

S.No	SECTION - A	Marks
1	Optimum utilization of resources and effective management.	1
2	<p>'Policies' and 'procedures' are interlinked as procedures are steps to be carried out within a board policy framework to enforce a policy.</p> <p style="text-align: center;">OR</p> <p>'Developing premises' 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>	1
3	<p>Controlling is said to be a continuous activity as it involves a constant review of actual performance to ensure that organisational activities are performed as per the plans.</p> <p style="text-align: center;">OR</p> <p>Controlling is called a forward looking function because controlling seeks to improve the future performance on the basis of past experiences.</p>	1
4	<p>Functions performed by non-governmental organisations for protection and promotion of interest of consumers.</p> <p>(Any one)</p> <p>(i) Educating the general public about consumer rights by organizing training programs, seminars and workshops.</p> <p>(ii) Publishing periodicals and other publications to impart knowledge about consumer problems, legal reporting, reliefs available and other matters of interest.</p> <p>(iii) Carrying out comparative testing of consumer products in accredited laboratories to test relative qualities of competing brands and publishing the test results for the benefit of consumers.</p> <p>(iv) Encouraging consumers to strongly protest and take action against unscrupulous, exploitative and unfair trade practices of sellers.</p> <p>(v) Providing legal assistance to consumers by way of providing aid , legal advice, etc.in seeking legal remedy.</p> <p>(vi) Filing complaints in appropriate consumer courts on behalf of the consumers.</p> <p>(vii) Taking initiative in filing cases in consumer courts in the interest of the general public, not for any individual.</p>	1

5	<p>'Packaging' means the act of designing and producing the container or wrapper of a product and putting the product into it.</p> <p style="text-align: center;">OR</p> <p>Qualities of a good salesman: (Any one)</p> <p>(i) A good salesman should have physical qualities such as a pleasing and charming personality which creates a good impression on the customers.</p> <p>(ii) He/she should be social, humble and cooperative</p> <p>(iii) A salesman must possess imagination, foresight, presence of mind, good memory and initiative.</p> <p>(iv) He/she should have full and updated knowledge about the product he is selling.</p> <p>(v) He/she should have good communication skills.</p> <p>(vi) He/she must be honest and sincere in performing his / her duty.</p> <p>(vii) A salesman who is polite and courteous generates buyer's confidence.</p> <p>(viii) A salesman should have the convincing power to develop a belief in a customer that the product he is buying is the best.</p>	1
6	Shareholders preference	1
7	Measurement of actual performance	1
8	Informal Organisation	1
SECTION - B		
9	<p>Importance of controlling: (Any three)</p> <p>1. Controlling helps in achieving organizational goals: The controlling function measures progress towards the organizational goals and brings to light/indicates corrective action.</p> <p>2. For Evaluating/Judging accuracy of standards: A good control system enables management to verify whether the standards set are accurate or not by careful check on the changes taking place in the organizational</p>	3

	<p>environment.</p> <p>3. Making efficient use of resources: By the process of control, a manager seeks to reduce wastage of resources.</p> <p style="text-align: center;">OR</p> <p>Management by Exception</p> <ul style="list-style-type: none"> It helps in the controlling process by identifying only significant deviations which go beyond the permissible limit and bringing them to the notice of the management. It is based on the belief that an attempt to control everything results in controlling nothing. Example- In a manufacturing organization, if the plans lay down 2% increase in labour cost as an acceptable range of deviation, then only increase in labour cost beyond 2% should be brought to the notice of the management for corrective action. 	
10	<p>(a) Delegation of authority</p> <p>(b) Importance of Delegation of authority:</p> <p>(i) Effective Management: By delegating routine work to the subordinates the managers get more time to concentrate on important matters and excel in new areas efficiently.</p> <p>(ii) Employee Development: Delegation empowers the employees by providing them the chance to use their skills, gain experience and develop themselves for higher position. Read more on Sarthaks.com - https://www.sarthaks.com/93240/state-any-five-points-which-highlight-the-importance-of-delegation-of-authority</p>	3
11	<p>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 by:</p> <p>(Any three)</p> <ul style="list-style-type: none"> Forecast what may happen in future – Financial planning helps the enterprise in preparation of plans for meeting challenges in future. It helps the enterprise to be better prepared to face future uncertainties. Avoid business shocks and surprises – With the help of financial planning, enterprises avoid business shocks and surprises. It would ensure stability of business. Coordinate various business functions /operations – Various functions of the organization are well coordinated with the help of clear 	3

