



CLASS 12 · CBSE BUSINESS STUDIES (054)

Business Studies Solved Board Papers

Chapter-wise and year-wise CBSE board questions with complete step-by-step solutions

10 years · 2016–2026

- ✓ Part A: every question sorted chapter-wise, grouped by marks, with full solutions
- ✓ Part B: complete board papers, each followed by its solutions
- ✓ Board weightage table and most-asked topics for every chapter
- ✓ Case studies answered the board way: concept identified, lines quoted, point explained
- ✓ Only the current syllabus: questions on deleted topics are flagged

WHAT YOU GET

10 years of CBSE Business Studies papers. Every question solved. Sorted chapter-wise.

22

board papers

615

solved questions

9

years · 2016–26

11

chapters

228

MCQs solved

X Questions scattered across years



✓ All in one place, chapter-wise

X Don't know what to study first



✓ Weightage + most-asked topics

X Case studies feel confusing



✓ Concept, quoted lines, explanation

X Old books carry deleted topics



✓ Only the 2026-27 syllabus

PART A

Chapter-wise**A**

- ✓ Weightage table
- ✓ Most-asked topics
- ✓ Every question + solution

PART B

Full papers**B**

- ✓ Exactly as set by CBSE
- ✓ Solutions after each paper
- ✓ Timed 3-hour practice

2026 · 66/1/1

2025 · 66/1/1

2024 · 66/1/1

2023 · 66/1/1

2022 · 66/1/1 (Term 2)

2019 · 66/1/1

2018 · 66/1

2017 · 66/1

2016 · 66/1



Complete Notes · Solved PYQs

CLASS 6–12 · ALL SUBJECTS

100%QUESTIONS
SOLVEDMade for **board toppers**

How to use this book

Part A puts every board question of a chapter together, from 1-mark MCQs to 6-mark case studies. Finish a chapter in your notes, then solve its Part A questions without looking at the solutions. Check your answer, mark the ones you got wrong, and repeat them a week later.

Each question shows where it was asked, for example **CBSE 2026 · 66/1/1 · Q13**. Use the weightage table and the most-asked topics chart at the start of each chapter to decide what to revise first.

Part B gives full papers. In the last month before the exam, sit with a clock and write one paper in 3 hours, then check it with the solutions that follow the paper.

Solutions are written the way the board awards marks: a bold heading for each point followed by its explanation, the lines quoted from the case where the question asks for them, and distinctions in table form. Write your answers the same way.

Contents

Part A · Chapter-wise questions with solutions

- | | |
|--|--------------------------------|
| 1. Nature and Significance of Management 53 Qs | 6. Staffing 63 Qs |
| 2. Principles of Management 50 Qs | 7. Directing 76 Qs |
| 3. Business Environment 36 Qs | 8. Controlling 33 Qs |
| 4. Planning 50 Qs | 9. Financial Management 76 Qs |
| 5. Organising 56 Qs | 10. Marketing Management 80 Qs |
| | 11. Consumer Protection 42 Qs |

Part B · Full board papers, each followed by its solutions

- | | |
|---------------------------------|--|
| 1. CBSE 2026 · 66/1/1 solutions | 5. CBSE 2022 · 66/1/1 (Term 2) solutions |
| 2. CBSE 2025 · 66/1/1 solutions | 6. CBSE 2019 · 66/1/1 solutions |
| 3. CBSE 2024 · 66/1/1 solutions | 7. CBSE 2018 · 66/1 solutions |
| 4. CBSE 2023 · 66/1/1 solutions | 8. CBSE 2017 · 66/1 solutions |
| | 9. CBSE 2016 · 66/1 solutions |

615 questions in all. Questions are taken from the CBSE Class 12 Business Studies board papers and the solutions are our own, checked against the official marking schemes wherever the board published one. Questions on Financial Markets (deleted from the current syllabus), on channels of distribution and on the old Consumer Protection Act, 1986 are left out of Part A and marked in Part B, where they are still fully solved.

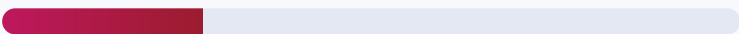
CHAPTER 1

Nature and Significance of Management

Board weightage 2016–2026

Year	2016	2017	2018	2019	2022	2023	2024	2025	2026
Questions	3	1	1	3	–	5	11	17	12
Marks	11	4	5	9	–	7	28	52	33

Most asked topics

Coordination		11
Levels of management		10
Nature and significance of management		9
Management as art, science, profession		8
Effectiveness and efficiency		6
Objectives of management		6
Functions of management		3

53 questions from 21 papers. Repeated questions are shown once with every year they were asked.

1 mark: MCQ and Assertion–Reason

CBSE 2026 · 66/1/1 · Q9

1 mark

'CARO Tech Solutions' aimed at development of a software system for the company's growing operations. The project was to be completed within six months with a budget of ₹ 12,00,000. The software development team successfully completed its project on time by outsourcing a part of the project, leading to an additional expense of ₹ 2,00,000. From the following, identify whether the software development team is:

- | | |
|---------------------------------|-------------------------------------|
| (A) Efficient and Effective | (B) Efficient but not effective |
| (C) Effective but not efficient | (D) Neither efficient nor effective |

Solution

Goal achieved on time (effective) but at a higher cost (not efficient). **(C)**

CBSE 2026 · 66/1/1 · Q10

1 mark

Due to severe winter and rising pollution levels, 'Green India Electronics' planned to launch a new eco-friendly heater in the market. It conducted a survey and found that the demand of this product was very high. As the winter season lasts only for 2 to 3 months, the Chief Executive Officer wanted that there should be close coordination among all the managers to deliver orders on time. Top level managers were asked to work in coordination with their subordinates to ensure that company's policies were properly followed. To ensure that the heaters would be ready on time, the production manager co-ordinated with the operational level managers. Operational level managers co-ordinated the activities of the workers to ensure that work proceeded according to plans. As a result 'Green India Electronics' was able to launch its heaters on time, in the market. The feature of co-ordination discussed in the above case is:

- | | |
|---|--|
| (A) Co-ordination is a deliberate function. | (B) Co-ordination is the responsibility of all managers. |
| (C) Co-ordination is a continuous process. | (D) Co-ordination ensures unity of action. |

Solution

Coordination at every level of management. **(B)**

CBSE 2026 · 66/2/1 · Q1

1 mark

Which function is NOT performed by top level management? (A) cooperating with other departments for smooth functioning (B) being responsible for the welfare and survival of the organisation (C) analysing the business environment (D) formulating overall goals and strategies

Solution

Cooperating with other departments is a middle-level function. **(A)**

CBSE 2026 · 66/4/1 · Q12

1 mark

Rohit plans production for the December sale in June every year, ensures enough workers, continuously monitors progress and informs the marketing team in time for promotions. The feature of coordination: (A) all-pervasive (B) continuous process (C) deliberate function (D) responsibility of all managers

Solution

It begins at planning and continues till controlling. **(B)**

CBSE 2026 · 66/5/1 · Q13

1 mark

Statement I: Entry to a profession is not restricted through an examination or an educational degree. Statement II: There is no restriction on anyone being appointed a manager irrespective of qualifications. (A) I true, II false (B) I false, II true (C) both true (D) both false

Solution

Entry to a profession is restricted; entry to management is not. **(B)**

CBSE 2025 · 66/1/1 · Q2

1 mark

Bimal Rai is working in Funny Bunny Ltd. The company manufactures games and toys for children. The basic task of Bimal Rai is to integrate diverse elements and coordinate the activities of different departments. He also analyses the business environment and its implications for the survival of the firm. The level of management at which Bimal Rai is working is:

- | | |
|-----------------------|---------------------------------------|
| (A) Top level | (B) Middle level |
| (C) Operational level | (D) Both Middle and Operational level |

Solution

Integrating diverse elements, coordinating all departments and analysing the environment for survival are top-management tasks. **(A)**

