

MARKING SCHEME

Senior Secondary School Examination, 2023
BUSINESS STUDIES (Subject Code — 054)
[Paper Code — 66/3/1]

Q. No.	EXPECTED ANSWER / VALUE POINTS	Marks
1.	<p>Q. Sarita bought a flat from Sugan Developers for ₹5 crore and was shocked to discover that the quality of construction was bad, roof leaked during the rainy season and plaster was coming off at various places. Which consumer forum should she approach for redressal of her grievance?</p> <p>(a) District Commission (b) State Commission (c) National Commission (d) Supreme Court</p> <p>Ans.(b) State Commission</p>	1 mark
2.	<p>Q. In a recent ruling, the Supreme Court of India has ordered an immediate stop on commercial activities in a 500-metre radius of the Taj Mahal and asked Agra Development Authority to ensure compliance of its directive. Which dimension of business environment is reflected here?</p> <p>(a) Social (b) Technological (c) Legal (d) Political</p> <p>Ans (c) Legal</p>	1 mark
3.	<p>Q.'Compro Solutions' offers IT services to clients across the country. During Covid-19, to accommodate changes taking place in the business environment, it suitably modified its organisation structure in a way that work from home became the new way of working for all employees bringing cost benefits and flexibility in the organisation. The point of importance of organising discussed above is:</p>	

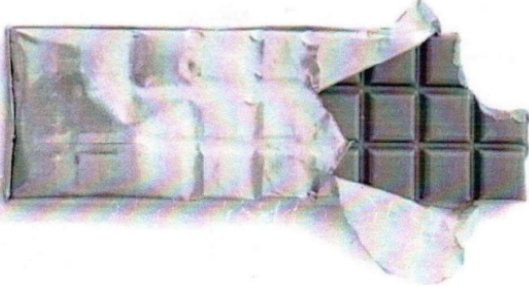
	<p>(a) Benefits of specialisation (b) Adaptation to change (c) Development of personnel (d) Clarity in working relationships</p> <p>Ans. (b) Adaptation to change</p>	1 mark
4.	<p>Q. Which of the following is not a part of social environment of Business?</p> <p>(a) Life expectancy (b) Education system and literacy rates (c) Consumption habits (d) Money supply in the economy</p> <p>Ans (d) Money supply in the economy</p>	1 mark
5.	<p>Q. Which of the following is not a function of middle level management?</p> <p>(a) Analysing the business environment and its implications for survival of the firm. (b) Interpreting the policies framed by top management. (c) Ensuring that their department has necessary personnel (d) Motivating people in their department to achieve desired objectives.</p> <p>Ans (a)Analysing the business environment and its implications for survival of the firm.</p>	1 mark
6.	<p>Q. These days consumers are making eco-friendly and healthy choices and are saying no to all things made of plastic and replacing it with stainless steel and ceramic containers, thus forcing business to change as well. Identify the feature of business environment highlighted above:</p> <p>(a) Totality of external sources (b) Specific and general forces (c) Inter-relatedness</p>	

	<p>(d)Dynamic nature</p> <p>Ans (d) Dynamic nature</p>	1 mark
7.	<p>Q. Government of India demonetised notes of ₹500 and ₹1000 on November 8, 2016. Demonetisation means:</p> <p>(a) They ceased to be legal tender except for a few specified purposes.</p> <p>(b) These notes could not be banked but could be freely used otherwise.</p> <p>(c) These notes could be converted into gold coins from Reserve Bank of India.</p> <p>(d) These notes could be used for household purposes but not for business purposes.</p> <p>Ans (a) They ceased to be legal tender except for a few specified purposes.</p>	1 mark
8.	<p>Q. Taylor called for complete mental revolution on the part of both management and workers. It meant that management and workers should transform their thinking. Management should share the gains of the company, if any, with the workers. At the same time, workers should work hard and be willing to embrace change for the good of the company. The principle of management highlighted above is:</p> <p>(a) Science, not the Rule of Thumb</p> <p>(b) Cooperation, not Individualism</p> <p>(c) Harmony, not Discord</p> <p>(d)Development of Each and Every Person to His or Her Greatest Efficiency and Prosperity</p> <p>Ans (c) Harmony, not Discord</p>	1 mark
9.	<p>Q. Keya Ltd. is a large organisation manufacturing a popular brand of desi ghee and supplying it to various states of India. They manufacture 10,000 litres of desi</p>	

