

-Strictly Confidential: (For Internal and Restricted Use Only)
Senior School Certificate Examination
March -----2018-19
Marking Scheme---Business Studies 66/4/1, 66/4/2, 66/4/3

General Instructions:

1. You are aware that evaluation is the most important process in the actual and correct assessment of the candidates. Small mistakes in evaluation may lead to serious problems which may affect the future of the candidates, education system and teaching profession. To avoid mistakes, it is requested that before starting evaluation, you must read and understand the spot evaluation guidelines carefully. Evaluation is a 10-12 days mission for all of us. Hence, it is desired from you too give your best in this process.
2. Evaluation is to be done as per instructions provided in the marking scheme. It should not be done according to one's own interpretation or any other consideration. Marking scheme should be strictly adhered to and religiously followed. However, while evaluating answers which are based on latest information or knowledge and innovative may be assessed and marks be awarded to them.
3. The head examiner has to go through the first five answer scripts evaluated by each evaluator to ensure that evaluation has been carried out as per instructions given in the marking scheme. The remaining answer scripts meant for evaluation shall be given only after ensuring that there is no significant variation in the marking and encircled.
4. If a question has parts, please award marks on the right hand side for each part. Marks awarded for different parts of the question should then be totalled up and encircled in the left hand margin.
5. If a question does not have any parts marks must be awarded in the left hand margin and encircled.
6. If a student has attempted an extra question ,answer of the question deserving more marks should be retained and other answer scored out
7. In a question, if two features/ characteristics/ points are asked but an examinee writes more than two features/ characteristics/ points, say, five, of which first is correct, second is incorrect, the first two should be assessed and the remaining should be ignored.
8. The examiners should acquaint themselves with the instructions given in the Guidelines for Spot Evaluation before starting the actual evaluation.
9. Every examiner should stay full working hours i.e. 8 hours every day and evaluate 25 answer books.

10. It is expected that the marking scheme should be followed objectively to ensure quality evaluation. For instance, if an examinee scores 24 marks, then the marks should not be inflated to 27 simply to pass him/ her.

11. Avoid the following common type of errors committed by the examiners in the pat-

- Leaving answers or parts thereof unassessed in the answer script.
- Giving more marks for an answer than assigned to it or deviation from the marking scheme.
- Wrong transference of marks from the inside pages of the answer books to the title page.
- Wrong question wise totaling on the title page.
- Wrong totaling of marks of the two columns on the title page.
- Wrong grand total.
- Marks in words and figures not tallying.
- Wrong transference of marks from answer books to award list.
- Answer marked as correct but marks not awarded.
- Half or a part of answer marked correct and the rest as wrong but no marks awarded.

12. Marks should be awarded keeping in view the total marks of a particular question and not the total marks of the question paper. For example, if one mark is given to a 3 marks question even if nothing is correct, then that one mark constitutes 33% of the total marks for this answer.

13. The examiner shall also have to certify in the answer book that they have evaluated the answer book strictly in accordance with the value points given in the marking scheme and correct set of question papers.

14. While evaluating the answer scripts, if the answer is found to be totally incorrect, it should be marked as (x) and awarded zero (0) marks.

15. A full scale of marks 0-80 has to be used. Please do not hesitate to award full marks if the answer deserves it. Similarly, wherever an examinee writes an answer upto the mark, his/ her marks should not be deducted unnecessarily.

16. As per the orders of Hon'ble Supreme Court, the candidates would now be permitted to obtain photocopy of the Answer Book on request on payment of the prescribed fee. All examiners/ Head Examiners are once again reminded that they must ensure that evaluation is carried out strictly as per value points for each answer as given in the Marking Scheme.

MARKING SCHEME – 2018-19				
BUSINESS STUDIES				
66/4/2				
66	66	6	EXPECTED ANSWERS / VALUE POINTS	MARKS
/4/	/4/	6		
1	2	/4		
		/3		
SECTION A				
7	1	3	<p>Q. Mahima Jain is the Senior Manager in the Advisory Services Department of Kodes Ltd. She regularly prepares performance reports of her subordinates as a part of the appraisal. Identify the step of the controlling process performed by her.</p> <p>Ans. Measurement of actual performance</p>	1 mark
8	2	4	<p>Q. Ravi Jain was the Chief Executive Officer of Nath Traders. He was worried about the heavy expenditure on advertising. He asked his Finance Manager, Mohit Verma to know the views of the Sales Manager and his team regarding this expenditure. Mohit Verma was thinking of calling a meeting of the Sales Manager and his team after tea-break. But by chance at the time of tea-break, Mohit Verma met with the Sales Manager and his team in the canteen. They all discussed about this expenditure and finalised to give suggestion to reduce this expenditure. Identify the type of organisation which helped the Finance Manager Mohit Verma, the sales Manager and his team in finalising the suggestion</p> <p>Ans. Informal Organisation</p>	1 mark
1	3	5	Q. Principles of management equip the	

