

SET**A**

INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2022
BUSINESS ADMINISTRATION (833)

CLASS: XI

Max. Marks: 60

MARKING SCHEME

QN.NO	VALUE POINTS	MARKS SPLIT UP
1	a. Listening	1
2	Phonetics is the study of the sounds that we make when we speak.	1
3	a. Putting arm around a coworker's shoulder	1
4	The process of working together in a group is TEAM WORK.	1
5	It is our ability to do the things that need to be done without someone or something influencing us.	1
6	A-Achievable T - Timebound	$\frac{1}{2} + \frac{1}{2} = 1$
7	b. Employment	1
8	c. Genetic industries	1
9	a. Busy	1
10	Commerce refers to all those activities that facilitate the transfer of goods & services from producer to consumers.	1
11	c. Tertiary industries	1
12	It refers to purchase of goods in small quantities from wholesaler and finally their sale to final consumers.	1
13	a. Finance	1
14	Business Environment means the sum total of all individuals or organizations and other forces that are controllable or outside the control of business enterprise but may affect its performances.	1
15	a. Strengths	1

16	d. Political Environment	1
17	General forces refer to social, political, legal and other forces which have indirect effect on business operations.	1
18	LIBERALISATION means removal of restriction on the entry and growth of private Sector firms.	1
19	Product: The products are tangible and can be inspected / sampled before buying. Services: Service on the other hand is experiential and sometimes based on a belief.	$\frac{1}{2} + \frac{1}{2} = 1$
20	These are products that are bought often in a routine manner without much thought on regular basis. A typical example is with paste or milk for breakfast. Staple products are usually sold in convenient location like food stores and supermarkets. Branding is important with staple products	1
21	c. Know your customer	1
22	These are the least profitable customers as sometimes they themselves are not sure what to buy. These customers are normally new in industry and most of the times visit suppliers only for confirming their needs on products. They investigate features of most prominent products in the market but do not buy any of those or show least interest in buying. To grab such customers they should be properly informed about the various positive features of the products so that they develop a sense of interest.	1
23	These are goods that the consumer does not know about or know about but does not normally think of buying.	1
24	c. Company	1
25	d. Share	1
26	b. Shareholders	1
27	b. Unstable	1
28	b. Lack of business continuity	1
29	d.1912	1
30	c.200	1
31	a. Company	1
32	a. Private	1
33	a. Partner by holding out	1
34	c. Limited partnership	1
35	a. Sleeping partner	1

36	d. All of these	1
37	b. Mutual agency	1
38	These are operating supplies that are used up in the operation of the firm but do not become part of the product. They are usually budgeted as expenses and have short life. The purpose of such goods is to keep the foundation goods functioning properly and to help in the handling and supply of the entering goods.	1
39	Time management is the ability to plan and control how you spend the hours of your day well and do all that you want to do. Example: Sameera is always punctual at school. She has a regular schedule that she follows every day. She plans for study and play time in advance.	1+1=2
40	<ul style="list-style-type: none"> Everyone has a role to play in a team, so the pressure to succeed is not on one individual It helps you to have a support system, as all team members help to fix any mistake made by one team member You feel good when the team achieves success and it builds your confidence The work gets done faster (Any two) 	1+1=2
41	There are two basic types of questions: close-ended questions and open-ended questions.	1+1=2
42	<ul style="list-style-type: none"> Builds self-confidence, (Any two) Builds self-respect, Prevents you from saying words or doing actions that you may regret later, Makes you and others feel positive, Makes sure that everyone expresses their ideas and meets the needs of all, and Helps you to become a more confident worker and a better communicator. 	1+1=2
43	<ul style="list-style-type: none"> Language Visual Perception Past Experience Prejudice Feelings Environment Personal factors Culture (Any two) 	1+1=2
44	<ul style="list-style-type: none"> Survival – The entrepreneurs engage in business activities to earn profits as a means of livelihood. Everyone has to satisfy his needs & hence no one is expected to undertake business activity without any earnings. Business can survive only when there are adequate profits. Growth & Expansion – Profit not only provides funds for growth & expansion but also motivates businessman to think of diversification & re-invest for expansion. Reward for Risk bearing – Profit motivates businessman to take risks, higher the risk, higher is the possibility of earning more profits. In the eventuality of loss due to any risk, he does not stop the business. He runs the business assuming profits in 	1+1=2