	<p>ghee every day and pack in cartons of 250 ml, 500 ml and 1 litre sizes. The production manager ensures that one out of every ten cartons of each size is checked for quality control everyday.</p> <p>The step of the controlling process discussed in the above para is:</p> <p>(a) Setting performance standards (b) Measurement of actual performance (c) Comparison of actual performance with standards (d) Analysing deviations</p> <p>Ans (b) Measurement of actual performance</p>	1 mark
10.	<p>Q. Prateek Singh opened a jewellery store Fashion Jewels' offering workwear, light jewellery with modern designs for young working women. Good jewellery designs not only made the jewellery attractive for young working women but also gave him a competitive edge in the market. The jewellery was a hit with working women and 'Fashion Jewels' was able to report a profit of ₹3 crore in the first year itself. The function of marketing performed by Prateek Singh in the above case was:</p> <p>(a) Packaging and labelling (b) Promotion (c) Customer support service (d) Product designing and development</p> <p>Ans (d) Product designing and development</p>	1 mark
11.	<p>Q. The process that initiates implementation of plans by clarifying jobs and working relationships and effectively deploying resources for attainment of identified and desired results is known as:</p> <p>(a) Organising (b) Controlling (c) Staffing (d) Planning</p>	

	Ans (a) Organising	1 mark
12.	<p>Q. Identify the correct sequence of two-level-channel of distribution:</p> <p>(a) Manufacturer → Retailer → Agent → Customer</p> <p>(b) Manufacturer → Consumer → Retailer → Wholesaler</p> <p>(c) Manufacturer → Agent → Customer → Retailer</p> <p>(d) Manufacturer → Wholesaler → Retailer → Consumer</p> <p>Ans (d) Manufacturer → Wholesaler → Retailer → Consumer</p>	1 mark
13.	<p>Q. _____ has been established with the specific objective of providing a ready market for money market instruments.</p> <p>(a) Discount Finance House of India</p> <p>(b) Securities and Exchange Board of India</p> <p>(c) Reserve Bank of India</p> <p>(d) State Bank of India</p> <p>Ans (a) Discount Finance House of India</p>	1 mark
14.	<p>Q. Rahul wants to buy shares of ‘Rexter Ltd.’ which are being traded at the National Stock Exchange. He feels that the share prices will go up in the future. Which market should he approach for this purpose?</p> <p>(a) Money market</p> <p>(b) Primary market</p> <p>(c) Secondary market</p> <p>(d) Both (b) and (c)</p> <p>Ans (c) Secondary market</p>	1 mark
15.	<p>Q. Statement I: Values are general rules for behaviour of individuals in society formed on the basis of common practise and principles after research in work situations.</p>	

	<p>Statement II: While practising principles of management, values cannot be neglected as businesses have to fulfil social and ethical responsibilities towards society.</p> <p>Choose the correct option from the options given below:</p> <p>(a) Statement I is true and II is false. (b) Statement II is true and I is false. (c) Both the statements are true. (d) Both the statements are false.</p> <p>Ans (c) Both the statements are true.</p>	<p>1 mark</p>
<p>16.</p>	<p>Q. Which of the following is a development function of Securities and Exchange Board of India?</p> <p>(a) Training of intermediaries of the securities market (b) Promotion of fair practices and code of conduct in the securities market (c) Undertaking steps for investor protection (d) Prohibition of fraudulent and unfair trade practices</p> <p>Ans (a) Training of intermediaries of the securities market</p>	<p>1 mark</p>
<p>17.</p>	<p>Q. The element of promotion mix which involves a variety of programmes designed to promote or protect a company's image and its individual products in the eye of the public is:</p> <p>(a) Personal selling (b) Public relations (c) Marketing (d) Sales promotion</p> <p>Ans (b) Public relations</p>	<p>1 mark</p>