CBSE 2025 · 66/1/1 · Q10

1 mark

There are two statements, Assertion (A) and Reason (R): Assertion (A): Coordination ensures unity of action. Reason (R): Coordination act as a binding force between departments and ensures that all action is aimed at achieving the goals of the organisation. Choose the correct alternative from the alternatives given below:

- | | |
|---|--|
| (A) Both Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A). | (B) Both Assertion (A) and Reason (R) are correct, but Reason (R) is not the correct explanation of Assertion (A). |
| (C) Assertion (A) is correct, but Reason (R) is wrong. | (D) Assertion (A) is wrong, but Reason (R) is correct. |

Solution

Coordination binds departments together so that all their actions are directed towards the common goals of the organisation; that is exactly why it ensures unity of action. **Answer: (A)**

CBSE 2025 · 66/1/1 · Q19

1 mark

Sadhna, a graduate of a reputed institute of management, is a successful manager. She applies her acquired knowledge in a personalised and skillful manner in difficult situations at work. She uses her imagination and creativity in handling these situations. The aspect of the nature of management highlighted in the above case is:

- | | |
|--------------------------------|--|
| (A) Management as an Art | (B) Management as a Science |
| (C) Management as a Profession | (D) Management both as a Science and as a Profession |

Solution

Personalised application of knowledge with skill and creativity is art. **(A)**

CBSE 2025 · 66/2/1 · Q1

1 mark

'It is the process of designing and maintaining an environment in which individuals, working together in groups, efficiently accomplish selected aims.' Identify the process: (A) management (B) organising (C) staffing (D) directing

Solution

This is Koontz's definition of management. **(A)**

CBSE 2025 · 66/2/1 · Q17

1 mark

'AK Solutions' rented conference halls; when floods closed nearby libraries before exams, it converted some halls into libraries and study centres with subsidised food for students, increasing business and goodwill. The feature of management is: (A) continuous process (B) intangible force (C) dynamic function (D) group activity

Solution

Adapting to the changing environment is the dynamic nature of management. **(C)**

CBSE 2025 · 66/5/1 · Q1

1 mark

'The task of management is to make people work towards achieving the organisational goals, by making their strengths effective and their weaknesses irrelevant.' The dimension of management is: (A) management of work (B) management of people (C) management of operations (D) both A and C

Solution

(B) management of people.

CBSE 2025 · 66/7/1 · Q2

1 mark

Shreyansh praised his company: complete orderliness, employees happy and satisfied with work and environment, targets met as per plans; Sudhir was unhappy in his firm. The characteristic of management highlighted by Shreyansh is: (A) group activity (B) dynamic function (C) intangible force (D) all pervasive

Solution

Management cannot be seen but its presence is felt in orderliness, satisfaction and targets met. **(C)**

CBSE 2024 · 66/1/1 · Q4

1 mark

_____ refers to doing the task correctly and with minimum cost.

(A) Effectiveness

(B) Coordination

(C) Process

(D) Efficiency

Solution

Efficiency is the cost-benefit relationship between input and output. **(D)**

CBSE 2024 · 66/3/1 · Q1

1 mark

'Bonfast Cement Ltd' supports 7 villages with housing, schools, safe drinking water, health and hygiene, and sends employees every 15 days to see that the facilities are implemented on the ground. The objective: (A) personal (B) social (C) organisational (D) economic

Solution

Creating benefit for society. **(B)**

CBSE 2024 · 66/3/1 · Q19

1 mark

'Panmol Dairy' uses the environment-friendly 'Bilona' method of making ghee, employing hundreds of illiterate rural people. The objective of management: (A) national (B) personal (C) social (D) economic

Solution

Environment-friendly methods and employment for the disadvantaged. **(C)**

CBSE 2024 · 66/4/1 · Q2

1 mark

Choose the incorrect statement about levels of management: (A) operational level maintains safety standards (B) middle level ensures the department has necessary personnel (C) the CEO at top level is responsible for all activities of first-line managers (D) top level is responsible for all activities of the business and its impact on society

Solution

Middle-level managers are responsible for first-line managers. **(C)**

CBSE 2024 · 66/5/1 · Q18

1 mark

Which is a function of top-level management? (A) ensure the department has necessary personnel (B) interact with workforce and pass on middle management's instructions (C) co-operate with other departments (D) analyse the business environment and its implications for survival

Solution

(A), (C) are middle level; (B) is supervisory. **(D)**

CBSE 2023 · 66/1/1 · Q1

1 mark

'Coordination integrates the efforts of different departments and at different levels.'
Identify the characteristic of coordination highlighted in the above statement.

- | | |
|--|---|
| (a) Coordination ensures unity of action. | (b) Coordination is an all pervasive function. |
| (c) Coordination is a deliberate function. | (d) Coordination is the responsibility of all managers. |

Solution

Coordination is needed in all departments (purchase, production, sales) and at all levels (top, middle, lower); integrating efforts across departments and levels shows that it is **all pervasive**.

Answer: (b)

CBSE 2023 · 66/1/1 · Q5

1 mark

Statement I: Management is multi-dimensional.

Statement II: The activities involved in managing an enterprise are common to all organisations whether economic, social or political.

Choose the correct option from the options given below:

- | | |
|--|--|
| (a) Statement I is true and II is false. | (b) Statement II is true and I is false. |
| (c) Both the statements are false. | (d) Both the statements are true. |

Solution

Statement I is true: management has three dimensions, management of work, people and operations. Statement II is also true: it describes the all-pervasive nature of management.

Answer: (d)

CBSE 2023 · 66/1/1 · Q11

1 mark

'Management has its own vocabulary of terms and concepts. Managers need to communicate with one another with the help of a common vocabulary for the better understanding of their work situation.'

Which characteristic of 'Management as a Science' is highlighted in the above statement?

- | | |
|---|------------------------------------|
| (a) Principles based on experimentation | (b) Systematised body of knowledge |
| (c) Universal validity | (d) Personalised application |

Solution

Like any science, management has a systematised body of knowledge with its own theories, principles, terms and concepts. **Answer: (b)**

CBSE 2023 · 66/1/1 · Q12

1 mark

'Alfanzo Ltd.' is achieving all its objectives in an effective and efficient manner. It is earning enough revenue to cover costs and the risks of the business. Now the company wants to increase the sales volume, the capital investment, the number of employees and the number of products also.

By doing this, the management wants to achieve its following objective:

- | | |
|--------------|------------|
| (a) Survival | (b) Profit |
| (c) Personal | (d) Growth |

Solution

Growth of a business is measured by sales volume, number of employees, number of products and capital investment. **Answer: (d)**

CBSE 2016 · 66/1 · Q1

1 mark

'Is Management concerned only with doing the right task, completing activities and achieving goals without taking into consideration the cost benefit?' Give reason in support of your answer.

Solution

No. Management is concerned not only with effectiveness (doing the right task, completing activities and achieving goals) but also with efficiency, i.e. doing the task correctly and with minimum cost, keeping the cost-benefit relationship in view.

3 marks: short answer

CBSE 2026 · 66/1/1 · Q24(a)

3 marks

State any three functions of middle level management.

Solution

(1) **Interpret the policies** framed by top management. (2) Ensure their department has the **necessary personnel**. (3) **Assign duties and responsibilities** to personnel in their department. (Also: motivate people; cooperate with other departments; implement and control plans and strategies of top management; responsible for the activities of first-line managers.)

CBSE 2026 · 66/2/1 · Q21(a)

3 marks

State any three features of coordination.

Solution

(1) **Integrates group efforts**, unifying diverse interests into purposeful work. (2) **Ensures unity of action**, binding departments towards organisational goals. (3) **Continuous process**: from planning to controlling. (Also: all-pervasive; responsibility of all managers; a deliberate function.)

CBSE 2025 · 66/1/1 · Q21

3 marks

P. Madhav is the production manager of 'Trendy Style Pvt. Ltd.', a firm manufacturing office furniture. His objective is to increase production by 20% in the next one year. But the Sales Manager, R. Shetty does not approve of the increase in production, till changes are brought about in the quality of wood, locks, handles etc. to incorporate latest trends. This kind of conflict brings to light an important concept of management that can help to link the activities of various departments. (i) Identify and explain the concept discussed above. (ii) State any two points of importance of the concept identified in (i) above.