	<p>future.</p> <ul style="list-style-type: none"> Measures efficiency – Profit is considered as an index for judging the performance of the business enterprise if profits are higher it indicates the efficiency of management. Goodwill & Reputation – Higher profitability builds reputation of the business. Goodwill creates market standing which helps to raise loans and obtain credit for further expansion. 	
45	<p>Economic environment exercises most significant influence on business because business itself is an economic institution. Totality of Economic Factors, such as employment, income, inflation, value of rupee, interest rate, productivity, wealth, that influences the buying, behavior of the consumers and firms comprises Economic Environment.</p> <p>Example:</p> <ul style="list-style-type: none"> A rise in income of people has created increasing demand for products. Globalization has resulted in entry of several multinationals into India. Rapid growth of Indian economy has been causing inflation. Stock markets in India have become more sensitive to change in international stock markets. <p style="text-align: center;">(Any one)</p>	1+1=2
46	<p>Non-durable goods</p> <ul style="list-style-type: none"> Non-durable goods are tangible goods that are normally consumed in one or few uses. These goods are consumed fast and purchased frequently by the consumers. <p>Durable goods</p> <ul style="list-style-type: none"> These are tangible goods that normally survive many uses. Goods that fall under this category include Furniture, Refrigerator, Clothing, Rug etc. They are not frequently purchased as non-durable goods because they are used up slowly 	$\frac{1}{2} + \frac{1}{2} + \frac{1}{2} + \frac{1}{2} = 2$
47	<ul style="list-style-type: none"> Easy formation – Formation of Partnership business is easy. It doesn't involve any legal formalities except a formal agreement. Even registration of partnership firm is not compulsory. More financial Resources – As a number of partners contribute to the capital of the firm, it is possible to collect larger financial resources. There is a great scope for expansion or growth of business. Balanced Decision making – The partnership firm enables pooling of abilities which helps in taking balanced decisions. It also helps in efficient management of business. Business Secrecy - The partnership firms are not bound to publish & file its accounts & reports. So, the business secrets are confined amongst the partners only. Risk sharing - In a partnership firm the risk is shared by all the partners. The survival capacity of business is higher than that of sole proprietorship. <p style="text-align: center;">(Any two)</p>	1+1=2
48	<ul style="list-style-type: none"> It serves as an invitation to the public to invest in the shares and debentures of the company. 	1+1=2

	<ul style="list-style-type: none"> • It acts as an advertisement for inducing the investors to invest in the company. 	
49	<ul style="list-style-type: none"> • Economic Activity: Business is an economic activity undertaken to earn money for livelihood. It satisfies human needs through production, Sale or distribution of goods & services. Example: Sale of toys in the shop. • Sale or Exchange of Goods & Services: For any business it is essential that there is sale or exchange of goods & services for money worth. Goods purchased or produced for personal use cannot be termed as Business Activity. For Example: The owner of the toy shop sells his toys to the customer, it is a business activity, but if he gives a toy from his shop to his child then it's not business activity as he is not getting any money in return. • Regular Dealings: Business involves exchange of goods & services on regular basis. One single transaction of sale or purchase cannot be termed as business. For example: A person sells his old air conditioner and buys a new one is not a business activity. But if he continuously deals in sale and purchase of air conditioner, it will be considered as business activity. • Production or Purchase of Goods and Services: Business includes all the activities concerned with manufacturing goods, purchasing goods or providing services like transportation, banking for satisfaction of human needs. For Example: Purchasing cloth from the manufacturer and manufacturing shirts to sell in the market. • Profit motive: Profit earning is one of the main motive of a business activity. Earning profit is essential for survival of the business. Businessman is always thinking to maximize his revenue (profit) by increasing his sales or minimizing his costs. For example: A property dealer purchases a home at Rs. `85 lakh and sells for ` 95 lakh. ` 10 lakh is his profit in this transaction which he will use in expansion of his business. • Consumer satisfaction: Today's Market is 'Consumer Oriented' i.e. Consumer is the king in the market. So businessman has to satisfy his consumers in all respects to run his business successfully. For example: Reliance industries provide consumer oriented service i.e. to provide good service to the consumers is their priority. 	1+1+1=3
50	<p>A sole proprietary organisation has the following advantages:</p> <ol style="list-style-type: none"> 1. Easy formation: A sole proprietorship business is easy to form where no legal formality involved in setting up this type of organization. It is not governed by any specific law. It is simply required that the business activity should be lawful and should comply with the rules and regulations laid down by local authorities. 2. Better Control: In sole proprietary organisation, all the decisions relating to business operations are taken by one person, which makes functioning of business simple and easy. The sole proprietor can also bring about changes in the size and nature of activity. This gives better control to business. 3. Sole beneficiary of profits: The sole proprietor is the only person to whom the profits belong. There is a direct relation between effort and reward. This motivates him to work hard and bear the risks of business. 4. Benefits of small-scale operations: The sole proprietorship is generally organized for 	1+1+1=3