			<p>managers to foresee the cause and effect relationships of their decisions and actions so that the wastages associated with a trial and error approach can be overcome. Identify the point of significance of principles of management highlighted here.</p> <p>Ans. Optimum utilization of resources and effective administration.</p>	1 mark
2	4	6	<p>Q. How are ‘Policies’ and ‘Procedures’ interlinked?</p> <p>Ans. ‘Policies’ and ‘Procedures’ are interlinked as procedures are steps to be carried out within a broad policy framework to enforce a policy.</p> <p style="text-align: center;">OR</p> <p>Q. What is meant by ‘Developing Premises’ in the process of planning?</p> <p>Ans. ‘<u>Developing Premises</u>’ in the process of planning means making certain assumptions about future conditions which are considered to be the base upon which plans are to be drawn.</p>	<p>1 mark</p> <p style="text-align: center;">OR</p> <p>1 mark</p>
3	5	7	<p>Q. Why is it said that Controlling is a continuous activity?</p> <p>Ans. <u>Controlling</u> is said to be a continuous activity as it involves a constant review of actual performance to ensure that organizational activities are performed as per the plans.</p> <p style="text-align: center;">OR</p> <p>Q. Why is Controlling called a forward looking function?</p> <p>Ans. <u>Controlling</u> is called a forward looking function because controlling seeks to improve the future performance on the basis of past</p>	<p>1 mark</p> <p style="text-align: center;">OR</p> <p>1 mark</p>

			experience.	
-	6	-	<p>Q What is meant by Labelling?</p> <p>Ans. ‘Labelling ‘ means designing a label and putting it on the product in order to provide useful information about the product.</p> <p style="text-align: center;">OR</p> <p>Q Define Promotion as an element of marketing mix?</p> <p>Ans. ‘Promotion’ as an element of marketing mix means set of tools that are used to communicate information about products to the target customers and persuading them to buy them.</p> <p style="text-align: center;">(or any other correct meaning)</p>	<p style="text-align: center;">1 mark</p> <p style="text-align: center;">OR</p> <p style="text-align: center;">1 mark</p>
-	7	-	<p>Q. Besides a Consumer, name any two parties who can file a complaint before the appropriate consumer forum?</p> <p>Ans. <u>Parties who can file a complaint before the appropriate consumer forum (Any two)</u></p> <p>(i) Any registered consumers’ association; (ii) The Central Government or any State Government; (iii) One or more consumers, on behalf of numerous consumers having the same interest; and (iv) A legal heir or representative of a deceased consumer</p>	<p style="text-align: center;">$=\frac{1}{2} \times 2$ = 1 mark</p>
6	8	2	<p>Q. Koby Ltd. is an 87-year-old reputed consumer goods company. It is known for offering good quality electronic products at reasonable prices. It has branches all over India. It has a large shareholder base. The</p>	

			<p>shareholders desired that some dividend is paid every year on their investments. Company's management understands that it is important to keep the shareholders happy and satisfied. As a matter of policy, they declare a certain amount of dividend every year out of profits rather than reinvesting the whole as retained earnings. Identify the factor affecting dividend decision being highlighted in the above situation.</p> <p>Ans. Shareholders preference</p>	1 mark
SECTION B				
-	9	-	<p>Q. How does planning lead to rigidity and reduce creativity? Explain</p> <p>Ans. <u>Planning leads to rigidity because:</u></p> <ul style="list-style-type: none"> ▪ Plan is drawn with specific targets within a specific time frame ▪ Once the plans are drawn, the managers may not be able to change them ▪ May not be in the best interest of the organisation when circumstances change. <p><u>Planning reduces creativity since</u></p> <ul style="list-style-type: none"> • People tend to think on the same lines as others. • Middle management and other decision makers are neither allowed to deviate from plans nor are they permitted to act on their own. 	<p>1 ½ marks</p> <p style="text-align: center;">+</p> <p>1 ½ marks</p> <p>=3 marks</p>
13	10	1 2	<p>Q. Indian equity markets are going through a phase of boom. There is a huge growth potential for innovative technologies. This has resulted in lots of new ventures vying for a market share and old enterprises trying to</p>	

