

Series OSR/C

कोड नं. **66/1**
Code No.

रोल नं.
Roll No.

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परीक्षार्थी कोड को उत्तर-पुस्तिका के मुख-पृष्ठ पर अवश्य लिखें ।

Candidates must write the Code on the title page of the answer-book.

- कृपया जाँच कर लें कि इस प्रश्न-पत्र में मुद्रित पृष्ठ 8 हैं ।
- प्रश्न-पत्र में दाहिने हाथ की ओर दिए गए कोड नम्बर को छात्र उत्तर-पुस्तिका के मुख-पृष्ठ पर लिखें ।
- कृपया जाँच कर लें कि इस प्रश्न-पत्र में 30 प्रश्न हैं ।
- कृपया प्रश्न का उत्तर लिखना शुरू करने से पहले, प्रश्न का क्रमांक अवश्य लिखें ।
- इस प्रश्न-पत्र को पढ़ने के लिए 15 मिनट का समय दिया गया है । प्रश्न-पत्र का वितरण पूर्वाह्न में 10.15 बजे किया जाएगा । 10.15 बजे से 10.30 बजे तक छात्र केवल प्रश्न-पत्र को पढ़ेंगे और इस अवधि के दौरान वे उत्तर-पुस्तिका पर कोई उत्तर नहीं लिखेंगे ।
- Please check that this question paper contains 8 printed pages.
- Code number given on the right hand side of the question paper should be written on the title page of the answer-book by the candidate.
- Please check that this question paper contains 30 questions.
- **Please write down the Serial Number of the question before attempting it.**
- 15 minutes time has been allotted to read this question paper. The question paper will be distributed at 10.15 a.m. From 10.15 a.m. to 10.30 a.m., the students will read the question paper only and will not write any answer on the answer-book during this period.

व्यावसायिक अध्ययन

BUSINESS STUDIES

निर्धारित समय : 3 घण्टे

Time allowed : 3 hours

अधिकतम अंक : 90

Maximum Marks : 90

66/1

1

P.T.O.



सामान्य निर्देश :

- (i) 1 अंक वाले प्रश्नों के उत्तर एक शब्द से एक वाक्य तक हों ।
- (ii) 3 अंकों वाले प्रश्नों के उत्तर 50 – 75 शब्दों के हों ।
- (iii) 4 – 5 अंकों वाले प्रश्नों के उत्तर लगभग 150 शब्दों के हों ।
- (iv) 6 अंकों वाले प्रश्नों के उत्तर लगभग 200 शब्दों के हों ।
- (v) एक प्रश्न के सभी भाग साथ-साथ ही हल कीजिए ।

General Instructions :

- (i) Answers to questions carrying 1 mark may be from **one word to one sentence**.
- (ii) Answers to questions carrying 3 marks may be from **50 – 75 words**.
- (iii) Answers to questions carrying 4 – 5 marks may be about **150 words**.
- (iv) Answers to questions carrying 6 marks may be about **200 words**.
- (v) Attempt all parts of a question together.

1. प्रबंध के उस स्तर का नाम दीजिए जो संगठन के कल्याण एवं निरंतरता के लिए उत्तरदायी होता है । 1

Name the level of management that is responsible for the welfare and survival of the organisation.

2. यह क्यों कहा जाता है कि व्यावसायिक पर्यावरण अनिश्चित होता है ? 1

Why is it said that business environment is uncertain ?

3. 'पहले से यह निश्चय करना कि क्या करना है तथा कैसे करना है प्रबंध के आधारभूत कार्यों में से एक है ।' इस कार्य का अर्थ बताइए । 1

'Deciding in advance what to do and how to do is one of the basic management functions.' Give the meaning of this function.

4. नियोजन के उस प्रकार का नाम बताइए जो सामान्य कथनों के रूप में होती है, विचारों को एक विशिष्ट दिशा की ओर निर्देशित करती है और दैनिक समस्याओं के समाधान में सहायता करती है । 1

Name the type of plan which is in the form of general statements, that guides thinking towards a particular direction and helps in solving routine problems.