<p>18.</p>	 <p>The level of packaging of the chocolate shown in the picture below is:</p> <p>(a) Secondary packaging (b) Transportation packaging (c) Designer packaging (d) Primary packaging</p> <p>Ans (d) Primary packaging</p>	<p>1 mark</p>								
<p>19.</p>	<p>Q. The process of holding securities in electronic form is called dematerialisation. Which of the following statement does not relate to dematerialisation?</p> <p>(a) Smooth transfer and settlement of trade through a single account in shares (b) Demat securities can be pledged or hypothecated to get loans (c) No danger of loss, theft or forgery of share certificates (d) Existing physical shares cannot be converted into electronic form</p> <p>Ans (d) Existing physical shares cannot be converted into electronic form</p>	<p>1 mark</p>								
<p>20.</p>	<p>Q. Match the various communication barriers given in Column II with their respective categories given in Column I:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"><i>Column I</i></td> <td style="width: 50%; vertical-align: top;"><i>Column II</i></td> </tr> <tr> <td>P. Semantic Barriers</td> <td>(i) Distrust</td> </tr> <tr> <td>Q. Psychological Barriers</td> <td>(ii) Lack of proper incentives</td> </tr> <tr> <td>R. Organisational Barriers</td> <td>(iii) Symbols with</td> </tr> </table>	<i>Column I</i>	<i>Column II</i>	P. Semantic Barriers	(i) Distrust	Q. Psychological Barriers	(ii) Lack of proper incentives	R. Organisational Barriers	(iii) Symbols with	
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	<p style="text-align: right;">different meanings</p> <p>S. Personal Barriers (iv) Status</p> <p>(a) P-(i), Q-(ii), R-(iii), S-(iv) (b) P-(iv), Q-(iii), R-(i), S-(ii) (c) P-(iii), Q-(i), R-(iv), S-(ii) (d) P-(iii), Q-(ii), R-(iv), S-(i)</p> <p>Ans (c) P-(iii), Q-(i), R-(iv), S-(ii)</p>	1 mark
21.	<p>Q. Praveen and Naveen are friends. Praveen became a professional after completing his MBBS from ‘Hindu Medical College’. Naveen completed his MBA from IIM, Bangalore. In a discussion with Praveen, Naveen said that he too is a professional and is working with a multinational company as a senior manager getting a good package. Praveen was not convinced about the fact that Naveen was a professional in spite of being aware that nowadays there is increasing emphasis on managed business concerns. Praveen gave three reasons in support of his opinion. Explain the three reasons that Praveen might have given.</p> <p>Ans. <u>Reasons that Praveen might have given (Any three):</u></p> <p>Restricted entry – There is no restriction on anyone being appointed as manager in any business enterprise, irrespective of the educational qualifications possessed as compared to other professions like a doctor, a lawyer, etc</p> <p>Professional Association – There are several associations of practicing managers in India, like the AIMA (All India Management Association), however, there is no compulsion for managers to be members of such an association nor does it have any statutory backing unlike other professions.</p> <p>Ethical code of conduct: All professionals are bound by a code of conduct which guides the behaviour of its</p>	<p>1 mark for each reason</p> <p>=1 x 3</p> <p>=3 marks</p>

	<p>members, which may not be followed by manager though AIMA has laid down a code of conduct to regulate the activities of their members.</p> <p>Service motive– The basic purpose of management is to serve their clients interests by rendering dedicated and committed service whereas the basic purpose of management is to help the business organisation to achieve its stated goal which is profit maximisation.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p>	
22.	<p>Q. Human resources are the most important asset of an organisation. The ability of an organisation to achieve its goal depends upon the quality of its human resources. The General Manager of 'Allied and Sons' appointed an IIM graduate, Pawan Rai, specialised in finance as Marketing Manager. On monthly evaluation, it was found that Pawan Rai's performance was not up to expectations and he was not able to meet the monthly targets of the organisation. The Chief Executive Officer (CEO) of the company asked for investigation into the matter. The CEO was told that Pawan Rai has specialisation in finance but was appointed as a Marketing Manager. The CEO discussed this matter with the General Manager and explained to him the importance of putting the right person at the right job. He further explained that it would not only lead to higher performance but would also provide many other benefits. Besides the benefits of putting the right man at the right job, state the three other benefits which the CEO might have explained to the General Manager that are not given in the above para.</p> <p>Ans <u>Benefits of Staffing (any three):</u></p> <p>(i) It helps in discovering and <u>obtaining competent personnel</u> for various jobs.</p>	<p>1 mark for each benefit</p> <p>= 1 x 3</p>