		<p>keep up with the pace with which changes are taking place in the economy. This technological innovation has helped even smaller businesses to compete on a global scale.</p> <p>Identify and explain the three factors highlighted above which affect the working capital requirements of such enterprises.</p> <p><u>Ans. Factors affecting Working Capital Requirements:</u></p> <p>(i) Business Cycle</p> <p>(ii) Growth Prospects</p> <p>(iii) Level of competition</p>	<p>½ mark for Identifying the factor + ½ mark for its explanation =1 x 3 =3 marks</p>	
-	11	-	<p>Q State any three measures to overcome barriers to effective communication .</p> <p><u>Ans. Measures to overcome barriers to effective communication : (any three)</u></p> <p>(i) <u>Sender should communicate according to the needs</u>, education and understanding levels of receivers.</p> <p>(ii) He should take a <u>proper feedback</u> to improve the communication process and make it more responsive.</p> <p>(iii) He should regularly <u>follow up communication</u> and review the instructions given to subordinates.</p> <p>(iv) He should <u>be aware of language, tone and content of the message</u> to make it understandable to the receiver.</p>	<p>1 mark for each measure =1 x 3 =3 marks</p>

		<p>(v) He should <u>clarify the ideas</u> before communication.</p> <p>(vi) He should <u>consult others</u> before communicating.</p> <p>(vii) He should <u>convey things of help</u> and value to listeners.</p> <p>(viii) He should <u>communicate for present as well as for future</u>.</p> <p>(ix) He should be a <u>good listener</u>.</p> <p style="text-align: center;">OR</p> <p>Q State the role of supervisor in the directing function of management.</p> <p>Ans.</p> <p>(a) <u>Maintaining day to day contact</u> and friendly relations with the workers. He should act as a friend, philosopher and a guide to the workers.</p> <p>(b) <u>Providing good on the job training</u> to the workers to build an efficient team.</p> <p>(c) <u>Building up high morale</u> among workers through good leadership.</p> <p>(d) <u>Giving feedback to the workers</u> after analysing their work and suggesting ways of developing their work skills.</p> <p>(e) <u>Ensuring performance of work</u> according to the targets set.</p> <p>(f) To <u>oversee the efforts</u> of the workforce.</p> <p>(g) To <u>ensure that the quality of output is maintained</u> and wastage of material is minimized.</p> <p>(h) To <u>ensure safety standards are maintained</u>.</p> <p>(If an examinee has given only the heading, ½ mark for each heading should be awarded)</p>	<p>1 mark for each point</p> <p>=1 x 3</p> <p>=3 marks</p>
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10	12	9	<p>Q.KavitaGhai was the Managing Director of a restaurant in Lucknow called ‘Healthy Kitchen’. The restaurant was doing well and the volume of work started increasing slowly and steadily. KavitaGhai was not able to manage all the work on her own. The increasing magnitude of work made it impractical for her to handle it all by herself. Moreover her objective is to open more branches of this restaurant at different places. She appointed Nikhil Gupta, as a General Manager of ‘Healthy Kitchen’, Lucknow and gave him the right to command his subordinates and to take action within the scope of his position. For smooth running of the restaurant she also gave him authority to hire and train the staff as per the requirements.</p> <p>KavitaGhai was satisfied with the work of Nikhil Gupta and was able to open other branches of the restaurant in Agra and Kanpur also.</p> <p>(a) Identify the concept followed by KavitaGhai which helped her to open the new branches of the restaurant.</p> <p>(b) Also, explain briefly the two points of importance of the concept identified in (a) above</p> <p>Ans. (a) Delegation of authority</p> <p>(b) Importance of Delegation of authority : (Any two)</p> <p>(i) Effective management (ii) Employee development (iii) Motivation of employees (iv) Facilitation of growth (v) Basis of management hierarchy (vi) Better coordination.</p> <p>(If an examinee has not given the headings as above but has given the correct explanation,</p>	<p>1 mark + ½ mark for heading + ½ mark for explan- ation = 1x2=</p>
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			full credit should be given)	2 Marks 1+2= 3 marks
11	13	1 0	<p>Q.Explain with the help of any three points how proper Financial Planning enables the companies to tackle the uncertainty in respect of availability and timings of funds and helps in smooth functioning of the organisation.</p> <p>Ans. <u>Financial planning enables the management to tackle the uncertainty in respect of availability and timing of funds and helps in smooth functioning of the organization</u> by: (any three)</p> <p>(i)Helping in forecasting what may happen in future, it makes the firm better prepared to face the future situations.</p> <p>(ii) Helping in avoiding business shocks and surprises and prepares the company for it.</p> <p>(iii) Helping in co-ordinating various business functions by providing clear policies and procedures.</p> <p>(iv) Detailed plans of action reduce waste, duplication of efforts and gaps in planning.</p> <p>(v) Financial plan serves as a control technique by making the evaluation of actual performance easier.</p> <p>(vi)Linking the present with the future.</p> <p>(vii) Providing a link between investment and financing decisions.</p> <p style="text-align: center;">OR</p>	<p>=1 mark for each point =1 x 3 =3 marks</p>