5. 'रचना' के आधार पर कार्यात्मक संगठन तथा प्रभागीय संगठन में अन्तर कीजिए । 1
Distinguish between functional structure and divisional structure on the basis of 'formation'.
6. 'औपचारिक संगठन' से क्या अभिप्राय है ? 1
What is meant by 'formal organisation' ?
7. नियुक्तिकरण किस प्रकार कर्मचारियों की कार्य संतुष्टि एवं मनोबल में सुधार करता है ? उल्लेख कीजिए । 1
How does staffing improve job satisfaction and morale of employees ? State.
8. निर्देशन क्रिया को कैसे प्रारंभ करता है ? उल्लेख कीजिए । 1
How does directing initiate action ? State.
9. गैर-वित्तीय प्रोत्साहन के रूप में 'कर्मचारी पहचान' के कोई दो उदाहरण दीजिए । 1
Give any two examples of 'Employee Recognition' as a non-financial incentive.
10. नियंत्रण की प्रक्रिया में 'अपवाद द्वारा प्रबन्ध' से क्या अभिप्राय है ? 1
What is meant by 'Management by Exception' in the process of controlling ?
11. किस प्रकार के उत्पादों पर ISI चिह्न का प्रयोग किया जाता है ? 1
On which type of products is ISI mark used ?
12. 'उपभोक्ता का एक अधिकार है ज्ञान प्राप्त करना तथा जीवनपर्यन्त एक अच्छा अवगत उपभोक्ता बने रहना ।' 1
उपरोक्त उल्लिखित 'अधिकार' में उपभोक्ता को किस प्रकार के ज्ञान की आवश्यकता है, उल्लेख कीजिए ।
'The consumer has a right to acquire knowledge and to be a well informed consumer throughout life.'
State what type of knowledge is required by the consumer in the above stated 'Right'.



13. पवन सी एफ एल लिमिटेड में 'उत्पादन प्रबन्धक' के रूप में कार्य कर रहा है जो सी एफ एल बल्ब बनाने का कार्य करती है। प्रबन्धकों व कर्मचारियों के बीच वहाँ कोई वर्ग भेद नहीं है। कार्य की दशाएँ बहुत ही अच्छी हैं। कम्पनी अत्यधिक लाभ अर्जित कर रही है। अपनी नीतियों के अनुसार प्रबन्धक लाभों का बँटवारा कर्मचारियों के साथ कर रहे हैं क्योंकि उनका विश्वास है कि कर्मचारियों की समृद्धि के बिना कम्पनी की समृद्धि लम्बे समय तक नहीं चल सकती।

(a) उपरोक्त अनुच्छेद में वर्णित प्रबन्ध के सिद्धान्त का उल्लेख कीजिए।

(b) किन्हीं दो मूल्यों को पहचानिए जो कम्पनी समाज को सम्प्रेषित करना चाहती है।

3

Pawan is working as a 'Production Manager' in CFL Ltd. engaged in manufacturing of CFL bulbs. There is no class-conflict between the management and workers. The working conditions are very good. The company is earning huge profits. As a policy matter, management is sharing the gains with the workers because they believe that prosperity of the company cannot exist for a long time without the prosperity of the employees.

(a) State the principle of management described in the above para.

(b) Identify any two values which the company wants to communicate to the society.

14. प्लास्टिक फाइलों एवं फोल्डरों के प्रयोग को कम करने के लिए टेलको लिमिटेड पुराने कपड़ों से फाइलें एवं फोल्डर बना रही है। इसके लिए उन्होंने पास के ऐसे गाँवों से लोगों को काम पर नियुक्त किया जहाँ बहुत कम काम के अवसर उपलब्ध हैं। एक कर्मचारी हरीश ने लागत को कम करने की एक योजना की रूपरेखा बनाई जिसे उत्पादन प्रबन्धक ने अभिनन्दित नहीं किया। एक और कर्मचारी ने डिज़ाइन में सुधार के लिए कुछ सुझाव दिए लेकिन उत्पादन प्रबन्धक द्वारा इसकी भी प्रशंसा नहीं की गई।

(a) उपरोक्त अनुच्छेद में वर्णित प्रबन्ध के सिद्धान्त का उल्लेख कीजिए।

(b) ऐसे दो मूल्यों को पहचानिए जो कम्पनी समाज को सम्प्रेषित करना चाहती है।

3

Telco Ltd. is manufacturing files and folders from the old clothes to discourage use of plastic files and folders. For this they employ people from nearby villages where very less job opportunities are available. An employee, Harish, designed a plan for the cost reduction but it was not welcomed by the production manager. Another employee gave some suggestion for improvement in design, but it was also not appreciated by the production manager.

(a) State the principle of management described in the above para.

(b) Identify any two values that the company wants to communicate to the society.