	<p>financial policies and procedures.</p> <p style="text-align: center;">OR</p> <p>Debt and Equity differ in their costs and risks involved</p> <p>Cost</p> <ul style="list-style-type: none"> 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. Moreover, interest paid on debt is a tax-deductible expense whereas dividends are paid out of after-tax profits. <p>Risk</p> <ul style="list-style-type: none"> Debt is riskier 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. 	
12	<p>'Planning is a pervasive function of management' as it is required in all types of organizations, at all levels of management and in all departments of an organization. It is not an exclusive function of top management nor of any particular department.</p> <p>The scope of planning differs at different levels and among different departments.</p>	3
13	<p>Factors affecting Working Capital Requirements:</p> <p>(i) Business Cycle (ii) Growth Prospects (iii) Level of competition</p> <p>(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)</p>	3
	SECTION - C	
14	<p>(a) Liberalisation and Globalisation (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>"KV Motors Ltd. recognized the need for small cars in India."</p> <p>(ii) It helps the firm in improving performance.</p> <p>"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."</p> <p>(iii) It helps the firm in planning and policy formulation.</p> <p>"KV Motors further expanded its service network and quality creating an entry</p>	4

	<p>barrier for the competitors. It depicted its strengths through various brand-building activities.”</p> <p>(Full credit is to be given only if the examinee has given the correct explanation also in the answer)</p>																									
15	<p>Difference between Money Market and Capital Market</p> <table> <tr> <th>Basis</th><th>Money Market</th><th>Capital Market</th></tr> <tr> <td>(a) Expected Return</td><td>Money market securities yield comparatively less return.</td><td>Generally capital market securities yield a higher return than money market instruments</td></tr> <tr> <td>(b) Safety</td><td>(b) Safety Money market securities are comparatively safer.</td><td>Capital market securities are riskier than money market instruments</td></tr> <tr> <td>(c) Liquidity</td><td>Money market securities are comparatively more liquid.</td><td>Capital market securities are comparatively less liquid.</td></tr> <tr> <td>(d) Instruments</td><td>Instruments like treasury bill, commercial paper, certificates of deposit, call money and commercial bill are traded in the money market.</td><td>Instruments like shares, debentures and bonds are traded in the Capital market.</td></tr> </table> <p style="text-align: center;">OR</p> <p>Difference between Primary Market and Secondary Market</p> <table> <tr> <th>Basis</th><th>Primary Market</th><th>Secondary Market</th></tr> <tr> <td>(a) Company Involvement</td><td>Securities are sold by the company to the investors.</td><td>Ownership of existing securities is exchanged between investors; company is not involved.</td></tr> <tr> <td>(b) Price Determination</td><td>Prices are determined by the management of the company.</td><td>Prices are determined by the forces of demand and supply of</td></tr> </table>	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	(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 the money market.	Instruments like shares, debentures and bonds are traded in the Capital 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	4
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16	<p>(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) Factors affecting determination of choice of channels</p> <p>(i)Product related factor: 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; a 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>	4									
17	<p>Importance of consumer protection from business point of view: (any four)</p> <p>1. Long term Business Interest: It is always in the interest of the business to keep its customer satisfied. Global competition could be won only after satisfying customers. Satisfied customers lead to repeat sales and help in increasing the customer base of business.</p> <p>2. Moral Justification: It is the moral duty of any business to take care of consumer interest & avoid any form of their exploitation & unfair trade practices like defective & unsafe products, adulteration, false and misleading advertising, hoardings, black marketing etc.</p> <p>3. Business uses Resources of Society: Every business uses the resources of the society and thus it is their responsibility to work in the interest of the society.</p> <p>4. Social Responsibility: A business has social responsibilities towards various groups like owners, workers, government, customers etc. Thus, customers should be provided qualitative goods at reasonable prices.</p> <p>5. Government Intervention: If a business engages in any form of unfair trade practices then the government takes action against it, which adversely affects its goodwill.</p>	4									