		<p>Q_How do debt and equity differ in their costs and risks involved? Explain.</p> <p><u>Ans.</u>Debt and Equity differ in their costs and risks involved</p> <p>Cost <u>The cost of debt is lower than the cost of equity for a firm because the lender requires a lower rate of return as his risk is lower than the equity shareholder.</u> Moreover, interest paid on debt is a tax deductible expense whereas dividends are paid out of after-tax profits.</p> <p>Risk <u>Debt is more risky for a business because the payment of interest and the return of principal amount are obligatory for the business which increases the financial risk of a company whereas there is no such compulsion in case of equity, making it riskless for the company.</u></p>	<p>1 ½ marks</p> <p>+</p> <p>1 ½ marks</p> <p>=</p> <p>3 marks</p>
		SECTION C	
	14	<p>Q State any four functions performed by non-governmental organisations for protection and promotion of interest of consumers?</p> <p>Ans. Functions performed by NGO (any four):</p> <p>(i)<u>Educating the general public</u> about consumer rights.</p> <p>(ii) <u>Publishing periodicals and other publications.</u></p> <p>(iii) Carrying out comparative <u>testing of consumer products.</u></p> <p>(iv) Encouraging consumers to strongly <u>protest and take action</u> against unscrupulous, exploitative and unfair trade practices of sellers.</p> <p>(v) Providing <u>legal assistance</u> to consumers.</p> <p>(vi) <u>Filing complaints</u> in appropriate consumer</p>	<p>1 x 4</p> <p>= 4 marks</p>

courts on behalf of the consumers.
(vii) Taking initiative in filing cases in consumer courts in the interest of the general public.

OR

Q A Consumer should keep in mind certain responsibilities while purchasing , using and consuming goods and services. State any four such responsibilities of a consumer.

Responsibilities of consumers (Any four):

(i) Be aware about various goods and services available in the market so that an intelligent and wise choice can be made.

(ii) Buy only standardised goods as they provide quality assurance. Thus, look for ISI mark on electrical goods, FPO/FSSAI mark on food products, Hallmark on jewellery etc.

(iii) Learn about the risks associated with products and services, follow manufacturer's instructions and use the products safely.

(iv) Read labels carefully so as to have information about prices, net weight, manufacturing and expiry dates, etc.

(v) Assert yourself to ensure that you get a fair deal.

(vi) Be honest in your dealings. Choose only from legal source and discourage unscrupulous practices like black-marketing, hoarding etc.

(vii) Ask for a cash memo on purchase of goods or services. This would serve as a proof of the

1 x 4

= 4 marks

		<p><u>purchase made.</u></p> <p>(viii) <u>File a complaint in an appropriate consumer forum</u> in case of a shortcoming in the quality of goods purchased or services availed. Do not fail to take an action even when the amount involved is small.</p> <p>(ix) <u>Form consumer societies</u> which would play an active part in educating consumers and safeguarding their interests.</p> <p>(x) Respect the environment. Avoid waste, littering and contributing to pollution.</p>	
18	15	<p>1 9</p> <p>Q. Vandana Public School had a vacancy of a Mathsteacher. They were looking for a smart and creative teacher having a drive for excellence. An advertisement was given in all leading dailies. Since the response was huge, the school examined all the application forms and rejected the candidates who did not have the necessary qualifications. Thereafter, a test was conducted to measure the existing skills of the candidates. After that it was followed by a formal in-depth conversation with the Principal of the school and a panel of Maths experts.</p> <p>(a) Explain the steps that have been performed by Vandana Public School in the process of identifying and choosing the best candidate.</p> <p>(b) Give the name and also the meaning of the test which was conducted by the school.</p> <p>Ans.</p> <p><u>(a) Steps performed by Vandana Public School in the process of identifying and choosing the best candidate:</u></p>	<p>½ mark for naming the step</p>