15. वित्तीय प्रबंध का प्राथमिक उद्देश्य 'धन को अधिकतम करना' है। समझाइए। 3
 'Wealth-maximisation' is the primary objective of financial management. Explain.
16. 'निवेश निर्णय' एवं 'लाभांश निर्णय' का अर्थ बताइए। 3
 Give the meaning of 'Investment decision' and 'Dividend decision'.
17. मुद्रा बाज़ार के निम्नलिखित प्रपत्रों का अर्थ बताइए : 3
 (i) द्रव्य बाज़ार प्रपत्र; तथा
 (ii) शीघ्रावधि द्रव्य।
 Give the meaning of the following money market instruments :
 (i) Treasury Bill; and
 (ii) Call Money.
18. 'यदि आप दीर्घ-अवधि के लिए एक सफल उद्यम चाहते हैं तो आप एक विक्रय को बंद नहीं करते अपितु एक सम्बन्ध को जोड़ते हैं।' विपणनकर्ता द्वारा प्रयोग में लाई गई सम्प्रेषण तकनीक को पहचानिए। इस सम्प्रेषण तकनीक की किन्हीं दो विशेषताओं का भी उल्लेख कीजिए। 3
 'You don't close a sale, you open a relationship, if you want to build a long-term successful enterprise.' Identify the communication tool used by the marketer. State any two features of this communication tool.
19. समन्वय की किन्हीं चार विशेषताओं का वर्णन कीजिए। 4
 Explain any four characteristics of coordination.
20. 'व्यवसाय एवं उद्योग पर सरकारी नीतियों में परिवर्तन के कारण भारतीय निगमित क्षेत्र के सामने अनेक चुनौतियाँ आ गई हैं।' ऐसे किन्हीं चार परिवर्तनों को समझाइए। 4
 'The Indian corporate sector has come face-to-face with several challenges due to government policy changes in business and industry. Explain any four such changes.
21. नियोजन किस प्रकार 'दृढ़ता उत्पन्न करता है' तथा 'रचनात्मकता को कम करता है'? समझाइए। 4
 How does planning 'Lead to rigidity' and 'Reduce creativity'? Explain.



22. 'उपभोक्ता संरक्षण' से क्या अभिप्राय है ? यह भी उल्लिखित कीजिए कि उपभोक्ताओं के दृष्टिकोण से उपभोक्ता संरक्षण का क्या महत्त्व है ? 4
What is meant by 'Consumer Protection' ? Also state how consumer protection is important from the point of view of consumers.
23. एक संगठन के लिए प्रशिक्षण के लाभों का उल्लेख कीजिए । 5
State the benefits of training to the organisation.
24. 'नियंत्रण प्रबंध का एक अनिवार्य कार्य है ।' इस कथन को किन्हीं पाँच बिन्दुओं की सहायता से समझाइए । 5
'Controlling is an indispensable function of management.' Explain this statement with the help of any five points.
25. निम्नलिखित के आधार पर 'पूँजी बाज़ार' और 'मुद्रा बाज़ार' में अन्तर्भेद कीजिए : 5
- (i) अपेक्षित आय;
 - (ii) सुरक्षा;
 - (iii) तरलता;
 - (iv) अवधि; तथा
 - (v) प्रलेख ।

Differentiate between 'Capital Market' and 'Money Market' on the following basis :

- (i) Expected Return;
- (ii) Security;
- (iii) Liquidity;
- (iv) Duration; and
- (v) Instruments.



26. किसी उत्पाद के मूल्य-निर्धारण को विभिन्न कारक प्रभावित करते हैं। ऐसे किन्हीं पाँच कारकों का उल्लेख कीजिए।

5

There are a number of factors that affect the fixation of price of a product. State any five such factors.

27. 'प्रभावी प्रबंध' तथा 'कर्मचारियों का विकास' के अतिरिक्त, अंतरण संगठन की विभिन्न तरीकों से सहायता करता है। ऐसे किन्हीं चार तरीकों का वर्णन कीजिए।

6

अथवा

'विकेन्द्रीकरण एक महत्वपूर्ण मान्यता है तथा केवल चुनिन्दा अधिकारों के अंतरण में ही अपनाई जाती है।' इस कथन के संदर्भ में विकेन्द्रीकरण के महत्व के किन्हीं चार बिन्दुओं का वर्णन कीजिए।

Besides 'Effective management' and 'Employee development' delegation helps the organisation in different ways. Explain any four such ways.