Solution

(i) **Coordination**: the process by which a manager synchronises the activities of different departments towards the achievement of a common goal.
 (ii) (1) **Growth in size**: as the number of employees grows, coordination is needed to integrate their efforts and harmonise individual and organisational goals. (2) **Functional differentiation**: departments such as production and sales pursue their own targets; coordination links their activities (as between Madhav and Shetty). (Also: **specialisation**: specialists may not take advice from others; coordination reconciles their differences.)

CBSE 2024 · 66/3/1 · Q21

3 marks

Sana and Mihir's startup 'Quick Solutions' earned enough revenue to cover costs from inception; through continuous improvement it gained recognition and started making profits, a big incentive for continued operation; in two years the customer base grew manifold and they invested more capital, hired more employees, invested in R&D and expanded the product line. Quoting lines, identify and state the objectives of management.

Solution

These are **organisational objectives**:

(1) **Survival** ("earning enough revenue to cover the costs"): management must earn enough revenues to cover costs so the business survives.
 (2) **Profit** ("started making profits. It was a big incentive... for the continued successful operation"): profit covers costs and risks and is an incentive for continued operation.
 (3) **Growth** ("make additional capital investment and hired more employees... expanded their product line"): growth measured by sales, employees, products or capital investment.

CBSE 2024 · 66/4/1 · Q21

3 marks

MBA friends Aman, Ashish and Ashi formed 'Solutions' to improve living conditions in Mumbai slums. They adopted three slums and educated dwellers in their own creative manner: playway method, music, and activity-based learning; 'they used basic knowledge in their unique manner'. It implies that skilful and personal application of acquired knowledge varies from individual to individual. (a) Identify and state the nature of management. (b) Quoting lines, state two features.

Solution

- (a) **Management as an art:** the skilful and personal application of existing knowledge to achieve desired results.
- (b) (1) **Existence of theoretical knowledge** ("They used basic knowledge"): an art presupposes a body of knowledge that the practitioner learns. (2) **Personalised application** ("started educating the slum dwellers in their own creative manner... in their unique manner"): each person applies the knowledge in his own way. (3) **Based on practice and creativity:** art involves creative practice of existing knowledge.

CBSE 2024 · 66/5/1 · Q21

3 marks

Ashish of 'Cortico Fabrics', with eight regional teams across India, spends considerable time developing an orderly pattern of group efforts among the teams and securing unity of action in pursuit of a common purpose, ensuring suitable allocation of tasks and harmony, and balancing the teams. (a) Identify and explain the concept. (b) Explain one point of its importance.

Solution

- (a) **Coordination:** the process by which a manager synchronises the activities of different departments; it is the orderly arrangement of group efforts to provide unity of action in pursuit of a common purpose.
- (b) **Growth in size:** as an organisation grows (eight teams across India), the number of people increases and it becomes hard to ensure everyone works towards the same goals; coordination integrates their efforts and harmonises individual and organisational goals. (Or: functional differentiation; specialisation.)

CBSE 2023 · 66/1/1 · Q21

3 marks

Hitesh is the Chief Executive Officer of 'Kids Garments Ltd.' Due to festive season, Hitesh got an additional order of 10,000 garments which he had to supply within two days. Due to his goodwill in the market, he did not want to lose the order. So, he decided to achieve the target by operating on double shifts. He achieved the target and supplied the order within two days. But due to double shifts, his cost of production was higher than the regular production cost. Identify and give the meaning of the two concepts of management discussed in the above para.

Solution

- (1) **Effectiveness:** completing the right task, achieving the target on time. Hitesh supplied 10,000 garments within two days, so he was effective.
- (2) **Efficiency:** doing the task correctly and with minimum cost, i.e. the relationship between inputs and outputs. Because of double shifts his cost of production was higher than usual, so he was not efficient.

CBSE 2019 · 66/1/1 · Q10

3 marks

Mita has a successful ice cream business at Bikaner, namely 'Smartflavours'. Her ice creams are utterly delicious. She makes ice creams from fresh milk and the same are available in a wide range of flavours and packs. She sets viable business objectives and works with the same in mind in order to ensure that the customers will come back for purchasing.

Having the first mover advantage, her business was doing well. To earn higher profits, she started cutting costs. This would sometimes lead to delay in delivery and the ice cream was not reaching the market in time. Over a period of time, the demand for her ice cream declined and because of it the competitors entered the market. She lost some of her market share to competitors.

At the beginning of summer season, she got back to back orders for supply of 4,000 ice cream packs of different flavours for special occasions. To ensure that the task was completed and orders delivered in time she hired additional workers. She was, thus able to produce and deliver the ice cream packs but at a high production cost. While completing activities and finishing the given task for achieving goals, Mita realized that she was ignoring one of the important aspects of management.

Identify the aspects of management that has been ignored by Mita. Also explain the same with the help of an example.

Solution

Efficiency (ignored in the summer orders, where she achieved the target at a high cost). Efficiency means doing the task correctly and with minimum cost: the cost-benefit relationship between inputs and outputs.

Example: a company's target production is 5,000 units a year. Due to frequent power failure the manager operates double shifts and produces 5,000 units, but at a higher production cost: he is effective but not efficient.

(Earlier, by cutting costs she delayed deliveries and lost market share: there she ignored **effectiveness**, i.e. doing the right task, completing activities and achieving goals on time. The marking scheme accepted either aspect, or both, with a correct example.)

CBSE 2019 · 66/1/1 · Q13(a)

3 marks

'Science is a systematized body of knowledge that explains certain general truths or the operation of general laws.' In the light of this statement, describe management as a science.

Solution

Management is a science, but not an exact science:

(1) **Systematised body of knowledge:** like science, management has its own theories and principles developed over time. This feature is present.

(2) **Principles based on observation and experimentation:** management principles are derived through observation and repeated experimentation; but since management deals with human beings, the outcomes cannot be accurately predicted. So it is present only partly.

(3) **Universal validity:** management principles provide standardised techniques usable in different situations, but they must be modified according to the situation, so their application is not universal. This feature is not fully present.

Hence management is an **inexact science**.

CBSE 2019 · 66/1/1 · Q13(b)

3 marks

Management is a complex activity that has three main dimensions. Explain these dimensions.

Solution

- (1) **Management of work:** every organisation exists to perform some work (e.g. a hospital treats patients); management translates this work into goals and decides the means to achieve them.
- (2) **Management of people:** dealing with employees as individuals with diverse needs and behaviour, and as a group, so as to make their strengths effective and weaknesses irrelevant.
- (3) **Management of operations:** managing the production process that converts inputs (materials) into outputs (goods and services); it is interlinked with management of work and of people.

4 marks: case-based / source-based

CBSE 2026 · 66/1/1 · Q29

4 marks

'GW Industries', known for its paper products, decided to produce and launch a new line of sustainable packaging called 'EcoPac'. As management is a complex activity, the Chief Executive Officer of the company translated the work into clear goals and assigned the means to achieve those. He knew that human resources are the greatest asset of an organization, so getting work done through them is also a major task. The production of high quality sustainable packaging also required a proper production process. This was put in place for managing the flow of input materials and technology to convert these materials into high quality sustainable packaging. In this way 'GW industries' took care of various aspects for successful launch of 'EcoPac'. A characteristic of management is discussed in the above case. Identify and explain the characteristic.

Solution

Management is multidimensional, with three dimensions: (1) **Management of work:** all organisations exist to perform some work; management translates it into goals and assigns the means to achieve them. (2) **Management of people:** dealing with employees as individuals with diverse needs and behaviour, and as groups. (3) **Management of operations:** a production process involving the flow of input materials and technology to transform inputs into the desired output.