			<p>(i) Preliminary Screening</p> <p>(ii) Selection Tests</p> <p>(iii) Employment Interview</p> <p>(b) <u>Trade test</u> was conducted by the school to measure the existing skills possessed by the candidates.</p>	<p>+ ½ mark for its explanation =1 x 3 =3 marks + ½ mark for naming the test + ½ mark for its meaning =1 mark = 3+ 1 marks = 4 marks</p>
19	16	1 4	<p>Q.Financial market is a market for creation and exchange of financial assets. It helps to link the savers with the investors and directs available funds into their most productive investment opportunity. It also facilitates easy purchase and sale of financial assets through the stock exchange. The stock exchange not only facilitates buying and selling of existing securities but also educates public about how their investments in the financial market can yield good returns.</p> <p>(a) State two functions performed by financial market in the above case.</p> <p>(b) Explain two more functions of the stock exchange, other than those stated in the above case.</p> <p>Ans. (a) <u>Functions performed by Financial market:</u></p> <p>(i) It <u>mobilises savings and channelises</u> them</p>	<p>1 mark for each</p>

		<p>into most productive use.</p> <p>(ii) It provides <u>liquidity to financial assets</u> by facilitating easy purchase and sale of securities through stock exchanges.</p> <p>(b) <u>Functions of stock exchange, other than those stated in the above case(any two):</u></p> <p>(i) Pricing of securities (ii) Ensures safety of transactions (iii) Contributes to economic growth (iv) Provides scope for speculation</p> <p>(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)</p>	<p>function = 1 x 2 = 2 marks</p> <p>+</p> <p>½ mark for naming the function +</p> <p>½ mark for its explanation = 1 x 2 = 2 marks</p> <p>= 2 +2 = 4 marks</p>
14	17	<p>1 5</p> <p>Q.In an environment of rising petroleum prices and a large middle class population in India, KV Motors Ltd. recognized the need for small cars in India. It created a product far superior than their competitors not only in terms of quality but also in terms of overall driving experience. It soon became the leader in the small car market. As the Indian government was encouraging foreign investment, MNCs having a big name in car manufacturing entered the Indian market.</p> <p>KV Motors further expanded its service network and quality creating an entry barrier for the competitors. It depicted its strengths through various brand-building activities. As a result, the market share of KV Motors is refusing to go down in spite of all major automakers as its competitors.</p> <p>(a) Identify the economic reforms highlighted in the above case.</p>	

		<p>(b) Quoting the lines, explain any two points of importance of Business Environment being highlighted in the above case.</p> <p>Ans. (a) Liberalisation and Globalisation</p> <p>(b) Importance of Business Environment (Any two)</p> <p>(i) It helps the firm to identify opportunities and get the first mover advantage.</p> <p><i>“KV Motors Ltd. recognized the need for small cars in India.”</i></p> <p>(ii) It helps the firm in improving performance.</p> <p><i>“It created a product far superior than their competitors not only in terms of quality but also in terms of overall driving experience. It soon became the leader in the small car market.</i></p> <p>(iii) It helps the firm in planning and policy formulation.</p> <p><i>“KV Motors further expanded its service network and quality creating an entry barrier for the competitors. It depicted its strengths through various brand-building activities.”</i></p> <p>(Full credit is to be given only if the examinee has given the correct explanation also in the answer)</p>	<p>$\frac{1}{2}$ mark for each reform = 1 mark</p> <p>+</p> <p>$\frac{1}{2}$ mark for quoting the line</p> <p>+</p> <p>$\frac{1}{2}$ mark for naming the point of importance</p> <p>+</p> <p>$\frac{1}{2}$ mark for explanation = $1 \frac{1}{2} \times 2$ = 3 marks</p> <p>=1 +3 marks</p> <p>=4 marks</p>
15	18	1 6	<p>Q. Differentiate between Money Market and Capital Market on the following basis:</p> <p>(a) Expected return</p> <p>(b) Safety</p>

(c) Liquidity

(d) Instruments

Ans. Difference between Money Market and Capital Market

Basis	Money Market	Capital Market
(a) Expected Return	Money market securities yield comparatively less return.	Generally capital market securities yield a higher return than money market instruments.
(b) Safety	Money market securities are comparatively safer.	Capital market securities are riskier than money market instruments.
(c) Liquidity	Money market securities are comparatively more liquid.	Capital market securities are comparatively less liquid.
(d) Instruments	Instruments like treasury bill, commercial paper, certificates of deposit, call money and commercial bill are traded in money market.	Instruments like shares, debentures and bonds are traded in Capital market.

**1 mark for each correct difference
= 1 x 4
= 4 marks**

OR

Q. Differentiate between Primary Market and Secondary Market on the following basis:

(a) Company involvement

(b) Price determination

(c) Location

(d) Capital formation

Ans. Difference between Primary Market and Secondary Market

Basis	Primary Market	Secondary Market
(a) Company Involvement	Securities are sold by the company to the investors.	Ownership of existing securities is exchanged between investors; company is not involved.
(b) Price determination	Prices are determined by the management of the company.	Prices are determined by the forces of demand and supply of securities.
(c) Location	No fixed geographical location.	Located at specified places.
(d) Capital Formation	Directly promotes Capital formation.	Indirectly promotes Capital formation.