	<p>(ii) It ensures continuous <u>survival and growth</u> of the enterprise through the succession planning for managers.</p> <p>(iii) It helps to ensure <u>optimum utilisation</u> of human resources by avoiding overmanning and under-utilisation of personnel.</p> <p>(iv) It improves <u>job satisfaction and morale</u> of employees through objective assessment and fair reward of their contribution.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p>	<p>= 3 marks</p>
<p>23.</p>	<p>Q.(a) Explain any three points of importance of 'Controlling' function of management.</p> <p>Ans. <u>Importance of Controlling</u> (any three):</p> <p>(i) Accomplishing organisational goals</p> <p>(ii) Judging accuracy of standards</p> <p>(iii) Making efficient use of resources</p> <p>(iv) Improving employee motivation</p> <p>(v) Ensures order and discipline</p> <p>(vi) Facilitating coordination in action</p> <p style="text-align: center;">OR</p> <p>(b) 'Planning and Controlling are inseparable twins of management.' Explain the relationship between planning and controlling with the help of any three points.</p> <p>Ans <u>Relationship between planning and controlling</u> (Any three with explanation):</p> <p>(i) Controlling takes place on the basis of <u>standards</u></p>	<p>½ mark for naming + ½ mark for its explanation</p> <p>= 1 x 3</p> <p>= 3 marks</p> <p style="text-align: center;">OR</p>

	<p><u>developed by planning.</u></p> <p>(ii) Planning without controlling is <u>meaningless</u> as controlling ensures that the events conform to plans.</p> <p>(iii) Planning <u>prescribes</u> an appropriate course of action for achieving objectives whereas controlling <u>evaluates</u> whether decisions have been translated into desired actions or not.</p> <p>(iv) Planning and controlling are both <u>forward-looking</u> as well as <u>looking back</u>.</p>	<p>= 1 x 3</p> <p>= 3 marks</p>												
<p>24.</p>	<p>(a) Q. Distinguish between 'Capital market' and Money market' on the basis of:</p> <p>(i) Participants (ii) Investment outlay (iii) Safety</p> <p>Ans <u>Distinction between 'Capital market' and 'Money market':</u></p> <table border="1" data-bbox="316 1115 1187 2036"> <thead> <tr> <th>Basis</th> <th>Capital market</th> <th>Money market</th> </tr> </thead> <tbody> <tr> <td>Participants</td> <td>The participants in capital market are financial institutions, banks, corporate entities, foreign investors and retail investors.</td> <td>The money market participants are institutions like RBI, banks, financial institutions and finance companies.</td> </tr> <tr> <td>Investment outlay</td> <td>Investment in capital market does not require huge financial outlays as value of securities is low.</td> <td>Money market transactions entail huge sums of money as the instruments are quite expensive.</td> </tr> <tr> <td>Safety</td> <td>Capital market instruments are riskier, both with</td> <td>Money market is much safer due to shorter duration of</td> </tr> </tbody> </table>	Basis	Capital market	Money market	Participants	The participants in capital market are financial institutions, banks, corporate entities, foreign investors and retail investors.	The money market participants are institutions like RBI, banks, financial institutions and finance companies.	Investment outlay	Investment in capital market does not require huge financial outlays as value of securities is low.	Money market transactions entail huge sums of money as the instruments are quite expensive.	Safety	Capital market instruments are riskier, both with	Money market is much safer due to shorter duration of	<p>= 1×3</p> <p>=3 marks</p>
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	respect to returns and principal repayment.	investing and financial soundness of the issuers.			
	<p style="text-align: center;">OR</p> <p>(b) State any three regulatory functions of the Securities and Exchange Board of India.</p> <p>Ans <u>Regulatory functions of SEBI (any three):</u></p> <p>(i) Registration of brokers and sub-brokers and other players in the market.</p> <p>(ii) Registration of collective investment schemes and mutual funds.</p> <p>(iii) Regulation of stock brokers, portfolio exchanges, underwriters, etc.</p> <p>(iv) Regulation of takeover bids by companies.</p> <p>(v) Calling for information by undertaking inspection, conducting enquiries and audits of the stock exchanges and intermediaries.</p> <p>(vi) Levying fees or other charges for purposes of this act.</p> <p>(vii) Performing and exercising such power under Securities Contracts (Regulation) Act 1956, as may be delegated by the Government of India.</p>	<p style="text-align: center;">OR</p> <p style="text-align: center;">= 1×3</p> <p style="text-align: center;">=3 marks</p>			
25.	<p>Q. Identify and explain the following:</p> <p>(i) It is a job-oriented process which attempts to improve the performance of employees on the current job and prepares them for any intended job.</p> <p>(ii) It is a career-oriented process which enables the overall growth of the employee.</p> <p>Ans (i) Training</p>	<p style="text-align: center;">1 mark for identification</p>			