CBSE 2026 · 66/4/1 · Q27

4 marks

At 'Apex Ltd', Arjun analyses the business environment and its implications for the firm's survival and is responsible for its welfare and survival; Neha heads the marketing department, ensuring it has the necessary personnel and motivating them. Apart from these, state two more functions each that they perform at their level.

Solution

Arjun (top level): (1) integrate diverse elements and coordinate activities of departments per overall objectives; (2) formulate overall organisational goals and strategies; (3) be responsible for all activities and their impact on society.

Neha (middle level): (1) interpret policies framed by top management; (2) assign duties and responsibilities to departmental personnel; (3) co-operate with other departments; (4) be

responsible for first-line managers; (5) implement and control plans and strategies of top management. (Any two each.)

CBSE 2026 · 66/5/1 · Q26(a)

4 marks

State any four features of coordination.

Solution

(1) **Integrates group efforts** into purposeful work activity. (2) **Ensures unity of action**, binding departments towards common goals. (3) **Continuous process**: from planning till controlling. (4) **All-pervasive**: needed at all levels and in all departments. (Also: responsibility of all managers; a deliberate function.)

CBSE 2026 · 66/5/1 · Q26(b)

4 marks

State any four points of importance of management.

Solution

(1) Helps achieve **group goals** by giving common direction to individual effort. (2) **Increases efficiency** by reducing costs and raising productivity. (3) Creates a **dynamic organisation** that adapts to change. (4) Helps achieve **personal objectives** while contributing to organisational objectives. (5) Helps in the **development of society**.

CBSE 2025 · 66/2/1 · Q26(a)

4 marks

Explain the features of coordination: (i) coordination integrates group efforts (ii) coordination is the responsibility of all managers.

Solution

(i) It unifies unrelated or diverse interests into purposeful work activity and gives a common focus to group effort so that performance is as planned and scheduled.
(ii) It is the function of every manager: top managers coordinate with subordinates to carry out overall policies; middle managers coordinate with top and first-line managers; operational managers coordinate their workers' activities so work proceeds as planned.

CBSE 2025 · 66/2/1 · Q26(b)

4 marks

Explain the features of management: (i) management is a goal-oriented process (ii) management is a continuous process.

Solution

(i) An organisation has basic goals that are the reason for its existence, simple and clearly stated; management unites the efforts of different individuals towards achieving them.
(ii) Management is a series of continuous, composite but separate functions (planning, organising, staffing, directing, controlling) performed simultaneously by all managers all the time.

CBSE 2025 · 66/2/1 · Q27

4 marks

Nisha set up a dress-refurbishing unit with 15 girls in three groups, each to refurbish 150 old dresses in a fortnight at ₹ 30 a dress. Group I did 150 at ₹ 30; Group II 150 at ₹ 35; Group III 140 at ₹ 27. (i) Identify the concepts for each group, with reasons. (ii) Give their meaning and state which is important for management and why.

Solution

(i) **Group I:** effective and efficient: met the target (150) at the planned cost (₹ 30). **Group II:** effective but not efficient: met the target but at a higher cost (₹ 35). **Group III:** efficient but not effective: lower cost (₹ 27) but missed the target (140).
 (ii) **Efficiency:** doing the task correctly, with minimum cost (cost-benefit). **Effectiveness:** doing the right task, completing activities and achieving goals on time. Management must be **both effective and efficient:** achieving goals at the lowest cost; one without the other is not good management.

CBSE 2025 · 66/5/1 · Q28(a)

4 marks

Explain the features of management: (i) a dynamic function (ii) an intangible force.

Solution

(i) **Dynamic function:** management must adapt to the changing environment; an organisation interacts with its external environment (social, economic, political) and must change itself and its goals according to its needs to succeed.
 (ii) **Intangible force:** management cannot be seen but its presence is felt in the way the organisation functions: targets are met as planned, employees are happy and satisfied, and there is orderliness instead of chaos.

CBSE 2025 · 66/6/1 · Q28

4 marks

Shreedar, after ten years as an operations manager in a cab aggregator, started 'Easy Cab' with Mukesh; Shreedar is CEO and Mukesh COO; they will start in Goregram and borrow to buy electric cars. (a) Identify their level of management. (b) State three functions at this level.

Solution

(a) Both are at the **top level**.
 (b) (1) Integrate diverse elements and coordinate the activities of different departments according to overall objectives. (2) Formulate overall organisational goals and strategies for their achievement. (3) Analyse the business environment and its implications for survival. (Also: responsible for the welfare and survival of the organisation; responsible for all activities and their impact on society.)

CBSE 2025 · 66/7/1 · Q30

4 marks

'Silver Mills', a B2B supplier of millet seeds set up in a backward area, earned just enough to cover costs; with rising awareness of millets' health benefits and 2023 as the International Year of Millets, it began earning profits, a vital incentive to continue; it expanded into millet flour, snacks and beverages and gave employment especially to women in dehusking, cleaning and packing. State the objectives of management highlighted.

Solution

- (1) **Organisational objectives:** using human and material resources to the maximum advantage to fulfil economic objectives: **survival** (earning enough revenue to cover costs), **profit** (a vital incentive, covering costs and risks) and **growth** (exploiting growth potential: new millet products).
 (2) **Social objectives:** creating economic value for society: environment-friendly methods, **employment opportunities** for disadvantaged sections (women in a backward area), basic amenities.

CBSE 2024 · 66/1/1 · Q26(a)

4 marks

State any four characteristics of management.

Solution

- (1) **Goal-oriented process:** it unites efforts to achieve basic goals. (2) **All-pervasive:** common to all organisations, economic, social or political, in every country. (3) **Multi-dimensional:** management of work, people and operations. (4) **Continuous process:** a series of ongoing functions. (Also: group activity; dynamic function; intangible force.)

CBSE 2024 · 66/1/1 · Q26(b)

4 marks

State any four functions performed by Top Level Management.

Solution

- (1) Integrate diverse elements and coordinate activities of departments according to overall objectives. (2) Formulate overall organisational goals and strategies. (3) Be responsible for all activities of the business and its impact on society. (4) Analyse the business environment and its implications for survival. (Also: responsible for the welfare and survival of the organisation.)

CBSE 2017 · 66/1 · Q14

4 marks

Rishitosh Mukerjee has recently joined AMV Ltd, a company manufacturing refrigerators. He found that his department was under-staffed and other departments were not cooperating with his department for smooth functioning of the organisation. Therefore, he ensured that his department has the required number of employees and its cooperation with other departments is improved.

- (a) Identify the level at which Rishitosh Mukerjee was working.
 (b) Also, state three more functions required to be performed by Rishitosh Mukerjee at this level.

Solution

- (a) **Middle level management.**
 (b) Any three other functions:
 (1) Interpreting the policies framed by top management.
 (2) Assigning necessary duties and responsibilities to personnel in the department.
 (3) Motivating employees to achieve the desired objectives.
 (4) Being responsible for implementing and controlling plans and strategies developed by top management.
 (5) Being the link between top and lower levels of management.

CBSE 2016 · 66/1 · Q14

4 marks

What is meant by 'Management'? Explain its any three features that establish it as an Art.

Solution

Management is the process of getting things done with the aim of achieving goals effectively and efficiently.

Features of art present in management:

- (1) **Existence of theoretical knowledge:** art presupposes theoretical knowledge; management has vast literature on its principles and practices.
- (2) **Personalised application:** the use of this knowledge varies from person to person; each manager applies principles in his own way, depending on the situation.
- (3) **Based on practice and creativity:** art involves creative practice of existing knowledge; managers apply knowledge in a unique manner through practice and creativity, improving with experience.

5 marks: long answer

CBSE 2018 · 66/1 · Q20

5 marks

What is meant by coordination? State its four features.

Solution

Coordination is the process by which a manager synchronises the activities of different departments; it is the force that binds all the other functions of management.