	<ul style="list-style-type: none"> • Maintaining Customer Relationship – Maintaining good customer relationship is growing in importance due to the challenging business environment faced by organization throughout the world today. The aim should be to maximize profit over the long run through the satisfaction of customer's wants. All the plans, policies & operations of business enterprise should be oriented towards customer. Every business decision is made with a prior knowledge of its impact on the customers as 'consumer is the king' • Employee enrichment - Human resources are the only resource which has an unlimited potential for empowerment and development. Sound organization adopts right strategies for attracting, developing, retaining and utilizing human resources. A competent & dedicated team of employees can help an enterprise in achieving its goals efficiently & effectively. • Innovation & Creativity — Innovation implies doing new things or doing things that are already being done in new ways. It involves creativity & thought process to transform idea or resource into some useful applications. To survive and succeed in this competitive environment it's imperative for any organization to conceive something original and unique. <p style="text-align: right;">(Any Four)</p>	
53	<p>Business Environment is characterized by following features.</p> <ol style="list-style-type: none"> 1. Aggregative - Business Environment is the totality of all the external forces which influence the working and decision making of an enterprise. 2. Inter-related - Different elements of business environment are closely interrelated and interdependent. A change in one element affects the other element for example: Social pressure against pollution (social environment), led to the enactment of anti-pollution laws (political environment). 3. Relativity - Business Environment is a relative concept. It differs from country to country and region to region for example: Countries like USA and UK have different kind of education system from India. 4. Uncertainty - Business Environment is legally uncertain because it is very difficult to forecast future uncertainties. Changes are taking place very frequently. For e.g. Advancement in mobile technology. 5. Complex - Business Environment is very complex. It's difficult to know the impact of social, economic, political and technological factors on change in demand of a product. 	1+1+1+1=4
54	<p>(a) Intangibility: Intangibility of services can be explained by a clear comparison between restaurants and soaps. Soap has a clear metric like 500 grams of soap and it is something which you can touch and feel and you know what the exact cost of the product is and what it has to be priced at. A service like a restaurant is always varying because you pay as per the service that you receive. You cannot taste the food in a restaurant and then order the food. You have to first order it and then hope that it is good in taste. Thus, unlike products, services cannot be touched or felt beforehand. They have to be first ordered and then they become tangible.</p> <p>(b) Inseparability: Services are produced and consumed on the spot. This is unlike physical products that can be produced now and stored in inventory till later time for consumption. If a service is rendered by a person, the person and the service cannot be</p>	1+1+1+1=4