OR

'Decentralisation is an important philosophy that implies selective dispersal of authority.' In the light of this statement, explain any four points of importance of decentralisation.

28. 'किसी संस्था के लिए पर्यवेक्षक का कार्य तथा निष्पादन अत्यंत महत्वपूर्ण है क्योंकि वह प्रत्यक्ष रूप से श्रमिकों के साथ जुड़ा हुआ है जबकि अन्य प्रबंधकों का निचले स्तर पर कार्य कर रहे कर्मचारियों के साथ कोई प्रत्यक्ष संपर्क नहीं होता।' इस कथन के संदर्भ में एक पर्यवेक्षक के किन्हीं चार कार्यों का वर्णन कीजिए।

6

अथवा

प्रभावी संप्रेषण की व्यक्तिगत बाधाओं का वर्णन कीजिए।

'The functions and performance of the supervisor are vital to an organisation because he is directly related with the workers whereas other managers have no direct touch with bottom level workers.' In the light of this statement, explain any four functions of a supervisor.

OR

Describe personal barriers to effective communication.



29. समझाइए कि एक व्यवसाय की कार्यशील पूँजी आवश्यकताओं को निम्नलिखित कारक किस प्रकार प्रभावित करते हैं :

6

- (i) मुद्रा स्फीति;
- (ii) व्यावसायिक चक्र;
- (iii) प्रतिस्पर्धा का स्तर; तथा
- (iv) व्यवसाय की प्रकृति ।

अथवा

एक कम्पनी की पूँजी संरचना के चयन को प्रभावित करने वाले किन्हीं चार कारकों को समझाइए ।

Explain how the following factors affect the working capital requirements of a business :

- (i) Inflation;
- (ii) Business cycle;
- (iii) Level of competition; and
- (iv) Nature of business.

OR

Explain any four factors affecting the choice of capital structure of a company.

30. उत्पादों तथा सेवाओं के प्रवर्तन में 'जन संपर्क' की भूमिका का वर्णन कीजिए ।

6

अथवा

विपणन मिश्र के चार महत्वपूर्ण तत्वों को समझाइए ।

Describe the role of 'Public Relations' in the promotion of products and services.

OR

Explain the four important elements of marketing mix.



			MARKING SCHEME – 2013-14 BUSINESS STUDIES OUTSIDE DELHI COMPTT– 66/1 EXPECTED ANSWERS / VALUE POINTS	DISTRIBUTION OF MARKS
66/1	66/2	66/3		
1	12	7	Q. Name the level of management that is responsible for the welfare and survival of the organisation. Ans. Top level.	1 mark
2	11	8	Q. Why is it said that business environment is uncertain? Ans. It is said that business environment is uncertain because it is difficult to predict future happenings especially when environment changes are taking place too frequently.	1 mark
3	10	9	Q. ‘Deciding in advance what to do and how to do is one of the basic management functions.’ Give the meaning of this function. Ans. <u>Planning</u> is the function being referred to. Planning means setting objectives for a given time period, formulating various courses of action to achieve them and then selecting the best possible alternative from among the various courses of action available. (or any other correct meaning)	1 mark
4	9	10	Q. Name the type of plan which is in the form of general statements, that guides thinking towards a particular direction and helps in solving routine problems. Ans. Policy	1 mark
5	8	11	Q. Distinguish between functional structure and divisional structure on the basis of ‘formation’. Ans. Functional structure is formed on the basis of functions while divisional structure is formed on the basis of product lines supported by functions.	1 mark
6	7	12	Q. What is meant by ‘formal organisation’? Ans. Formal organisation refers to the organisation structure which is designed by the management to accomplish a particular task. (or any other correct definition)	1 mark
7	6	1	Q. How does staffing improve job satisfaction and morale of employees? State. Ans. Staffing improves job satisfaction and morale of employees through objective assessment and fair reward for their contribution.	1 mark
8	5	2	Q. How does directing initiate action? State. Ans. Other functions prepare a setting for action, directing implements it in the organisation.	1 mark
9	4	3	Q. Give any two examples of ‘Employee Recognition’ as a non financial incentive. Ans. Examples of ‘Employee Recognition’ as a non financial incentive are:	$\frac{1}{2} \times 2$ =1 mark