Features:

- (1) **Integrates group efforts:** unifies unrelated or diverse interests into purposeful work activity.
- (2) **Ensures unity of action:** acts as the binding force between departments so that all action is aimed at achieving the goals of the organisation.
- (3) **Continuous process:** it begins at planning and continues till controlling.
- (4) **All-pervasive function:** required at all levels and in all departments.
- (5) **Responsibility of all managers:** top, middle and lower level managers all coordinate.
- (6) **Deliberate function:** a manager has to coordinate efforts consciously.

6 marks: long answer

CBSE 2026 · 66/3/1 · Q31

6 marks

At 'Global Tech Ltd' (10,000 employees): "Every department had its own objectives, policies and style of working... conflicts arose"; "The specialists... often did not consider suggestions from others... This resulted in conflict"; "The increasing size of workforce... made it difficult to ensure that everyone worked towards the same organisational goals." (i) Identify and state the concept needed. (ii) Quoting lines, state three points of its importance.

Solution

(i) **Coordination:** the process by which a manager synchronises the activities of different departments towards common goals.

(ii) (1) **Functional differentiation** ("Every department had its own objectives, policies and style of working"): departments are created for finance, production etc.; coordination links their activities.

(2) **Specialisation** ("The specialists were confident... did not consider suggestions from others"): specialists think only they can judge and do not take advice; coordination reconciles their differences.

(3) **Growth in size** ("The increasing size of workforce..."): as the number of people grows, coordination integrates their efforts and harmonises individual and organisational goals.

CBSE 2025 · 66/1/1 · Q31(b)

6 marks

Objectives of Management can be classified into organisational, social and personal objectives. Explain these objectives.

Solution

(1) **Organisational objectives**: using human and material resources to the maximum advantage to fulfil the economic objectives of the business: **survival** (earn enough revenue to cover costs), **profit** (to cover costs and risk) and **growth** (exploit the growth potential to remain in the industry).

(2) **Social objectives**: consistently creating economic value for various constituents of society: using environment-friendly methods of production, giving employment to the under-privileged, providing basic amenities like schools and health care.

(3) **Personal objectives**: people working in organisations have diverse needs (financial, social, higher-level); management must reconcile personal goals with organisational objectives for harmony.

CBSE 2025 · 66/4/1 · Q31(a)

6 marks

'Successful organisations do not achieve their goals by chance, but by following a deliberate process called management.' Explain any four points of importance of management.

Solution

(1) **Achieving group goals**: management gives a common direction to individual efforts towards the overall goal. (2) **Increases efficiency**: reduces costs and raises productivity through better planning, organising, directing and controlling. (3) **Creates a dynamic organisation**: helps people adapt to change so the organisation keeps its competitive edge. (4) **Achieving personal objectives**: through motivation and leadership, individuals achieve their personal goals while contributing to organisational goals. (5) **Development of society**: good quality products, employment, new technology, growth and development.

CBSE 2025 · 66/4/1 · Q31(b)

6 marks

'Coordination is the process by which a manager synchronises the activities of different departments towards common goals.' Explain any four features of coordination.

Solution

(1) **Integrates group efforts**: unifies diverse interests into purposeful work and gives a common focus. (2) **Ensures unity of action**: acts as a binding force between departments so all action aims at organisational goals. (3) **Continuous process**: begins at planning and continues till controlling. (4) **All-pervasive function**: needed at all levels and in all departments because activities are interdependent. (5) **Responsibility of all managers** at top, middle and lower levels. (6) **Deliberate function**: a manager has to coordinate consciously even among cooperating people.

CBSE 2024 · 66/2/1 · Q31

6 marks

Nalini runs an online flower and gift business with eight outlets. She coordinates her staff's efforts in a conscious and deliberate manner, plans for wedding-season demand in June, ensures adequate workforce, monitors progress and briefs marketing in time; her coordination with all departments begins at planning and continues till controlling; it acts as a binding force between departments, ensuring all action aims at organisational goals; she gives a common focus to group effort. Quoting lines, identify and explain four features of the concept.

Solution

Concept: **coordination**.

- (1) **Deliberate function** ("coordinates the efforts of her staff in a conscious and deliberate manner"): a manager must coordinate consciously; even cooperation needs coordination to give it direction.
 - (2) **Continuous process** ("begins at the planning stage and continues till controlling"): it is not a one-time function.
 - (3) **Ensures unity of action** ("acts as a binding force between the departments and ensures that all action is aimed at achieving organizational goals").
 - (4) **Integrates group efforts** ("give a common focus to group effort"): it unifies diverse interests into purposeful work activity.
- (Also: all-pervasive, "coordination with all departments".)

CBSE 2016 · 66/1 · Q23

6 marks

Describe any four characteristics of 'coordination'.

Solution

Any four:

- (1) **Coordination integrates group efforts**: it unifies unrelated or diverse interests into purposeful work activity and gives a common focus to group effort.
- (2) **Coordination ensures unity of action**: it acts as the binding force between departments and ensures that all action is aimed at achieving the goals of the organisation.
- (3) **Coordination is a continuous process**: it begins at the planning stage and continues till controlling.
- (4) **Coordination is an all-pervasive function**: it is required at all levels and in all departments because of the interdependent nature of activities.
- (5) **Coordination is the responsibility of all managers**: top management coordinates with middle, middle with lower levels, and supervisors coordinate workers.
- (6) **Coordination is a deliberate function**: a manager has to coordinate the efforts of different people consciously; even where people cooperate, coordination is needed to direct the cooperation.

CBSE BOARD PAPER

2026 · Q.P. Code 66111

Time: 3 hours

Maximum marks: 80

Multiple choice and Assertion–Reason (1 mark each)

1. Ritika wanted to buy a new washing machine. She visited 'Elec Duniya', a large electronics store. She saw there many different brands and models on display like KM, Neo, Unipool, INH etc. The salesperson at the store explained the differences in quality, brand reputation and prices of different washing machines. Ritika could now compare fully automatic, semi-automatic, top load and front load washing machines. The salesperson encouraged her to take her time, check different brands and resolve her queries. Ritika also went to another shop nearby to compare prices and features of different washing machines. After comparing all the available options, Ritika chose a 'Neo' front load washing machine because it offered the best features within her budget. The consumer right exercised by Ritika in the above case is:

(A) Right to be heard

(C) Right to consumer education

(B) Right to be assured

(D) Right to seek redressal

2. The workers in Alpha manufacturing company were using traditional methods for production of metal parts. Since no standard procedure existed, workers relied on personal experience and guess work. As a result, productivity in the assembly line began to decline. To improve productivity, the company hired a consultant specializing in scientific management. The consultant explained that there was only one best method to maximize efficiency and this method could be developed through proper study and analysis. He emphasized that the scientific method should replace the old method, that the workers were using. So, to develop the scientific method, the consultant carefully investigated the traditional methods through work-study and by unifying the best practices, he developed a standard method that would be followed by everyone in the organization. After applying scientific method, there was a three fold increase in productivity within six months. The principle of scientific management which helped the company in increasing the productivity was:

(A) Science, not Rule of Thumb

(C) Cooperation, Not Individualism

(B) Harmony, Not Discord

(D) Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity

3. Read the following statements carefully: Statement-I: Consumers should get together and form themselves into consumer associations for protection and promotion of their interests. Statement-II: The Consumer Protection Act provides for setting up a two-tier enforcement machinery for the redressal of consumer grievances. With reference to given statements, choose the correct alternative from the following:

(A) Both the statements are true.

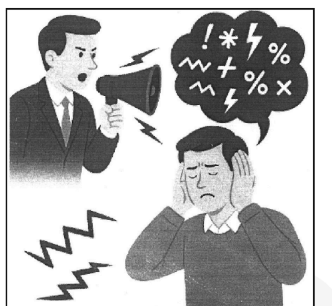
(C) Statement I is true, Statement II is false.

(B) Both the statements are false.

(D) Statement I is false, Statement II is true.