	<p>separated since the provider is present at the point of sale. This explains why there is a provider-client interaction in services marketing. It is the provider of the services that is very important in entertainment and professional services. Because of strong preferences for provider, a substitute will not in any way satisfy the buyer.</p> <p>(c) Variability: Services are highly variable and they depend on who provides them and when and where they are provided. One Surgeon may be preferred to another because of hospital facilities and handling he has over and above the other. Service buyers are usually aware of this high variability and frequently talk to others before selecting a service provider. This explains why many banks, airlines and hotels spend substantial amount to train their 7 employees in providing good service the degree of variability can be reduces by training the service providers in response to customers demean.</p> <p>(d) Perishability: Services as mentioned earlier cannot be stored. The reason why many doctors charge patient for missed appointments - is that service value existed only at the point when the patient should have shown up.</p>																					
55	<p>The significance or main advantages of organization are as follows:</p> <p>1. It Facilitated Administration and management: Organization is an important and the only tool to achieve enterprise goals set b administration and explained by management. A sound organization increases efficiency, avoids delay and duplication of work, increases managerial efficiency, increases promptness, motivates employees to perform their responsibility.</p> <p>2. It Help in the Growth of Enterprise: Good organization is helpful to the growth, expansion and diversifications of the enterprise.</p> <p>3. It Ensures Optimum Use of Human Resources: Good organization establishes persons with different interests, skills, knowledge and viewpoints.</p> <p>4. It Stimulates Creativity: A sound and well-conceived organization structure is the source of creative thinking and initiation of new ideas.</p> <p>5. A Tool of Achieving Objectives: Organization is a vital tool in the hands of the management for achieving set objectives of the business enterprise.</p>	1+1+1+1=4																				
56	<table><tr><th>S.No.</th><th>Basis</th><th>Memorandum of association</th><th>Articles of association</th></tr><tr><td>a</td><td>Nature</td><td>It is a charter of company</td><td>It is bye laws of the company</td></tr><tr><td>b</td><td>Status</td><td>It is the principal document</td><td>It is a supplementary document</td></tr><tr><td>C</td><td>Scope</td><td>It defines objectives and power of company</td><td>It contains rules & regulations of the company</td></tr><tr><td>d</td><td>Relationship</td><td>It defines relationship of the company with outside world</td><td>It defines internal relationship between company and Member</td></tr></table>	S.No.	Basis	Memorandum of association	Articles of association	a	Nature	It is a charter of company	It is bye laws of the company	b	Status	It is the principal document	It is a supplementary document	C	Scope	It defines objectives and power of company	It contains rules & regulations of the company	d	Relationship	It defines relationship of the company with outside world	It defines internal relationship between company and Member	1+1+1+1=4
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SET**B**

INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2022
BUSINESS ADMINISTRATION (833)

CLASS: XI

Max. Marks: 60

MARKING SCHEME

QN.NO	VALUE POINTS	MARKS SPLIT UP
1	It is our ability to do the things that need to be done without someone or something influencing us.	1
2	a. Speaking	1
3	S- Specific R - Realistic	1
4	(a) Listening	1
5	The process of working together in a group is TEAM WORK.	1
6	a. Putting arm around a coworker's shoulder	$\frac{1}{2} + \frac{1}{2} = 1$
7	Commerce refers to all those activities that facilitate the transfer of goods & services from producer to consumers.	1
8	c. Genetic industries	1
9	a. Busy	1
10	b. Employment	1
11	c. Tertiary industries	1
12	It refers to sale of goods of specific variety in large quantities. They buy in bulk from manufacturer and then sell in small quantities to the retailers.	1
13	Business Environment means the sum total of all individuals or organizations and other forces that are controllable or outside the control of business enterprise but may affect its performances.	1
14	a. Finance	1
15	b. Weakness	1

16	d. Political Environment	1
17	Specific forces refer to those forces which are having direct effect on day to day working of the business i.e. customers, competitors, investors etc.	1
18	PRIVATISATION means giving greater role to private sector and reducing role of public sector.	1
19	These are the least profitable customers as sometimes they themselves are not sure what to buy. These customers are normally new in industry and most of the times visit suppliers only for confirming their needs on products. They investigate features of most prominent products in the market but do not buy any of those or show least interest in buying. To grab such customers they should be properly informed about the various positive features of the products so that they develop a sense of interest.	$\frac{1}{2} + \frac{1}{2} = 1$
20	These are products that are bought often in a routine manner without much thought on regular basis. A typical example is with paste or milk for breakfast. Staple products are usually sold in convenient location like food stores and supermarkets. Branding is important with staple products	1
21	c. Know your customer	1
22	Product: The products are tangible and can be inspected / sampled before buying. Services: Service on the other hand is experiential and sometimes based on a belief.	1
23	These are goods that the consumer does not know about or know about but does not normally think of buying.	1
24	b. Shareholders	1
25	c. Company	1
26	d.1912	1
27	c. Unstable	1
28	b. Lack of business continuity	1
29	d. Share	1
30	c.200	1
31	a. Company	1
32	a. Private	1
33	a. Partner by holding out	1
34	c. Limited partnership	1
35	a. Sleeping partner	1