			<p>(i) Congratulating the employee for good performance. (ii) Installing award or certificate for best performance. (iii) Displaying on the notice board or in the newsletter about the achievement of the employee. (iv) Distributing momentos or complimentaries in recognition of employee's services. (v) Rewarding an employee for valuable suggestions. (or any other correct example) (or any other correct example)</p>	
10	3	4	<p>Q. What is meant by 'Management by Exception' in the process of controlling? Ans. Management by Exception in the process of controlling means that only significant deviations which go beyond the permissible limit should be brought to the notice of the management.</p> <p style="text-align: center;">OR</p> <p>Management by Exception in the process of controlling means that an attempt to control everything results in controlling nothing.</p>	1 mark
11	2	5	<p>Q. On which type of products is ISI mark used? Ans. Electrical goods.</p>	1 mark
12	1	6	<p>Q. 'The consumer has the right to acquire knowledge and to be a well informed consumer throughout life.' State what type of knowledge is required by the consumer in the above stated 'Right'. Ans. In the above stated right, i.e. Right to Consumer Education, a consumer should know about the rights and reliefs available to him in case a product or service falls short of his expectations.</p>	1 mark
13	18	16	<p>Q. Pawan is working as a 'production manager' in CFL Ltd. engaged in manufacturing of CFL bulbs. There is no class conflict between the management and workers. The working conditions are very good. The company is earning huge profits. As a policy matter, management is sharing the gains with the workers because they believe that prosperity of the company cannot exist for a long time without the prosperity of the employees. (a) State the principle of management described in the above para. (b) Identify any two values which the company wants to communicate to the society. Ans. (a) <u>Harmony not discord</u> which advocates that there should be complete harmony between management and the workers. To achieve this, Taylor called for a complete mental revolution on the part of both management and workers.</p>	<p>$\frac{1}{2}$ mark for identification + $\frac{1}{2}$ mark for the statement = $\frac{1}{2} + \frac{1}{2}$ = 1 mark + 1 mark for each value = 1 x 2 = 2marks = 1+2 3marks</p>



			(b) Values which the company wants to communicate to the society are: (i) Sensitivity towards the environment. (ii) Good behaviour in human interaction. (or any other correct value)	
14	17	17	Q. Telco Ltd. is manufacturing files and folders from old clothes to discourage use of plastic files and folders. For this, they employ people from nearby villages where very less job opportunities are available. An employee, Harish, designed a plan for cost reduction but it was not welcomed by the production manager. Another employee gave some suggestion for improvement in design, but it was also not appreciated by the production manager. (a) State the principle of management described in the above para. (b) Identify any two values that the company wants to communicate to the society. Ans. (a) Initiative. It means eagerness to initiate action without being asked to do so. (b) Values which the company wants to communicate to the society are: (i) Sensitivity towards the environment. (ii) Creation of job opportunities. (iii) Development of backward regions. (or any other correct value)	$\frac{1}{2}$ mark for identification + $\frac{1}{2}$ mark for the statement = $\frac{1}{2} + \frac{1}{2}$ = 1 mark + 1 mark for each value = 1 x 2 = 2 marks = 1+2 3 marks
15	16	14	Q. ‘Wealth maximization’ is the primary objective of financial management. Explain. Ans. Wealth maximisation is the primary objective of financial management which means maximising the market value of investment in the shares of the company. It is possible only by: (i) Ensuring availability of sufficient funds at reasonable cost. (ii) Ensuring effective utilization of funds. (iii) Ensuring safety of funds by creating reserves, re-investment of profits etc.	3 marks
16	15	18	Q. Give the meaning of ‘Investment decision’ and ‘Dividend decision’. Ans. Investment decision involves deciding about how the funds are invested in different assets so that they are able to earn the highest possible return for their investors. Dividend decision involves deciding about how much of profit earned by the company is to be distributed to the shareholders and how much of it should be retained in the business.	$1\frac{1}{2} + 1\frac{1}{2}$ = 3 marks
17	14	13	Q. Give the meaning of the following money market	