**1 mark for each correct difference
= 1 x 4
= 4 marks**

16

19

1
7

Q. Mudit Gupta set up 'Healthy Biscuits', a company manufacturing various kinds of biscuits like oat biscuits, soya biscuits, ragi biscuits and wholewheat biscuits. He knew that a customer would only pick up a small

		<p>quantity of the product, so he did not want to invest in starting his own retail outlets. He planned to market the product at the ‘In and Out’ stores at various petrol pumps in the city though the other biscuit manufacturers were using other channels of distribution.</p> <p>(a) Give the meaning of ‘Channels of Distribution’.</p> <p>(b) Name the factors that affected the determination of choice of channels and state how they will affect the determination of choice of channels of distribution in the above case.</p> <p>Ans. (a) Channels of Distribution mean a set of individuals and firms that take title, or assist in transferring title to particular goods or services as it moves from the producers to the consumers.</p> <p>(b) <u>Factors affecting determination of choice of channels</u></p> <p>(i)Product related factors: Since the product is a consumer product, its unit value is low and is standardized, longer channels should be used.</p> <p>(ii)Market related factor: Since the size of order of biscuits for ‘Healthy Biscuits’ was small, large number of intermediaries were used.</p> <p>(iii)Competitive factor: The company decided to be different from the choice of channel selected by the competitors, so it decided to market the product at the ‘In and Out’ stores at various petrol pumps in the city.</p>	<p>1 mark +</p> <p>½ mark for naming the factor +</p> <p>½ mark for stating the effect = 1 x 3 =3 marks =1+ 3 =4 marks</p>
		SECTION D	
22	20	2 1	<p>Q.‘Newrange’ is a chain of departmental stores in India with 56 outlets. It sells the best products at the lowest price. The Human Resource department takes care to select, train, motivate and retain the employees.</p>

		<p>Currently, it has 170 full time employees and 30 part time employees.</p> <p>For top-level management, employees are recruited through private consultants. These professional recruiters can entice the needed top executives from other companies by making the right offers. Employees appointed at the entry level are recruited through walk-in. For that, a notice is placed on the notice board specifying the details of the jobs available. 'Newrange' also encourages present employees or their friends and relatives to refer candidates. They also visit some of the reputed educational institutions to hire some of the most talented and promising students as its employees. 'Newrange' shifts workforce from surplus departments to those where there is shortage of staff instead of laying them off.</p> <p>Explain the various internal and external sources of recruitment used by 'Newrange' to recruit its employees.</p> <p><u>Ans.Sources of recruitment used by 'Newrange'</u></p> <p>(i) <u>Internal</u></p> <ul style="list-style-type: none"> • Transfers <p>(ii) <u>External</u></p> <ul style="list-style-type: none"> • Placement Agencies and Management Consultants • Direct Recruitment • Recommendations of Employees • Campus recruitment 	<p>½ mark for identifying + ½ mark for explanation = 1 mark</p> <p>=1 x 5 = 5 marks</p>
20	21	2 2	<p>Q. Since childhood Niru and Janak had been watching their grandmother procuring wheat form the market, washing it well drying it and getting it converted into atta. They conducted a survey to collect data to identify whether there is demand for readymade atta</p>