36	d. All of these	1
37	b. Mutual agency	1
38	These are operating supplies that are used up in the operation of the firm but do not become part of the product. They are usually budgeted as expenses and have short life. The purpose of such goods is to keep the foundation goods functioning properly and to help in the handling and supply of the entering goods.	1
39	<ul style="list-style-type: none"> Everyone has a role to play in a team, so the pressure to succeed is not on one individual It helps you to have a support system, as all team members help to fix any mistake made by one team member You feel good when the team achieves success and it builds your confidence The work gets done faster (Any two) 	1+1=2
40	There are two basic types of questions: close-ended questions and open-ended questions.	1+1=2
41	<p>Time management is the ability to plan and control how you spend the hours of your day well and do all that you want to do.</p> <p>Example: Sameera is always punctual at school. She has a regular schedule that she follows every day. She plans for study and play time in advance.</p>	1+1=2
42	<p>Be confident</p> <p>When someone walks into a room smartly and with confidence, he or she gets the attention of others easily.</p> <p>Speak slowly and clearly</p> <p>Talking too fast will not give people the time to listen and understand you. If someone is accusing you wrongly or shouting and behaving aggressively, stay calm and reply slowly and firmly.</p>	1+1=2
43	<ul style="list-style-type: none"> Language Visual Perception Past Experience Prejudice Feelings Environment Personal factors Culture (Any two) 	1+1=2
44	<p>Non-durable goods</p> <ul style="list-style-type: none"> Non-durable goods are tangible goods that are normally consumed in one or few uses. These goods are consumed fast and purchased frequently by the consumers. <p>Durable goods</p> <ul style="list-style-type: none"> These are tangible goods that normally survive many uses. Goods that fall under this category include Furniture, Refrigerator, Clothing, Rug etc. They are not frequently purchased as non-durable goods because they are used up slowly 	$\frac{1}{2} + \frac{1}{2} + \frac{1}{2} + \frac{1}{2} =$ 2

45	<ul style="list-style-type: none"> • It serves as an invitation to the public to invest in the shares and debentures of the company. • It acts as an advertisement for inducing the investors to invest in the company. (Any one) 	1+1=2
46	<ul style="list-style-type: none"> • Survival – The entrepreneurs engage in business activities to earn profits as a means of livelihood. Everyone has to satisfy his needs & hence no one is expected to undertake business activity without any earnings. Business can survive only when there are adequate profits. • Growth & Expansion – Profit not only provides funds for growth & expansion but also motivates businessman to think of diversification & re-invest for expansion. • Reward for Risk bearing – Profit motivates businessman to take risks, higher the risk, higher is the possibility of earning more profits. In the eventuality of loss due to any risk, he does not stop the business. He runs the business assuming profits in future. • Measures efficiency – Profit is considered as an index for judging the performance of the business enterprise if profits are higher it indicates the efficiency of management. • Goodwill & Reputation – Higher profitability builds reputation of the business. Goodwill creates market standing which helps to raise loans and obtain credit for further expansion. (Any two) 	1+1=2
47	<p>A partnership form of organisation suffers from the following major limitations:</p> <ol style="list-style-type: none"> 1. Uncertainty of existence: The existence of a partnership firm is very uncertain. The retirement, death, bankruptcy or lunacy of any partner can put an end to the partnership. Further, the partnership business can come to a close if any partner demands it. 2. Risks of implied authority: It is true that like the sole proprietor each partner has unlimited liability. But his liability may arise not only from his own acts but also from the acts and mistakes of co-partners over whom he has no control. This discourages many persons with money and ability, to join a partnership firm as partner. 3. Risks of disharmony: In partnership, since decisions are taken unanimously, it is essential that all partners reconcile their views for the common good of the organisation. But there may arise situations when some partners may adopt rigid attitudes and make it impossible to arrive at a commonly agreed decision. Lack of harmony may paralyse the business and cause conflict and mutual bickering. 4. Difficulty in withdrawal from the firm: Investment in a partnership can be easily made but cannot be easily withdrawn. This is so because the withdrawal of a partner's share requires the consent of all other partners. 5. Lack of institutional confidence: A partnership business does not enjoy much confidence of banks and financial institutions. It is because the nature of its activities is not disclosed at public and the agreement among partners is not regulated by any law. As a result large financial resources cannot be raised by partnership and growth of business cannot be ensured. 6. Difficulties of expansion: It is difficult for a partnership firm to undertake modernization of expansion of its operations. This is because of its inability to raise 	1+1=2

