



# INDIAN SCHOOL AL WADI AL KABIR

<b>Class: XII</b>	<b>Department: Commerce</b>
<b>Subject: BST</b>	<b>Chapter 4 : Planning</b>
<b>Worksheet: 1</b>	<b>Case Based Questions</b>

1. Super Fine Rice Ltd. has the largest share of 55% in the market. The company's policy is to sell only for cash. In 2019, for the first-time company's number one position in the industry has been threatened because other companies started selling rice on credit also. But the managers of Super Fine Rice Ltd. continued to rely on its previously tried and tested successful plans which didn't work because the environment is not static. This led to decline in sales of Super Fine Rice Ltd.

The above situation is indicating two limitations of planning which led to decline in its sales. Identify these limitations.

2. Suhasini, a home science graduate from a reputed college, has recently done a cookery course. She wished to start her own venture with a goal to provide 'health food' at reasonable prices. She discussed her idea with her teacher (mentor) who encouraged her. After analysing various options for starting her business venture, they short listed the option to sell ready-made and 'ready to make' vegetable shakes and sattu milk shakes. Then, they weighed the pros and cons of both the short-listed options.

- a) Name the function of management being discussed above and give any one of its characteristics.
- b) Also, briefly discuss any three limitations of the function discussed in the case.

3. Two years ago, Madhu completed her degree in food technology. She worked for some time in a company that manufactured chutneys, pickles and murabbas. She was not happy in the company and decided to have her own organic food processing unit for the same. She set the objectives and the targets and formulated an action plan to achieve the same. One of her objectives was to earn 10% profit on the amount invested in the first year. It was decided that raw materials like fruits, vegetables, spices, etc. will be purchased on three months credit from farmers cultivating only organic crops. She also decided to follow the steps required for marketing of the products through her own outlets. She appointed Mohan as the Production Manager who decided the exact manner in which the production activities were to be carried out. Mohan also prepared a statement showing the number of workers that will be required in the factory throughout

the year. Madhu informed Mohan about her area wise sales target for different products for the forthcoming quarter. While working on the production table, a penalty of ₹ 100 per day for not wearing caps, gloves and apron was announced. Quoting lines from the above paragraph, identify and explain the different types of plans discussed.

4. Rahul, a worker, is given a target of assembling two computers per day. Due to his habit of doing things differently, an idea struck him which would not only reduce the assembling time of computers but would also reduce the cost of production of the computers. Instead of appreciating him, Rahul's supervisor ordered him to complete the work as per the methods and techniques decided earlier as nothing could be changed at that stage. The above paragraph describes one of the limitations of the planning function of management. Name and explain that limitation.

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

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

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

7. Flipkart is an e-commerce company founded in the year 2007 by Sachin Bansal and Binny Bansal. The company is registered in Singapore, but has its headquarters in Bengaluru, India. The company seeks to increase traffic (more clicks on their products) and boost sales and revenue through integration of Mobile Apps, Display, Pay Per Click and Search Engine Optimization. In order to dispel the fear of people related to shopping online, Flipkart was the first company to implement the popular 'Cash on Delivery' facility. All the products

sold by the company under a particular category may have different return/replacement period. Flipkart allows multiple payment options such as cash on delivery, credit or debit card transactions, net banking, e-gift voucher and card swipe on delivery. The company operates both ways when an order is received. The products for which it holds inventory are dispatched by it directly. For the products they do not store in inventory, they just send the order received by them to the supplier who ships it. The company plans to spend about ₹ 75 crores on e-Commerce advertising in the year 2016. Flipkart reserves the right to terminate your membership and/or refuse to provide you with access to the website if it is brought to Flipkart's notice or if it is discovered that you are under the age of 18 years. This is because as per the Indian Contract Act, 1872, the minors, un-discharged insolvents, etc. are not eligible to use the website. In context of the above case, identify and explain the different types of plans being used by Flipkart by quoting lines from the paragraph.

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

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