	<p>(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)</p> <p style="text-align: center;">OR</p> <p>(a) Right to be Heard: The consumer has the right to file a complaint and to be heard in case of dissatisfaction with a product or a service. It is because of this reason many firms have set up their own consumer service and grievance cells.</p> <p>(b) Right to Safety: The consumer has a right to be protected against goods and services which are hazardous to life and health. It includes the right to get protection against the risks caused due to the use of substandard products or products that do not conform to the safety norms.</p>	
18	<p>(a) Steps performed by Vandana Public School in the process of identifying and choosing the best candidate:</p> <p>(i) Preliminary screening It helps the manager to eliminate unqualified or unfit job seekers, based on the information supplied in the application forms.</p> <p>(ii) Selection tests An employment test is a mechanism (either a paper and pencil test or an exercise) that attempts to measure certain characteristics of individuals. These characteristics range from aptitudes, such as manual dexterity, to intelligence, to personality, etc.</p> <p>(iii) Employment interview Interview is a formal, in-depth conversation, conducted to evaluate the applicant's suitability for the job. Through an interview, an interviewer seeks to obtain maximum information about the interviewee and the interviewee seeks information about the job and the company.</p> <p>(b) Trade test was conducted by the school to measure the existing skills possessed by the candidates.</p>	4
19	<p>(a) Functions performed by Financial market:</p> <p>(i) It mobilises savings and channelises them into most productive use.</p> <p>(ii) It provides liquidity to financial assets by facilitating easy purchase and sale of securities through stock exchanges.</p> <p>(b) Functions of stock exchange, other than those stated in the above case (any two)</p> <ol style="list-style-type: none"> Transactional Safety: Transactional safety is ensured as the securities that are traded in the stock exchange are listed, and the listing of securities is done after verifying the company's position. All companies listed have to adhere to the rules and regulations as laid out by the governing body. Contributor to Economic Growth: Stock exchange offers a platform for trading of securities of the various companies. This process of 	4

	<p>trading involves continuous disinvestment and reinvestment, which offers opportunities for capital formation and subsequently, growth of the economy.</p> <p>(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)</p>	
	SECTION - D	
20	<p>Marketing functions undertaken by Niru and Janak:</p> <p>(i) Gathering and analyzing market information is necessary to identify the needs of the customers and make 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>(ii) Branding 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 'Srija'"</i></p> <p>(iii) Pricing of a product involves fixation of price of a product and taking various related decisions like pricing strategies.</p> <p><i>"To penetrate the market, they decided to keep the price low."</i></p> <p>(iv) Storage or warehousing refers to arranging for proper storage of goods to maintain smooth flow of goods in the market and avoid delay in delivery.</p> <p><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) Customer support Services aim at providing maximum satisfaction to the customers for developing brand loyalty for a product.</p> <p><i>"They also set up an online complaint portal to take care of consumer grievances."</i></p>	5
21	<p>Characteristics of coordination:</p> <p>(any five)</p> <p>(i) Integration of group efforts All business activities are interdependent. Therefore, there should be coordination among them. Coordination enables the business to make efficient use of its available resources.</p>	5

	<p>For example, supply of material should come, when production needs it. If there is a mismatch in the time schedule, it is an instance of lack of coordination. It is the central task of the manager to reconcile differences in approach, timing, efforts or interests to harmonise individual goals with organisational goals. Coordination is the effort to ensure a smooth interplay of the functions and forces of all the different components of an organisation so that its purpose will be realised with minimum friction and maximum collaborative effectiveness</p> <p>(ii) Coordination is needed at all levels Coordination is an essential function which is required at all levels of management. The content and scope of coordination will vary at different levels. However, it is a part of duty which should be performed by every managerial personnel right from operational level to the top management.</p> <p>(iii) Coordination ensures unity of action The purpose of coordination is to unite the efforts of every individual in the realisation of common purpose.</p> <p>(iv) Coordination is a continuous process: It begins with the planning stage and continues till controlling. The top management plans for the entire organisation.</p> <p>(v) Coordination is the responsibility of all managers: Top level, middle level and operational management all need coordination to complete the desired task and achieve desired results.</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 style="text-align: center;">OR</p> <p>Importance of management:</p> <p>(i) Management Helps Achieving Group Goals It integrates the objective of the individual along with organisational goals.</p> <p>(ii) Management Increases Efficiency It increases productivity through better planning, organising, directing the activities of the organisation.</p> <p>(iii) Management Creates a Dynamic Organisation. Organizations have to survive in a dynamic environment thus managers keep changes in the organisation to match environmental changes.</p> <p>(iv) Management Helps in Achieving Personal Objectives Through motivation and leadership, management helps in achieving the personal objectives.</p> <p>(v) Management Helps in the Development of Society It provides good quality products and services, creates employment, generates new technology in that sense it helps in the development of the society.</p> <p>(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)</p>	
	SECTION - E	
22	Sources of recruitment used by 'Newrange':	5