4. Identify the element of communication process from the above picture:

1



- (A) Feedback (B) Media
(C) Noise (D) Decoding

(For Visually Impaired Candidates: The element of communication process that converts the message into communication symbols is: (A) Feedback (B) Media (C) Decoding (D) Encoding)

5. Read the following statements – Assertion (A) and Reason (R): Assertion (A): Many enlightened business firms have set up their own consumer service and grievance cells. Reason (R): The consumer has a right to file a complaint and to be heard in case of dissatisfaction with a good or service. Choose the correct alternative from the alternatives given below:

1

- (A) Both Assertion (A) and Reason (R) are false. (B) Assertion (A) is false and Reason (R) is true.
(C) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A). (D) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).

6. Sudha is a corporate executive and has to attend a felicitation function to be held in her office tomorrow. So she decides to colour her hair. On recommendation of her friend, she purchased 'NATURO' hair colour. After reading essential details such as shade, its ingredients, usage instructions and expiry date mentioned on the box, Sudha opened the box. She took out the colour tube and developer bottle from the box and threw away the box. The level of packaging of box thrown away by Sudha was:

1

- (A) Primary packaging (B) Transportation packaging
(C) Secondary packaging (D) General packaging

7. Read the following statements-Assertion (A) and Reason (R): Assertion (A) : Money market instruments have a higher degree of liquidity as compared to capital market securities. Reason (R) : Money market instruments are traded on the stock exchanges. Choose the correct alternative from the alternatives given below:

1

- (A) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A). (B) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
(C) Assertion (A) is true and Reason (R) is false. (D) Assertion (A) is false and Reason (R) is true.

not in 2026-27 syllabus

8. Ravi purchased gold jewellery from a reputed jewellery store. He ensured that the jewellery had a hallmark which confirm its purity and authenticity. To avoid paying goods and services tax (GST) he asked the salesperson to write the gold weight and making charges on a slip of paper and hand over it to him. Which of the following responsibilities of a consumer was not fulfilled by Ravi while purchasing jewellery? 1
- (A) Be aware about various goods and services available in the market so that an intelligent and wise choice can be made. (B) Ask for a cash memo on purchase of goods and services.
- (C) Buy only standardized goods as they provide quality assurance. (D) Assert yourself to ensure that you get a fair deal.
9. 'CARO Tech Solutions' aimed at development of a software system for the company's growing operations. The project was to be completed within six months with a budget of ₹ 12,00,000. The software development team successfully completed its project on time by outsourcing a part of the project, leading to an additional expense of ₹ 2,00,000. From the following, identify whether the software development team is: 1
- (A) Efficient and Effective (B) Efficient but not effective
- (C) Effective but not efficient (D) Neither efficient nor effective
10. Due to severe winter and rising pollution levels, 'Green India Electronics' planned to launch a new eco-friendly heater in the market. It conducted a survey and found that the demand of this product was very high. As the winter season lasts only for 2 to 3 months, the Chief Executive Officer wanted that there should be close coordination among all the managers to deliver orders on time. Top level managers were asked to work in coordination with their subordinates to ensure that company's policies were properly followed. To ensure that the heaters would be ready on time, the production manager co-ordinated with the operational level managers. Operational level managers co-ordinated the activities of the workers to ensure that work proceeded according to plans. As a result 'Green India Electronics' was able to launch its heaters on time, in the market. The feature of co-ordination discussed in the above case is: 1
- (A) Co-ordination is a deliberate function. (B) Co-ordination is the responsibility of all managers.
- (C) Co-ordination is a continuous process. (D) Co-ordination ensures unity of action.
11. 'Business environment keeps on changing whether in terms of technological improvement, shifts in consumer preferences or entry of new competitors in the market.' The feature of business environment highlighted in the above statement is: 1
- (A) Totality of external forces (B) Complexity
- (C) Dynamic nature (D) Relativity
12. A position when a company is unable to meet its fixed financial charges like interest payment, dividend on preference shares and repayment obligations is referred to as _____. 1
- (A) Trading on equity (B) Financial risk
- (C) Business risk (D) Operating risk

- 13.** Identify the incorrect statement with respect to the importance of planning function of management: 1
- | | |
|--|---|
| (A) Planning provides directions by stating in advance how work is to be done. | (B) Planning eliminates uncertainty by looking ahead and anticipating changes. |
| (C) Planning facilitates decision making by making a choice among various alternative courses of action. | (D) Planning promotes innovative ideas as new ideas can take the shape of concrete plans. |
- 14.** Organising is the process that initiates implementation of plans by clarifying jobs and working relationships and effectively deploying resources for attainment of identified and desired results. Organising process thus involves a series of steps that need to be taken in order to achieve the desired goal. Arrange the steps of the process of organizing in the correct order: 1
- | | |
|--|--|
| (A) Identification and Division of work, Assignment of duties, Departmentalisation, Establishing authority and reporting relationships | (B) Identification and Division of work, Assignment of duties, Establishing authority and reporting relationships, Departmentalisation |
| (C) Departmentalisation, Identification and Division of work, Establishing authority and reporting relationships, Assignment of duties | (D) Identification and Division of work, Departmentalisation, Assignment of duties, Establishing authority and reporting relationship |
- 15.** Identify the feature of planning which states that the purpose of planning is to meet future events effectively to the best advantage of an organisation: 1
- | | |
|---------------------------------------|--|
| (A) Planning involves decision making | (B) Planning is futuristic |
| (C) Planning is a mental exercise | (D) Planning focuses on achieving objectives |
- 16.** Match the principle of management given in Column I with its explanation given in Column II: Column-I: (a) Discipline (b) Unity of direction (c) Order (d) Unity of command. Column-II: (i) There should be one and only one boss for every individual employee in the organisation. (ii) There should be a place for everything (everyone) and everything (everyone) should be in its (his/her) place. (iii) There should be obedience to organisational rules and employment agreement which is necessary for the working of the organisation. (iv) Each group of activities having the same objective must have one head and one plan. Choose the correct option from the following: (a) (b) (c) (d) 1
- | | |
|-------------------------|-------------------------|
| (A) (iii) (iv) (i) (ii) | (B) (iv) (iii) (ii) (i) |
| (C) (iv) (iii) (i) (ii) | (D) (iii) (iv) (ii) (i) |
- 17.** The step of controlling process which reveals the deviation between actual performance and desired results is: 1
- | | |
|-----------------------------------|---|
| (A) Setting performance standards | (B) Analysing deviations |
| (C) Taking corrective action | (D) Comparing actual performance with the standards |

18. 'Certain provisions of the Companies Act place restrictions on payouts as dividend. Such provisions must be adhered to while declaring the dividend.' The factor affecting dividend decision discussed above is: 1
- (A) Access to capital market (B) Contractual constraints
(C) Legal constraints (D) Stock market reaction
19. Read the following statements carefully: Statement-I : Control should focus on key result areas which are critical to the success of an organization. Statement-II : Only significant deviations which go beyond the permissible limit should be brought to the notice of management. With reference to the given statements, choose the correct alternative from the following: 1
- (A) Both the statements are true. (B) Both the statements are false.
(C) Statement I is true and Statement II is false. (D) Statement I is false and Statement II is true.
20. Which of the following is NOT an organisational barrier to communication? 1
- (A) Status (B) Organisational facilities
(C) Lack of proper incentives (D) Rules and regulations

Short answer (3 marks each)

21. 'Riya Mart' is a company manufacturing disposable crockery. They have been in business for the past five years, but were not earning good profits. Concerned about this, the Chief Executive Officer (CEO), Verma, ordered an internal audit. The audit uncovered several issues like inventory pilferage, employees coming late and their performance not up to the mark. To stop inventory pilferage, Verma, the CEO, introduced surprise stock checks and installed an automated inventory management system to track stock movements. A biometric attendance system was also set up to keep a check on employees coming late. In addition to this, to motivate employees for better performance, they were told in advance what they are expected to do and what are their standards of performance. As a result of these steps, the inventory pilferage reduced, employees became more punctual and their performance improved. (i) Identify and state the function of management performed by Verma, the Chief Executive Officer of the company. (ii) State any two points of importance of the function identified in (i) above, which are not discussed in the above para. 3
22. 'Soal Footwear Ltd.' is known for its high quality athletic shoes and casual sneakers. With increasing competition and changing consumer preferences, it decided to diversify its product range by adding clothing, bags and accessories under the same brand umbrella. This diversification aimed to capture a larger share of the market and increase customer loyalty. (i) Suggest with reason which type of organisational structure will be suitable for 'Soal Footwear Ltd.' (ii) State any two advantages of the organisational structure suggested in (i) above. 3
23. (a) State any three measures to improve communication effectiveness. 3

OR

- (b) State any three features of leadership. 3

24. (a) State any three functions of middle level management.