		<p>and realised that with the growing number of working women, it is the need of the hour to manufacture high quality atta. They named their product ‘Srijan’ and set up ‘Srijan Atta Factory’ at Jaunpur Village. To penetrate in the market, they decided to keep the price low. For maintaining smooth flow of their product into the market and avoiding delays in delivery, it was decided to store wheat at SKM Services which had scientific processes and logistics facilitating quick delivery. They also set up an online complaint portal to take care of consumer grievances.</p> <p>By quoting the lines from the above paragraph, state five marketing functions undertaken by Niru and Janak for successful marketing of ‘Srijan’ atta.</p> <p><u>Ans. Marketing functions undertaken by Niru and Janak:</u></p> <p><u>(i) Gathering and analyzing market information</u> is necessary to identify the needs of the customers and take various decisions for successful marketing of products and services.</p> <p><i>“They conducted a survey to collect data to identify whether there is demand for readymade atta and realised that with the growing number of working women, it is the need of the hour to manufacture high quality atta.”</i></p> <p><u>(ii) Branding</u> is the process of giving a name/sign/symbol to the product in order to distinguish the product from that of competitors.</p> <p><i>“They named their product ‘Srijan’”</i></p>	<p>1 mark for each point along with quoting</p>
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		<p>(iii) <u>Pricing</u> of product involves fixation of price of a product and taking various related decisions like pricing strategies. <i>“To penetrate in the market, they decided to keep the price low.”</i></p> <p>(iv) <u>Storage or warehousing</u> refers to arranging for proper storage of goods to maintain smooth flow of goods in the market and avoid delay in delivery. <i>“For maintaining smooth flow of their product into the market and avoiding delays in delivery, it was decided to store wheat at SKM Services which had scientific processes and logistics facilitating quick delivery. ”</i></p> <p>(v) <u>Customer support Services</u> aim at providing maximum satisfaction to the customers for developing brand loyalty for a product. <i>“They also set up an online complaint portal to take care of consumer grievances.”</i></p>	<p>= 1 x 5</p> <p>=5 marks</p>
22	<p>Q Explain any five characteristics of management.</p> <p>Ans. <u>Characteristics of management (Any five):</u> (i) Goal oriented (ii) Pervasive (iii) Multidimensional (iv) Continuous Process (v) Group activity (vi) Dynamic function (vii) Intangible force (If an examinee has given only the heading, ½ mark for each heading should be awarded)</p> <p style="text-align: center;">OR</p> <p>Q What is meant by Coordination? Why is</p>	<p>½ mark for naming</p> <p style="text-align: center;">+</p> <p>½ mark for explanation = 1 x 5 =5 marks</p>	

		<p>coordination important in an organization? Explain. <u>Meaning of Coordination</u> Coordination is the process by which activities of different departments are synchronized to ensure unity of action. (or any other correct meaning)</p> <p><u>Importance of Coordination:</u></p> <p>(i) Growth in size</p> <p>(ii) Functional Differentiation</p> <p>(iii) Specialisation</p> <p>(If an examinee has given only the heading, ½ mark for each heading should be awarded)</p>	<p>2mark for meaning + ½ mark for naming + ½ mark for explanation = 1 x 3 = 2+3 = 5 marks</p>
SECTION E			
25	23	2 4	<p>Q.Vishesh completed his MBA at a reputed business school in Lucknow. He was impressed by the Principles and Techniques of Scientific Management developed by F.W. Taylor. On completing his MBA, he wanted to apply scientific Management in his family’s business of fast food chain of restaurants named ‘Burger Mania’.</p> <p>His main goal was to reduce costs with increased output. To begin with, he wanted to develop a standard method which would be followed throughout the organisation. So, he investigated traditional methods through work study and unified the best practices.</p>