			instruments: (i) Treasury bill; and (ii) Call money. Ans. (i) Treasury bill It is an instrument issued by Reserve Bank of India on behalf of the Central government to meet its short term requirements of funds. It is highly liquid, has an assured yield and negligible risk of default. (b) Call Money It is the method by which banks borrow from each other to be able to maintain the cash reserve ratio. It is repayable on demand, with a maturity period of one day to fifteen days.	$1\frac{1}{2} + 1\frac{1}{2}$ $=$ 3 marks
18	13	15	Q. ‘You don’t close a sale, you open a relationship, if you want to build a long term successful enterprise.’ Identify the communication tool used by the marketer. State any two features of this communication tool. Ans. Personal selling. Features of personal selling are: (i) It involves a <u>direct face to face dialogue.</u> (ii) It allows salespersons to develop <u>personal relationships</u> with prospective customers.	1 mark for identification $+$ 1 mark for each statement $=1 \times 2$ 2 marks $=1+2$ 3marks
19	-	-	Q. Explain any four characteristics of co-ordination. Ans. Characteristics of co-ordination are: (Any four) (i) Integrates group efforts. (ii) Ensures unity of action. (iii) Continuous process. (iv) Pervasive function. (v) Responsibility of all managers. (vi) Deliberate function. (if an examinee has not given the headings as above but have given the correct explanations, full credit should be given)	$\frac{1}{2}$ mark for heading $+$ $\frac{1}{2}$ mark for explanation $= 1 \times 4 =$ 4 marks
20	-	-	Q. ‘The Indian corporate sector has come face to face with several challenges due to government policy changes in business and industry. Explain any four such changes. Ans. Impact of government policy changes on business and industry: (Any four) (i) Increasing competition (ii) More demanding customers (iii) Rapidly changing technological environment (iv) Necessity for change (v) Need for developing human resources. (vi) Market orientation (vii) Loss of budgetary support to the public sector.	$\frac{1}{2}$ mark for the heading $+$ $\frac{1}{2}$ mark for each explanation $= 1 \times 4$ =4marks



			(If an examinee has not given the headings as above but has given the correct explanation, full credit should be given)	
21	-	-	<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 <p><u>Planning reduces creativity because:</u></p> <ul style="list-style-type: none"> • It is an activity done by the top management; middle management and other decision makers are not allowed to deviate from the plans. • As a result, initiative and creativity inherent in them gets lost or reduced. <p>(If the student has given the answer in a paragraph, covering the above points, full credit is to be given)</p>	<p>2 + 2 =</p> <p>4 marks</p>
22	-	-	<p>Q. What is meant by ‘Consumer Protection’? Also state how consumer protection is important from the point of view of consumers.</p> <p>Ans. Consumer Protection means protection of consumers from unscrupulous, exploitative and unfair trade practices.</p> <p><u>Importance of Consumer protection for consumers is due to:</u></p> <ol style="list-style-type: none"> 1. Consumers being ignorant about their rights and reliefs available to them. 2. Consumers being unorganised. 3. Consumers being widely exploited by unfair trade practices. <p>(If an examinee has given only the headings, ½ mark for each heading should be awarded)</p>	<p>1 + 3 =</p> <p>4 marks</p>
23	-	-	<p>Q. State the benefits of training to the organisation.</p> <p>Ans. <u>Benefits of training to the organisation :</u></p> <ol style="list-style-type: none"> (a) It <u>avoids wastage of efforts and money</u> by systematic learning of skills. (b) It enhances employee productivity leading to <u>higher profits</u>. (c) It equips the future <u>manager who can take over in case of an emergency</u>. (d) It <u>reduces absenteeism</u> and employee turnover by increasing employee morale. (e) It helps in obtaining an <u>effective response to a fast changing environment</u>. 	<p>1 x 5 =</p> <p>5 marks</p>