3

OR

(b) State any three features of 'Demonetisation'.

3

Short answer (4 marks each)

25. 'Sheetal Cosmetics Ltd.', is a fast growing beauty and skin care company known for its innovative products and aggressive market expansion. As the company increased its marketing activities like new product launches, accelerated advertising campaigns, social media promotions and influencer collaborations etc., the workload of the marketing department grew sharply. Despite working long hours, the marketing manager Arjun couldn't give adequate attention to strategic planning and high impact decisions as minor operational issues began consuming most of his time. Noticing this, the Chief Executive Officer (CEO) advised Arjun that it was now impractical for him to handle the entire volume of work alone, so he should allow his subordinates to take up routine tasks. This would not only help him manage his time better but also satisfy the subordinate's need for recognition. This will also provide opportunities to the subordinates to develop and exercise initiative. (i) Identify the concept suggested by CEO that will help Arjun to manage volume of work effectively. (ii) State any three points of importance of the concept identified in (i) above.

4

26. (a) State any four merits of internal sources of recruitment.

4

OR

(b) State any four benefits of training to the employees.

4

27. (a) Explain the following points of importance of planning: (i) Planning establishes standards for controlling (ii) Planning reduces overlapping and wasteful activities

4

OR

(b) Explain the following types of plans: (i) Objective (ii) Method

4

28. Rajiv was on the board of directors of 'Tako Solutions', a software development company and 'Sabka Mart Retail', a large supermarket chain. He wanted to apply management principles in both the companies to improve efficiency and profitability. He knew that management principles can be applied as much to 'Tako Solutions' as to 'Sabka Mart Retail' though the extent to which the principles can be applied will differ, because the nature of work, scale of operations and business activities in a software firm and a supermarket chain are not the same. Rajiv also knew that the management principles would not provide readymade solutions because real world situations faced by the two companies were very complex and dynamic. Still, he believed that even small guidelines could help in solving many problems and will improve the way both companies worked. Identify and explain the two points that highlight the nature of principles of management, in the above case.

4

29. 'GW Industries', known for its paper products, decided to produce and launch a new line of sustainable packaging called 'EcoPac'. As management is a complex activity, the Chief Executive Officer of the company translated the work into clear goals and assigned the means to achieve those. He knew that human resources are the greatest asset of an organization, so getting work done through them is also a major task. The production of high quality sustainable packaging also required a proper production process. This was put in place for managing the flow of input materials and technology to convert these materials into high quality sustainable packaging. In this way 'GW industries' took care of various aspects for successful launch of 'EcoPac'. A characteristic of management is discussed in the above case. Identify and explain the characteristic. 4
30. 'Eco Care', a start-up, plans to launch a reusable water bottle for environmentally conscious millennials and Gen Z. For this, they conducted a market research to identify the needs of the customers so that an informed decision could be taken for successful marketing of the product. They wanted to work carefully on the design to make the bottle attractive to the target customers. On the basis of consumer views and opinions, they developed a stylish stainless steel bottle with double wall insulation to keep beverages cold for 24 hours, giving it a competitive advantage in the market. They named the bottle 'Eco-Sip' creating a brand identity focused on sustainability and simplicity. It would also help in product differentiation. The packaging was made using hundred percent recyclable cardboard, with details of sustainability, features, price etc. printed on it. State the four functions of marketing that are carried out by 'Eco Care' in the above case. 4

Long answer (6 marks each)

31. 'Koka Manufacturing Ltd.' is a large scale manufacturer in the electronics industry. In this industry assets are prone to obsolescence and their replacement becomes due faster with change in technology. The company is constantly under pressure to upgrade its machinery and equipment as it would help company to stay competitive, improve its product quality and reduce production costs. So instead of purchasing the machinery, company decides to lease the required machinery, giving it flexibility to upgrade equipment at the end of lease term. This helps company to maintain operational efficiency, technological competitiveness and financial flexibility. Identify and explain four factors that would affect the fixed capital requirements of 'Koka Manufacturing Ltd.'. 6
32. (a) Explain the following steps in the staffing process: (i) Estimating manpower requirements (ii) Selection (iii) Placement and orientation 6
- OR**
- (b) Explain the following non - financial incentives: (i) Status (ii) Organisational climate (iii) Job security 6

33. Ria ran a small online bakery business. Her business was doing very well. She saved a good amount of money every month and now wanted to invest it wisely. She was in a dilemma to keep her savings in a bank account or to invest it in the stock market. Her friend Aabha, who had done a certification course from National Stock Exchange, encouraged her to invest in the stock market. She explained to Ria that if she invests in the stock market, she could disinvest and reinvest whenever she wanted, which would provide her good liquidity. Aabha also told her that the membership of stock exchange is well regulated and all trading takes place within the legal framework. As a result, investors get a fair and safe deal. Ria was still apprehensive as she had heard that there is a lot of speculation in the stock market. She wanted to be cautious. Aabha clarified that speculation does exist, but it happens in a restricted and controlled way. She also told Ria that the stock exchange is keen to promote wider share ownership and does so by educating public about investments etc. As a result, young people have started investing in the stock market. After all this discussion, Ria felt confident and decided to invest a part of her savings in the stock market. Quoting lines, identify and explain the four functions of stock exchange highlighted in the above case.

not in 2026-27 syllabus

34. (a) Explain the following elements of Marketing Mix: (i) Product (ii) Price (iii) Promotion

6

OR

- (b) Explain the following components of physical distribution: (i) Order Processing (ii) Warehousing (iii) Inventory Control

6

Solutions · CBSE 2026 · 66/11

- Q1 The right to choose is the right to be assured of access to a variety of products at competitive prices. **(B)**
-
- Q2 Rule-of-thumb (guess work) methods were replaced by one best method developed through scientific study and analysis of work. This is the principle of **science, not rule of thumb**.
Answer: (A)
-
- Q3 The machinery is three-tier (District, State, National). **(C)**
-
- Q4 **(C)** noise; VI: **(D)** encoding.
-
- Q5 Firms set up grievance cells because consumers have the **right to be heard**: a dissatisfied consumer can complain and must be heard. R explains A. **Answer: (D)**
-
- Q6 The tube is primary packaging; the box protecting it, thrown away when the product is used, is secondary. **(C)**
-
- Q7 They are not traded on stock exchanges; DFHI provides a ready market. **(C)**
-
- Q8 By taking a handwritten slip instead of a proper bill to avoid GST, Ravi failed to ask for a cash memo, which is needed as proof of purchase if he ever has to complain. (He did buy a standardised, hallmarked product.) **Answer: (B)**
-
- Q9 Goal achieved on time (effective) but at a higher cost (not efficient). **(C)**
-