		<p>The standard method, i.e. the best way of doing the job was then developed taking into account all parameters right from the procurement of raw materials till the delivery of the final product to the customer. Vishesh also believed that each person should not only be scientifically selected but should also be given the required training to increase efficiency. For this, he set up a Special Training Unit called ‘Hamburger’ in Bengaluru where the workers were given the required training to increase efficiency. For this, he set up a workers were given the required training to learn the best method. At the factory, the ingredients making up a burger were strategically placed to reduce the time taken for excess movements. The standard time and other parameters were determined on the basis of work study and Vishesh rewarded the workers for meeting the standard output.</p> <p>Now, ‘Burger Mania’ has standardised processes, raw material, time, machinery, product and working conditions that ensure the food they send out to their customers has the same high standards of excellence and level of quality in every chain or franchise. The application of Scientific Management to every aspect of restaurant operations led to ‘Burger Mania’s’ widespread success. Quoting the lines from the above, explain the Principles and Techniques of ‘Scientific Management’ used by ‘Burger Mania’</p> <p><u>Ans. The Principles and Techniques of ‘Scientific Management’ used by ‘Burger Mania’ are:(Any six)</u></p> <p><u>Principles of scientific management</u></p> <ul style="list-style-type: none"> • <u>Science, not rule of thumb</u> 	
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		<p><i>“To begin with, he wanted to develop a standard method which would be followed throughout the organisation. So, he investigated traditional methods through work study and unified the best practices.”</i></p> <ul style="list-style-type: none"> • <u>Development of each and every person to his/her greatest efficiency and prosperity</u> <i>“Vishesh also believed that each person should not only be scientifically selected but should also be given the required training to increase efficiency.”</i> <p><u>Techniques of scientific management</u></p> <p><u>Method study</u> <i>“The standard method, i.e. the best way of doing the job was then developed taking into account all parameters right from the procurement of raw materials till the delivery of the final product to the customer.”</i></p> <p><u>Motion study</u> <i>“At the factory, the ingredients making up a burger were strategically placed to reduce the time taken for excess movements.”</i></p> <p><u>Time study</u> <i>“The standard time and other parameters were determined on the basis of work study</i></p> <p><u>Standardization (Standardization and Simplification of Work)</u> <i>“Now, ‘Burger Mania’ has standardised processes, raw material, time, machinery, product and working conditions that ensure the food they send out to their customers has the same high standards of excellence and level of quality in every chain or franchise.”</i></p>	<p>½ mark for quoting the line + ½ mark for explaining the principle/ technique</p> <p>1 x 6 = 6 marks</p>
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		<p><u>Differential piece wage system</u> <i>“Vishesh rewarded the workers for meeting the standard output.”</i></p> <p>(Full credit is to be given only if the examinee has given the correct explanation also in the answer)</p>																
24		<p>Q Differentiate between Formal Organisation and Informal Organisation on any six bases.</p> <p>Ans.</p> <table border="1"> <thead> <tr> <th>Basis</th> <th>FORMAL ORGANISATION</th> <th>INFORMAL ORGANISATION</th> </tr> </thead> <tbody> <tr> <td>(i) Meaning</td> <td>Structure of authority relationships created by the management.</td> <td>Network of social relationships arising out of interaction of employees.</td> </tr> <tr> <td>(ii) Origin</td> <td>Arises as a result of company rules and policies</td> <td>Arises as a result of social interaction</td> </tr> <tr> <td>(iii) Authority</td> <td>Authority arises by virtue of position in management.</td> <td>Authority arises out of personal qualities.</td> </tr> <tr> <td>(iv) Flow of communication</td> <td>Communication takes place through the scalar chain.</td> <td>Communication does not take place through a planned route,</td> </tr> </tbody> </table>	Basis	FORMAL ORGANISATION	INFORMAL ORGANISATION	(i) Meaning	Structure of authority relationships created by the management.	Network of social relationships arising out of interaction of employees.	(ii) Origin	Arises as a result of company rules and policies	Arises as a result of social interaction	(iii) Authority	Authority arises by virtue of position in management.	Authority arises out of personal qualities.	(iv) Flow of communication	Communication takes place through the scalar chain.	Communication does not take place through a planned route,	<p>1 x 6</p> <p>=6marks</p>
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				it can take place in any direction.		
			(v) Behaviour	Directed by rules	No set behavior pattern	
			(vi) Nature	Rigid	Flexible	
			(vii) Leadership	Managers are leaders.	Leaders may or may not be managers. They are chosen by the group.	
			OR			
			Q Explain any four limitations of planning function of management.			
			Ans. Limitations of planning(any four):			
			(i) Leads to rigidity			
			(ii) May not work in a dynamic environment.			
			(iii) Reduces creativity			
			(iv) Involves huge costs.			
			(v) Time consuming			
			(vi) Does not guarantee success			
			(If an examinee has given only the heading, ½ mark for each heading should be awarded)			
24	25	2 3	Q. Three friends, Rajat, Raman and Ansh, after completing their MBA from a reputed business school at Mumbai, were discussing about the type of organisation they would like to join. Rajat was very clear that he would like to take up a government job as it gives stability about the future income and work which will help him to work with greater zeal. It will also provide him pension when he will retire from his service.			
					½ mark for each point + 1 mark for explanation = 1 ½ x 4 = 6 marks	

		<p>Raman wanted to work in a company, which has appropriate skill development plans for its employees and helps the employees to grow to higher levels in the organisation. In addition to this, the company should also provide facilities like housing, medical aid, etc.</p> <p>Ansh said that he would prefer to work in an organisation, which has the culture of individual autonomy, is considerate to employees and provides the employees with opportunity for personal growth and a meaningful work experience.</p> <p>(a) Identify the various financial and non-financial incentives discussed by the three friends in the above conversation.</p> <p>(b) Explain three other non-financial incentives which were not discussed by any one of them.</p> <p>Ans.(a) <u>Financial and non-financial incentives discussed by the three friends in the above conversation.</u></p> <p>(i) Financial incentives</p> <ul style="list-style-type: none"> • Retirement benefits • Perquisites <p>(ii) Non- Financial incentives</p> <ul style="list-style-type: none"> • Job security • Career advancement opportunity • Organizational climate • Status <p>(b)<u>other non-financial incentives which were not discussed by any one of them (any three)</u></p> <ul style="list-style-type: none"> • Job enrichment • Employee recognition • Employee participation • Employee empowerment 	<p>½ mark for each incentive = ½ x 6 =3 marks + ½ mark for each incentive + ½ mark for its explanation = 1 x 3 = 3marks = 3+3 marks = 6 marks</p>
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