			(If an examinee has given only the headings, 1/2 mark for each heading should be awarded)																
24	-	-	<p>‘Controlling is an indispensable function of management.’ Explain this statement with the help of any five points.</p> <p>Ans. Controlling is an indispensable function of management as: (Any five)</p> <ol style="list-style-type: none"> 1. It helps in accomplishing organisational goals. 2. It helps in making efficient use of resources. 3. It ensures order and discipline. 4. It improves employee motivation. 5. It helps in judging accuracy of standards. 6. It facilitates co-ordination in action. <p>(If an examinee has not given the headings as above but has given the correct explanation, no marks should be deducted)</p>	<p>1/2 mark for heading + 1/2 mark for explanation = 1 x 5 =5marks</p>															
25	-	-	<p>Q. Differentiate between ‘Capital Market’ and ‘Money Market’ on the following basis:</p> <p>(i) Expected Return (ii) Security (iii) Liquidity (iv) Duration; and (v) Instruments</p> <p>Ans. DISTINCTION BETWEEN CAPITAL MARKET AND MONEY MARKET</p> <table border="1" data-bbox="301 1198 992 1838"> <thead> <tr> <th>Basis</th> <th>CAPITAL MARKET</th> <th>MONEY MARKET</th> </tr> </thead> <tbody> <tr> <td>(i) Expected return</td> <td>The investment in capital markets generally yields a higher return.</td> <td>The expected rate of return of the money market is less.</td> </tr> <tr> <td>(ii) Security</td> <td>Capital market instruments are riskier both with respect to returns and principal repayment.</td> <td>Money market instruments are generally much safer with a minimum risk of default.</td> </tr> <tr> <td>(iii) Liquidity</td> <td>Capital market securities are comparatively less liquid.</td> <td>Money market securities are comparatively more liquid.</td> </tr> <tr> <td>(iv) Duration</td> <td>The capital market deals in</td> <td>Money market deals in short term</td> </tr> </tbody> </table>	Basis	CAPITAL MARKET	MONEY MARKET	(i) Expected return	The investment in capital markets generally yields a higher return.	The expected rate of return of the money market is less.	(ii) Security	Capital market instruments are riskier both with respect to returns and principal repayment.	Money market instruments are generally much safer with a minimum risk of default.	(iii) Liquidity	Capital market securities are comparatively less liquid.	Money market securities are comparatively more liquid.	(iv) Duration	The capital market deals in	Money market deals in short term	<p>1 x 5 = 5 marks</p>
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26	-	-	<p>Q. There are a number of factors that affect the fixation of price of a product. State any five such factors.</p> <p>Ans. <u>Factors that affect the fixation of price of a product are:</u> (Any five)</p> <p>(i) Product cost determines the minimum level at which the product can be sold.</p> <p>(ii) Utility and demand set the upper limit of the price which the buyer would be prepared to pay.</p> <p>(iii) In lesser competition, the price will tend to reach the upper limit while in free competition; the price will tend to be set at a lower level.</p> <p>(iv) Government can intervene and regulate the price by declaring the product as an essential product.</p> <p>(v) In case the objective of the enterprise is maximizing profits, obtaining market share leadership or surviving in a competitive market, price will be set at a lower level while if the objective is product quality leadership, price will be set higher.</p> <p>(vi) Uniqueness of marketing methods used like distribution system or quality of salesman employed give freedom to the company in setting the price.</p>	<p>1 x 5 = 5marks</p>						
27	29	29	<p>Q. Besides ‘Effective management’ and ‘Employee development’, delegation helps the organisation in different ways. Explain any four such ways.</p> <p>Ans. Besides ‘Effective management’ and ‘Employee development’, delegation helps the organisation in:</p> <p>(i) Motivation of employees.</p> <p>(ii) Facilitation of growth.</p> <p>(iii) Better co-ordination.</p> <p>(iv) Creation of management hierarchy.</p> <p>(if an examinee has not given the headings as above but</p>	<p>½ mark for heading + 1 mark for explanation = 1 ½ x 4 = 6marks</p>						



		<p>has given the correct explanation, full credit should be given)</p> <p style="text-align: center;">Or</p> <p>Q. ‘Decentralisation is an important philosophy that implies selective dispersal of authority.’ In the light of this statement, explain any four points of importance of decentralization.</p> <p>Ans. Decentralisation is an important philosophy that implies selective dispersal of authority. In the light of this statement, decentralization is important as it: (Any four)</p> <ul style="list-style-type: none"> (i) Develops initiative amongst subordinates. (ii) Develops managerial talent for the future. (iii) Leads to quick decision making. (iv) Gives relief to top management. (v) Facilitates growth. (vi) Facilitates better control. <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>½ mark for heading + 1 mark for explanation = 1 ½ x 4 = 6marks</p>	
28	30	30	<p>Q. ‘The functions and performance of the supervisor are vital to an organisation because he is directly related with the workers whereas other managers have no direct touch with bottom level workers.’ In the light of this statement, explain any four functions of a supervisor.</p> <p>Ans. <u>The functions and performance of the supervisor are vital to an organisation because he:</u> (Any four)</p> <ul style="list-style-type: none"> (i) Maintains day to day contact. (ii) Links the workers and the management. (iii) Helps in maintaining group unity. (iv) Ensures performance of work. (v) Provides on the job training. (vi) Builds high morale amongst the workers. (vii) Gives feedback. <p>(If an examinee has not given the headings as above but has given the correct explanation, no marks should be deducted)</p> <p style="text-align: center;">OR</p> <p>Q. Describe personal barriers to effective communication.</p> <p>Ans. Personal barriers to effective communication are:</p> <ul style="list-style-type: none"> (i) Fear of challenge to authority. 	<p>½ mark for heading + 1 mark for explanation = 1 ½ x 4 = 6marks</p> <p style="text-align: center;">OR</p> <p>½ mark for each heading + 1 mark for each explanation</p>