- Q10** Coordination at every level of management. **(B)**
-
- Q11** The environment keeps changing (technology, consumer preferences, competitors), so it is **dynamic**. **Answer: (C)**
-
- Q12** Financial risk is the chance that a firm cannot meet its fixed financial charges (interest, preference dividend, repayments); it rises with the use of debt. **Answer: (B)**
-
- Q13** Planning reduces, but cannot eliminate, uncertainty. **(B)**
-
- Q14** Work is first identified and divided into jobs, related jobs are grouped into departments, duties are assigned to people, and finally authority and reporting relationships are established. **Answer: (D)**
-
- Q15** Planning looks ahead and prepares for future events (forecasting), so it is **futuristic**. **Answer: (B)**
-
- Q16** Discipline = obedience to rules (iii); unity of direction = one head and one plan (iv); order = a place for everything (ii); unity of command = one boss (i). **Answer: (D)**
-
- Q17** Comparing actual performance with the standards reveals the deviation; the next step then analyses it. **Answer: (D)**
-
- Q18** Restrictions imposed by the Companies Act are legal constraints. (Contractual constraints arise from loan agreements.) **Answer: (C)**
-
- Q19** Critical point control and management by exception. **(A)**
-
- Q20** Lack of incentives is a personal barrier. **(C)**
-
- Q21** (i) **Controlling**: measuring accomplishment against standards and correcting deviations to assure attainment of objectives according to plans.
(ii) (Not discussed: order and discipline, motivation.) (1) **Accomplishing organisational goals**: it measures progress and brings deviations to light. (2) **Judging accuracy of standards**: reviewing and revising standards in the light of changes. (Also: efficient use of resources; facilitating coordination in action.)
-
- Q22** (i) **Divisional structure**: suitable where a large variety of products is made (the company is diversifying its product range).
(ii) (1) **Product specialisation** develops varied skills in divisional heads. (2) **Fixation of responsibility**: divisional heads are accountable for profits. (Also: flexibility and faster decisions; easy expansion by adding divisions.)
-
- Q23(a)** (1) **Clarify the ideas** before communicating. (2) **Communicate according to the needs of the receiver**: adjust to the education and understanding of subordinates. (3) **Consult others** before communicating, to gain acceptance and cooperation. (Also: be aware of language, tone and content; convey things of help and value; ensure proper feedback; communicate for present and future; follow up communications; be a good listener.)
-
- Q23(b)** (1) It is the **ability of an individual to influence others**. (2) It tries to **bring change in the behaviour** of others. (3) It indicates **interpersonal relations** between leaders and followers.

(Also: exercised to achieve common goals; a continuous process.)

Q24(a) (1) **Interpret the policies** framed by top management. (2) Ensure their department has the **necessary personnel**. (3) **Assign duties and responsibilities** to personnel in their department. (Also: motivate people; cooperate with other departments; implement and control plans and strategies of top management; responsible for the activities of first-line managers.)

Q24(b) (1) A **tax administration measure**: declaration of unaccounted wealth and payment of tax at a penalty rate. (2) A signal that **tax evasion will no longer be tolerated**. (3) **Channelling savings into the formal financial system**. (4) A move towards a **less-cash economy**, improving tax compliance.

Q25 (i) **Delegation**.
 (ii) (1) **Effective management**: managers get more time to concentrate on important matters.
 (2) **Employee development**: subordinates use their talent and develop for higher positions.
 (3) **Motivation of employees**: entrusting a task shows trust and builds commitment. (Also: facilitates growth with a ready workforce; basis of management hierarchy; better coordination.)

Q26(a) (1) **Motivates employees** to improve performance, as a promotion leads to a chain of promotions. (2) **Simplifies selection and placement**: internal candidates are evaluated more accurately and economically, a reliable source. (3) **Transfer is a tool of training** for higher jobs, and internal recruits need no induction training. (4) Transfer helps **shift surplus staff** to departments with shortages. (5) **Economical**: cheaper than external recruitment.

Q26(b) (1) Improved skills and knowledge lead to a **better career**. (2) **Increased performance** helps them earn more. (3) More efficient in handling machines, so **less prone to accidents**. (4) Higher **satisfaction and morale**.

Q27(a) (i) Planning provides the goals or standards against which actual performance is measured; comparing them shows whether goals are attained and deviations corrected; planning is a prerequisite for controlling.
 (ii) Planning is the basis of coordinating the activities of divisions, departments and individuals; it avoids confusion and misunderstanding and eliminates useless and redundant activities.

Q27(b) (i) **Objectives**: the desired future position management wants to reach, expressed in specific terms and in writing; usually set by top management on broad issues; departments may have their own objectives.
 (ii) **Method**: the prescribed way or manner in which a task is to be performed considering the objective; it deals with one step of a procedure and specifies how it is to be done; it may vary from task to task.

Q28 (1) **Universal applicability**: principles apply to all types of organisations, business and non-business, small and large, public and private, manufacturing and services; the extent of application varies with the nature of the organisation, activity and scale.
 (2) **General guidelines**: principles guide action but give no readymade, straitjacket solutions, as real business situations are complex and dynamic; yet even a small guideline helps to solve a problem.

- Q29** **Management is multidimensional**, with three dimensions: (1) **Management of work**: all organisations exist to perform some work; management translates it into goals and assigns the means to achieve them. (2) **Management of people**: dealing with employees as individuals with diverse needs and behaviour, and as groups. (3) **Management of operations**: a production process involving the flow of input materials and technology to transform inputs into the desired output.
-
- Q30** (1) **Gathering and analysing market information**: to identify customers' needs, opportunities and threats, strengths and weaknesses. (2) **Product designing and development**: makes the product attractive and improves performance, giving a competitive advantage. (3) **Branding**: giving the product a brand name creates differentiation, builds loyalty and promotes sale. (4) **Packaging and labelling**: designing the package and the label with information about the product.
-
- Q31** (1) **Nature of business**: a manufacturing organisation needs more investment in plant and machinery than a trading concern. (2) **Scale of operations**: a large-scale manufacturer needs a bigger plant and more space, so higher fixed capital. (3) **Technology upgradation**: where assets become obsolete sooner and need replacement faster, higher investment in fixed assets is required. (4) **Financing alternatives**: leasing (paying lease rentals) reduces the funds to be invested in fixed assets, lowering fixed capital requirements.
-
- Q32(a)** (i) **Estimating manpower requirements**: knowing how many persons and of what type are needed; it needs workload analysis (number and type needed) and workforce analysis (number and type available), showing whether the firm is under-, over- or optimally staffed. (ii) **Selection**: choosing from the pool of candidates developed at recruitment; it ensures the organisation gets the best among the available and enhances the self-esteem and prestige of those selected. (iii) **Placement and orientation**: placement is the employee occupying the post for which selected; orientation is introducing him to other employees and familiarising him with the rules and policies.
-
- Q32(b)** (i) **Status**: ranking of positions; authority, responsibility, rewards and recognition of a job indicate status; it satisfies psychological, social and esteem needs. (ii) **Organisational climate**: characteristics that describe and distinguish an organisation; autonomy, reward orientation, consideration for employees and risk-taking build a better climate. (iii) **Job security**: stability of future income and work, so employees work with greater zeal; especially important where jobs are few and aspirants many.
-
- Q33** (1) Liquidity and marketability ("could disinvest and reinvest whenever she wanted"). (2) Safety of transactions ("membership... well regulated... legal framework"). (3) Scope for speculation in a restricted, controlled way. (4) Spreading of equity cult ("promote wider share ownership... educating public").
-
- Q34(a)** (i) **Product**: goods, services or anything of value offered for sale, including the extended product (after-sales service, handling complaints, spare parts); decisions on features, quality, packaging, labelling and branding. (ii) **Price**: the amount customers pay to obtain the product; the level of price affects demand; decisions on pricing objectives, factors affecting price, basic price, discounts and credit terms.

(iii) **Promotion:** activities communicating availability, features and merits and persuading customers to buy, using advertising, personal selling, public relations and sales promotion.

- Q34(b)** (i) **Order processing:** products flow from makers to customers through channels while orders flow in reverse; accurate, speedy processing avoids late delivery or wrong quantities and dissatisfaction.
- (ii) **Warehousing:** storing and assorting products to create time utility; needed because goods are produced at a different time from when they are consumed.
- (iii) **Inventory control:** deciding the level of inventory; a higher level gives better service but ties up capital and raises carrying cost, so a balance is kept, based on correct demand forecasts.
-



All the best for your boards!

Complete chapter-wise notes, NCERT solutions and more at **notesbazar.in**