	<p>Training is any process by which the aptitudes, skills and abilities of employees to perform specific jobs are increased.</p> <p>(ii) <u>Development</u> Development refers to the learning opportunities that enable growth of the employee personality and helps individuals in realising their potential capacities.</p> <p style="text-align: center;">OR</p> <p>(b) Explain any two sources of recruitment for various job positions which bring new blood in the organisation and provide wider choice.</p> <p>Ans <u>External sources of recruitment (any two):</u></p> <p>(i) Direct recruitment (ii) Casual callers (iii) Advertisement (iv) Employment Exchange (v) Placement agencies and Management consultants (vi) Campus recruitment (vii) Recommendation of employees. (viii) Labour contractors (ix) Advertisement on television (x) Web publishing</p>	<p>+ 1 mark for explanation</p> <p>= 2 x 2</p> <p>=4 marks</p> <p style="text-align: center;">OR</p> <p>½ mark for naming + 1 ½ mark for explanation</p> <p>= 2 x 2 = 4 marks</p>
<p>26.</p>	<p>Q.(a) Identify and state any three features of the process of influencing people so that they strive willingly and enthusiastically towards the achievement of group goals.</p> <p>Ans <u>Leadership</u></p> <p><u>Features of Leadership (any three):</u></p> <p>(i) Leadership indicates ability of an individual to <u>influence</u> others. (ii) Leadership tries to <u>bring change</u> in the behaviour of</p>	<p>1 mark for identification + 1 mark for each feature = 1 + 3 =4 marks</p>

	<p>others.</p> <p>(iii) Leadership indicates <u>interpersonal relations</u> between leaders and followers.</p> <p>(iv) Leadership is exercised to achieve <u>common goals</u> of the organisation.</p> <p>(iv) Leadership is a <u>continuous process</u>.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p> <p style="text-align: center;">OR</p> <p>(b) The process of stimulating people to action to accomplish desired goals is based on certain assumptions. State four such assumptions.</p> <p>Ans <u>Assumptions:</u></p> <p>(i) People’s behaviour is based on their needs. <u>Satisfaction of such needs</u> influences their behaviour.</p> <p>(ii) People’s needs are in <u>hierarchical order</u>, starting from basic needs to other higher level needs.</p> <p>(iii) A <u>satisfied need can no longer</u> motivate a person; only next higher level need can motivate him.</p> <p>(iv) A person moves to the next higher level of the hierarchy only when the <u>lower need is satisfied</u>.</p>	<p style="text-align: center;">OR</p> <p>1 mark for each assumption</p> <p>=1 x 4</p> <p>=4 marks</p>
<p>27.</p>	<p>Q. Managers in 'Galaxy Enterprises' faced lot of issues due to barriers in communication leading to creation of an environment of distrust and misunderstanding. Suggest any four measures to improve communication effectiveness in Galaxy Enterprises'.</p> <p>Ans <u>Measures to improve communication effectiveness (any four):</u></p> <p>(i) Clarify the ideas before communication.</p>	