	<p>(i) Internal</p> <p>Transfer: It means shifting of employees from one job position to other at the same level of authority. Only the working place is changed. Therefore, it refers to horizontal movement of the workers. Transfer does not involve any drastic change in the responsibilities and status of the employee.</p> <p>(ii) External source of recruitment.</p> <p>(i) Casual callers: It is generally followed by the factories of manufacturing organisations to fill up vacancies at the labour level. In such cases the organisation keeps the record of casual callers and presents them at the time of interview.</p> <p>(ii) Advertising: The most common and popular method of external recruitment is advertising, e.g., for the job of an accountant, the advertisement can be given in CA journal, for lower rank it can be given in local newspapers and for higher rank it can be given in national level reputed newspapers. Advertisement may also be done through television</p> <p>(iii) Placement agencies and management consultants: These agencies provide nation-wide service of matching demand and supply of work force and invite the bio-data and record from various job seekers and send them to suitable clients. These agencies charge fees for providing such service.</p> <p>(iv) Labour contractors: They keep a close contact with labourers and they supply manpower to the factory or manufacturing concerns. Through these contractors, workers are appointed in factories at a very short notice.</p>													
23	<p>Difference between Functional structure and Divisional Structure</p> <table border="1"> <thead> <tr> <th>Basis</th><th>Functional Structure</th><th>Divisional Structure</th></tr> </thead> <tbody> <tr> <td>(a) Formation</td><td>Formation is based on functions.</td><td>Formation is based on product lines</td></tr> <tr> <td>(b) Specialisation</td><td>Occupational specialisation</td><td>Product specialisation</td></tr> <tr> <td>(c) Cost</td><td>Functions are not duplicated, hence economical.</td><td>Duplication of efforts in various departments,</td></tr> </tbody> </table>	Basis	Functional Structure	Divisional Structure	(a) Formation	Formation is based on functions.	Formation is based on product lines	(b) Specialisation	Occupational specialisation	Product specialisation	(c) Cost	Functions are not duplicated, hence economical.	Duplication of efforts in various departments,	6
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	<p style="text-align: center;">OR</p> <p>Importance of planning: (Any four points)</p> <p>(i) Planning Provides Directions Planning provides the directions to the efforts of employees. Planning makes clear what employees have to do, how to do etc.</p> <p>(ii) Planning Reduces the Risk Uncertainty Planning helps the manager to face the uncertainty because planners try to force the future by making some assumptions. The plans are made to overcome uncertainties.</p> <p>(iii) Planning Reduces Overlapping and Wasteful Activities Planning evaluates the alternatives uses of the available and prospective resources of the business and makes them appropriate.</p> <p>(iv) Planning Promotes Innovative Ideas Planning requires high thinking and it is an intellectual process. So it makes the managers innovative and creative.</p> <p>(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)</p>													
24	<p>Financial and non-financial incentives discussed by the three friends in the above conversation.</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) Other non-financial incentives which were not discussed by any one of</p>	6												

them
(Any three)

(a) Status

With reference to an organization, status refers to the position in the hierarchy of the organizational chart. The level of authority, responsibility, recognition, salary, perks, etc. determine the status of an employee in the organization.

A person at the top-level management has more authority, responsibility, recognition and salary and vice-versa. Status satisfies the self-esteem and psychological needs of an individual and in turn, motivates him to work hard.

(b) Organizational Climate

Organizational climate refers to the environmental characteristics of an organization that are perceived by its employees about the organization and have a major influence on their behavior. Each organization has a different organizational climate that distinguishes it from other organizations.

Some of the factors that influence the organizational climate of an enterprise are organizational structure, individual responsibility, rewards, risk and risk-taking, warmth and support and tolerance and conflict. When the organizational climate is positive employees tend to be more motivated.

(c) Career Advancement Opportunity

It is very important for an organization to have an appropriate skill development program and a sound promotion policy for its employees which works as a booster for them to perform well and get promoted.

Every employee desires growth in an organization and when he gets a promotion as an appreciation of his work he is motivated to work better.

25	<p>The Principles and Techniques of 'Scientific Management' used by 'Burger Mania' are: (Any six) Principles of scientific management</p> <ul style="list-style-type: none"> • Science, not rule of thumb <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> • Development of each and every person to his/her greatest efficiency and prosperity <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> • Techniques of scientific management Method study <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> • Motion study <i>"At the factory, the ingredients making up a burger were strategically placed to reduce the time taken for excess movements."</i> • Time study <i>"The standard time and other parameters were determined on the basis of work study"</i> • Standardization (Standardization and Simplification of Work) <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> • Differential piece wage system <i>"Vishesh rewarded the workers for meeting the standard output."</i> <p>(Full credit is to be given only if the examinee has given the correct explanation also in the answer)</p>	6