			(ii) Lack of confidence of superior on his subordinates. (iii) Unwillingness to communicate. (iv) Lack of proper incentives.	= 1 ½ x 4 = 6 marks
29	28	27	<p>Q. Explain how the following factors affect the working capital requirements of a business:</p> <p>(i) Inflation (ii) Business cycle (iii) Level of competition; and (iv) Nature of business</p> <p>Ans. <u>Factors affecting the requirements of working capital:</u></p> <p>(i) <u>Inflation</u> During inflation, larger working capital is required to maintain a constant volume of production and sales.</p> <p>(ii) <u>Business cycle</u> In case of boom, larger working capital is required as the sales and production are more.</p> <p>(iii) <u>Level of competition</u> Higher competition requires larger stocks to meet urgent orders from customers and thus higher working capital.</p> <p>(iv) <u>Nature of business</u> Trading organisations require lesser working capital than manufacturing organisations as there is no processing involved; service industries require the least working capital as they do not have to maintain inventory.</p> <p style="text-align: center;">OR</p> <p>Q. Explain any four factors affecting the choice of capital structure of a company:</p> <p>Ans. Ans. <u>Following are the factors affecting the choice of capital structure of a company: (any four)</u></p> <ol style="list-style-type: none"> 1. Cash flow position 2. Interest coverage ratio 3. Debt service coverage Ratio 4. Return on Investment 5. Cost of debt 6. Tax rate 7. Cost of equity 8. Floatation costs 9. Cost 10. Fixed operating costs 11. Risk consideration 12. Flexibility 	<p>1 ½ x 4 = 6 marks</p> <p style="text-align: center;">OR</p> <p>½ mark for heading + 1 mark for explanation = 1 ½ x 4 = 6marks</p>



			<p>13. Control 14. Regulatory framework 15. Stock market conditions 16. Capital structure of other companies (If an examinee has not given the headings as above but has given the correct explanations, full credit should be given)</p>	
30	27	28	<p>Q. Describe the role of ‘Public Relations’ in the promotion of products and services. Ans. <u>Role of Public Relations in the promotion of products and services: (Any four)</u> (i) Press Relations. (ii) Product Publicity. (iii) Corporate Communication. (iv) Lobbying. (v) Counselling. (If an examinee has not given the headings but has given the correct explanation, full credit should be given)</p> <p style="text-align: center;">OR</p> <p><u>Role of Public Relations in the promotion of products and services:</u> (i) Smooth functioning of business. (ii) Image building. (iii) Launching new products. (iv) Helps in facing adverse publicity. (v) Supplement to advertising. (vi) Satisfying interest of different public groups. (If an examinee has not given the headings but has given the correct explanation, full credit should be given)</p> <p style="text-align: center;">OR</p> <p>Q. Explain the four important elements of marketing mix. Ans. The four important elements of marketing mix are: (i) Product mix (ii) Price mix, (iii) Place mix, and (iv) Promotion mix. 1. Product Mix: Product mix relates to decisions regarding planning, developing and producing the right type of products and services for the consumers. It includes branding, labelling, trademark and packaging.</p>	<p>$\frac{1}{2}$ mark for each heading + 1 mark for each explanation = $1\frac{1}{2} \times 4$ = 6marks</p> <p style="text-align: center;">OR</p> <p>$\frac{1}{2}$ mark for each heading + 1 mark for each explanation = $1\frac{1}{2} \times 4$ = 6marks.</p>



		<p>2. Price Mix: Price Mix involves different Pricing Methods, Pricing strategies, Pricing Policies and Price Changes.</p> <p>3. Place Mix: <u>Place or Physical Distribution</u> mix includes activities that make firm's products available to the target customers. It consists of all the activities involved in transferring ownership and physical possession of the product to the consumers.</p> <p>4. Promotion Mix: Promotion mix consists of all the activities aimed at persuading customers to buy the product through advertising, personal selling, sales promotion and publicity.</p>	
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