	<p>(vi) <u>Shareholders Preference</u> is kept in mind by the management before declaring dividends.</p> <p>(vii) <u>Taxation Policy</u> affects the dividend decision as a higher dividend distribution tax will lead to lesser dividend payout.</p> <p>(viii) The possible <u>stock market reaction</u> to dividend policy on the share price is one of the important factors affecting dividend decision.</p> <p>(ix) While taking dividend decision, companies take into consideration their <u>access to capital market</u>.</p> <p>(x) Certain provisions of the Companies Act, i.e. <u>legal constraints</u> place restrictions on pay-outs as dividend.</p> <p>(xi) While taking dividend decision, companies keep into mind the restrictions imposed by the lenders i.e., <u>contractual constraints</u>.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p>	<p>=4 marks</p>
<p>29.</p>	<p>Q. Kaveri is busy in preparing the financial blueprint for her organisation's future operations. She feels that detailed plans of action reduce waste and duplication of efforts. However, her friend, Sana feels that in an uncertain and dynamic world, this type of planning may not work. Kaveri again stresses on her statement and explains why this financial blueprint is important.</p> <p>Identify the concept and state three points of its importance in addition to those explained in the above para.</p> <p>Ans. Financial Planning</p>	<p>1 mark for identification</p>

	<p><u>Importance of Financial Planning (any three):</u></p> <p>(i) It helps in <u>forecasting</u> what may happen in future under different situations and face the eventual situation in a better way.</p> <p>(ii) It helps in avoiding business shocks and surprises and helps the company in <u>preparing for the future</u>.</p> <p>(iii) It helps in <u>co-ordinating various business functions</u>, like sales and production functions, by providing clear policies and procedures.</p> <p>(iv) It tries to <u>link the present</u> with the future.</p> <p>(v) It provides a <u>link between investment and financing</u> decisions on a continuous basis.</p> <p>(vi) It makes the <u>evaluation</u> of actual performance easier.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p>	<p>+ 1 mark for each statement = 1 +3 = 4 marks</p>
30.	<p>Q. ‘MVT Ltd.’ is a leading cosmetic manufacturing company. It has its own consumer service and grievance redressal centre to address consumer concerns. The mobile phone number of the consumer service and grievance redressal cell is printed on the labels of all its products as a policy to get feedback or complaints from their consumers. It also runs various programmes to educate the consumers about their rights and reliefs available to them in case a product or service falls short of their expectations. Explain the two rights of the consumers which are being promoted by the company.</p> <p>Ans <u>Consumer Rights being promoted by the company:</u></p> <p>(i) Right to be heard</p> <p>(ii) Right to consumer education</p>	<p>1 mark for identification + 1 mark for its explanation =2x 2 = 4 marks</p>

<p>31.</p>	<p>Q.(a) What is meant by 'Formal Organisation? State any four advantages of Formal Organisation.</p> <p>Ans Formal organisation refers to the organisation structure which is <u>designed by the management</u> to accomplish a particular task and clearly <u>specifies the boundaries</u> of authority and responsibilities. (or any other suitable meaning)</p> <p><u>Advantages of Formal Organisation (any four):</u></p> <p>(a) It is <u>easier to fix responsibility</u> since mutual relationships are clearly defined.</p> <p>(b) It <u>avoids duplication of effort</u> since there is no ambiguity in the role that each member has to play.</p> <p>(c) It <u>maintains unity of command</u> through an established chain of command.</p> <p>(c) It <u>leads to accomplishment of goals</u> by providing a framework for the operations to be performed.</p> <p>(d) It <u>provides stability to the organisation</u> because there are specific rules to guide behaviour of employees.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p> <p style="text-align: center;">OR</p> <p>Q.(b) Give the meaning of 'Divisional Structure' of an organisation. State any four advantages of this structure.</p> <p>Ans. Divisional structure is an organisation structure which comprises of <u>separate business units</u> or divisions when the organisation has more than one category of products to offer. (or any other suitable meaning)</p>	<p>2 marks for the meaning</p> <p style="text-align: center;">+</p> <p>1 mark for each advantage</p> <p style="text-align: center;">=2+4</p> <p style="text-align: center;">= 6 marks</p> <p style="text-align: center;">OR</p> <p>2 marks for the meaning</p> <p style="text-align: center;">+</p>
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	<p><u>Advantages of Divisional Structure:</u></p> <p>(i) Product specialisation helps in the development of varied skills in a divisional head and <u>prepares him for higher positions.</u></p> <p>(ii) It helps in <u>fixation of responsibility</u> in case of poor performance of the division.</p> <p>(iii) It promotes <u>flexibility and initiative</u> leading to faster decision making.</p> <p>(iv) It facilitates <u>expansion and growth</u> as new divisions can be added without interrupting the existing operations.</p> <p>(If an examinee has only listed the points, ½ mark for each point should be awarded.)</p>	<p>1 mark for each advantage</p> <p>=2+4</p> <p>= 6 marks</p>
<p>32.</p>	<p>‘The physical handling and movement of goods from the place of production to the place of distribution is an important element of marketing mix.’</p> <p>(i) Name and state the element.</p> <p>(ii) Explain any three main components of this element.</p> <p>Ans (i) <u>Place /Physical Distribution</u> Place includes all the activities that make firm’s products available to the target customers.</p> <p>(ii) <u>Components of Physical Distribution (any three):</u></p> <p>(i) Order Processing</p> <p>(ii) Transportation</p> <p>(iii) Warehousing</p> <p>(iv) Inventory Control</p> <p style="text-align: center;">OR</p> <p>Q. It is the single most important element affecting the revenue and profits of a firm.’ Name and state this</p>	<p>1 mark for naming + ½ mark for statement + ½ mark for naming the component + 1 mark for explanation = 1 ½ + 4 ½ = 6 marks</p> <p style="text-align: center;">OR</p> <p>1 mark for</p>

