type: none"> a. Alternatives b. Planning premises c. Forecasts d. Programmes

13	<p>Identify the type of plan from the below given images.</p> <p>A. </p> <p>B. </p>
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PART – B Descriptive Type/ Case Based Questions.

1	<p>After completing a diploma in Bakery and Patisserie, Payal sets up a small outlet at Goa Airport to provide a healthy food option to the travellers. To begin with, she has decided to sell five types of patties, three types of pizzas and low sugar muffins in four flavours. Thus, by deciding in advance what to do and how to do, she is able to reduce the risk of uncertainty and avoid overlapping and wasteful activities. But sometimes her planning does not work due to some unavoidable circumstances like cancellation of flights due to bad weather condition, government alert etc. which adversely affects her clientele. In context of the above case;</p> <p>a. Identify and explain the points highlighting the importance of planning mentioned in the above paragraph.</p> <p>b. Describe briefly the limitation of planning which adversely affects Payal’s business .</p>
2	<p>Arush joins as a sales manager of a company dealing in nature-therapy products. Being proficient in his work, he knew that without good planning he will not be able to organise, direct, control or perform any of the other managerial functions efficiently and effectively. Only on the basis of sales forecasting, he would assist in the preparation of the annual plans for its production and sales. Besides, he will have to prepare sales plans regularly on weekly, monthly, quarterly and half yearly basis. While preparing the sales forecasts, he undertakes intellectual thinking involving foresight, visualization and issued judgement rather than wishful thinking or guess work. Most importantly, all these planning activities will be meaningful only if they will coincide with the purpose for which the business is being carried out.</p> <p>In context of the above case, identify the various features of planning highlighted in the above paragraph by quoting lines from it.</p>
3	<p>Agile Ltd.‘ is a well-known automobile manufacturing company in India. The company plans to increase the sale of its sedan cars by 20% in the next quarter. In order to achieve the desired target, the marketing team of the company considers the impact of policy of the government towards diesel vehicles and the level of competition in this segment of cars. They explore the various available options like offering more discounts to dealers and customers, providing more customer friendly finance options, lucky draws on test drive, increasing advertising, offering more of free accessories on the purchase of the car, etc. A thorough analysis of the various available options is done keeping in view the relative viability of each option. The company decides to pursue the option of offering more discounts to dealers and customers in order to boost the sale of sedan cars. In order</p>

	<p>to implement the plan, they determine the various discount packages and communicate the same to their product dealers. To make the prospective consumers aware about the new available benefits, advertisements are made through various sources of print and electronic media. The market analysts of the company keep a close watch on the revenue from the sedan cars to study the effect of new initiatives by the company to promote its sales.</p> <p>In context of the above case:</p> <p>(a) Name the function of management described in the above paragraph.</p> <p>(b) Identify and explain the various steps involved in process the function of management as identified in part (a) by quoting lines from the paragraph.</p>
4	<p>Identify and explain the type of plans described in the following cases:</p> <p>(a) 'Ananta Travel and Tourism Pvt. Ltd.' is providing tourism and hospitality services to its customers. To achieve its objectives the company prepares a comprehensive plan taking into consideration the business environment.</p> <p>(b) Amit is Chief Executive Officer of 'Mannat Raj Industries'. He developed the broad parameters within which the managers may function. By doing so he tried to provide a base for interpreting strategy which was stated in general terms.</p>
5	<p>Wazir Ahmed joins Aashiyana Ltd. a company dealing in real estate, as a human resource manager. Through a series of interactions with his team during lunch breaks, he comes to know that quite a few managers at middle and senior levels have recently left the organisation as their promotions were overdue. Therefore, in order to reinstate the confidence of the staff, he lays out a clear-cut plan consisting of a set of general guidelines for both time bound and performance related appraisals of the managers at all levels. Moreover, he develops standardized processes containing a series of steps specified in a chronological order for its implementation.</p> <p>In context of the above case, Identify the two different types of plans that Wazir Ahmed proposes to implement in order to reinstate the confidence of the staff by quoting lines from the above paragraph.</p>
6	<p>Explain the following features of planning:</p> <ol style="list-style-type: none"> (i) Planning is a mental exercise. (ii) Planning is continuous. (iii) Planning is futuristic. (iv) Planning involves decision-making.
7	<p>What is the role of strategy in planning?</p>
8	<p>RajFab Garments, a shirt manufacturer in Surat, planned to produce 5,000 shirts per month, keep defects below 3%, and earn ₹15 lakh revenue. This is called planning. After three months, the management checked actual performance and found only 4,200 shirts were produced, defects rose to 5%, and revenue was only ₹12.6 lakh. Comparing actual performance with planned targets is called controlling. Investigation revealed that untrained workers were causing defects. The management immediately trained workers and revised the target to 4,600 shirts.</p> <p>"Planning and controlling are two sides of the same coin." Explain with reference to RajFab Garments.</p>

9	<p>FreshBite is a snack company in Pune. At the start of the year, the management spent months preparing a detailed plan — produce 8,000 packets per month and earn ₹24 lakh revenue. But midway through the year, a big competitor entered the market with cheaper products and the government changed packaging rules. Since the plan was very strict, managers could not make their own decisions. The sales team had new ideas but were told to follow only the original plan. Despite all the planning, the company earned only ₹17 lakh and ran into losses.</p> <p>What are the limitations of planning with reference to FreshBite.</p>
10	Differentiate between standing plans and single use plans.
11.	Explain the three dimensions of a strategy with a suitable example.
12.	<p>A) Explain why planning is considered as</p> <p>a) Pervasive</p> <p>b) Futuristic function of management.</p> <p style="text-align: center;">OR</p> <p>B) Explain the following as a type of plans :</p> <p>a) Strategy</p> <p>b) Procedure</p>