	<p>element of marketing mix. Explain any three factors affecting the determination of this element of marketing mix.</p> <p>Ans <u>Price</u></p> <p>Price is the amount of money customers have to pay to obtain the product.</p> <p><u>Factors affecting the determination of Price (any three):</u></p> <ul style="list-style-type: none"> (i) Product cost (ii) Utility and Demand (iii) Extent of competition in the market (iv) Government and legal regulations (v) Pricing objectives. (vi) Marketing methods used 	<p>naming + $\frac{1}{2}$ mark for statement + $\frac{1}{2}$ mark for naming the component + 1 mark for explanation = $1\frac{1}{2} + 4\frac{1}{2}$ = 6 marks</p>
<p>33.</p>	<p>Q. A famous cricket coach, Alam Raza was hired by Sports College, Indore to coach the college cricket team for a National level competition. In the first meeting itself, the Principal of the college announced that the players would enter into an agreement with the college. The agreement would state the reporting time for players on the field and other rules and regulations. Failure to obey the agreement and rules would lead to judicious application of penalties. It was also announced by the College Principal that the players would receive orders from the coach and they would all be responsible only to the coach, to prevent confusion regarding tasks to be done. The coach was very determined to train the players to win, as the entire responsibility was on his shoulders. He promoted the spirit of mutual trust and belongingness among the team members without which he felt it would be difficult to win. The players were also enthusiastic and the training started in full swing.</p> <p>Identify and explain the three principles of management discussed in the above case.</p> <p>Ans <u>Principles of Management</u></p> <ul style="list-style-type: none"> (i) Discipline 	<p>$\frac{1}{2}$ mark for identification + $1\frac{1}{2}$ mark for its explanation = 2 x 3</p>

	<p>(ii) Unity of Command (iii) Esprit de Corps</p>	= 6 marks
34.	<p>Q. 'Diamond Logistics Company' had a turnover of ₹25 lakh during the year ended 31st March, 2022. In a board meeting held on 15th April, 2022, it was decided to achieve a turnover off ₹45 lakh for the next year. To accomplish this objective after taking into consideration the business environment, a comprehensive plan was drawn. The Chief Executive Officer (CEO) of the company also released a plan that would not only guide the thinking of the managers and their decision-making but also channelise their energies towards achievement of this target.</p> <p>Identify and explain the three types of plans discussed in the above para.</p> <p>Ans <u>Types of Plans:</u></p> <p>(i) Objective (ii) Strategy (iii) Policy</p>	<p>½ mark for identification + 1 ½ mark for its explanation</p> <p>= 2 x 3</p> <p>= 6 marks</p>