	adequate funds for the purpose. Limited membership and their limited personal resources do not permit large amounts of capital to be raised by the partners. Therefore, large-scale business cannot generally be organised by partnerships. (Any two)				
48	<p>It includes new approaches, new products and new equipment's to transform inputs into outputs. It also facilitates an organization efficiency and effectiveness so that it can try to remain at par with best in the world. Technology changes provide opportunities and become threat for others. Example of impact of Technical Environment on business</p> <ol style="list-style-type: none"> 1. Mobile phones have taken over from landline phone. 2. E- ticketing for railways and airways. 3. Information technology and telecommunication have given rise to a global market which requires better system of production and distribution (Internet marketing). (Any One)				1+1=2
49	<p>A sole proprietary organisation has the following advantages:</p> <ol style="list-style-type: none"> 1. Easy formation: A sole proprietorship business is easy to form where no legal formality involved in setting up this type of organization. It is not governed by any specific law. It is simply required that the business activity should be lawful and should comply with the rules and regulations laid down by local authorities. 2. Better Control: In sole proprietary organisation, all the decisions relating to business operations are taken by one person, which makes functioning of business simple and easy. The sole proprietor can also bring about changes in the size and nature of activity. This gives better control to business. 3. Sole beneficiary of profits: The sole proprietor is the only person to whom the profits belong. There is a direct relation between effort and reward. This motivates him to work hard and bear the risks of business. 4. Benefits of small-scale operations: The sole proprietorship is generally organized for small scale business. This helps the proprietor's family members to be employed in business. At the same time such a business is also entitled to certain concessions from the government. For example, small industrial organisations can get electricity and water supply at concessional rates on a priority basis. 5. Inexpensive Management: The sole proprietor does not appoint any specialists for various functions. He personally supervises various activities and can avoid wastage in the business. (Any three)				1+1+1=3
50	S.No	Basis	private company	public company	$\frac{1}{2} + \frac{1}{2} + \frac{1}{2} + \frac{1}{2} + \frac{1}{2}$ $\frac{1}{2} + \frac{1}{2} = 3$
	A	Allotment of share	Can allot share without receiving minimum subscription	Cannot allot share unless minimum subscription is received.	
	B	Name	Name must include 'Private Ltd.'	Name must include 'Ltd.'	
	C	Commencement of business	Business can be started after getting Certificate of Incorporation	Business can be started after getting Certificate of Commencement	

51	<ul style="list-style-type: none"> • Economic Activity: Business is an economic activity undertaken to earn money for livelihood. It satisfies human needs through production, Sale or distribution of goods & services. Example: Sale of toys in the shop. • Sale or Exchange of Goods & Services: For any business it is essential that there is sale or exchange of goods & services for money worth. Goods purchased or produced for personal use cannot be termed as Business Activity. For Example: The owner of the toy shop sells his toys to the customer, it is a business activity, but if he gives a toy from his shop to his child then it's not business activity as he is not getting any money in return. • Regular Dealings: Business involves exchange of goods & services on regular basis. One single transaction of sale or purchase cannot be termed as business. For example: A person sells his old air conditioner and buys a new one is not a business activity. But if he continuously deals in sale and purchase of air conditioner, it will be considered as business activity. • Production or Purchase of Goods and Services: Business includes all the activities concerned with manufacturing goods, purchasing goods or providing services like transportation, banking for satisfaction of human needs. For Example: Purchasing cloth from the manufacturer and manufacturing shirts to sell in the market. • Profit motive: Profit earning is one of the main motive of a business activity. Earning profit is essential for survival of the business. Businessman is always thinking to maximize his revenue (profit) by increasing his sales or minimizing his costs. For example: A property dealer purchases a home at Rs. `85 lakh and sells for ` 95 lakh. ` 10 lakh is his profit in this transaction which he will use in expansion of his business. • Consumer satisfaction: Today's Market is 'Consumer Oriented' i.e. Consumer is the king in the market. So businessman has to satisfy his consumers in all respects to run his business successfully. For example: Reliance industries provide consumer oriented service i.e. to provide good service to the consumers is their priority. 	1+1+1=3
53	<ul style="list-style-type: none"> • Strategic planning – Planning is an important and basic requirement of any business. Strategic Planning is a broad plan for bringing the organization from its present position to the desired position in future. Top management should identify who will be involved in the planning process, provide opportunity for proper participation, and give responsibility for developing and implementing the plans. • Financing Decision – Finance is the life blood of any business organization. There must be a continuous flow of funds for the business to commence its operations, to continue operations & for expansion or growth. Finance is an important operative function of business. The business firm has to raise funds from several sources at reasonable cost & ensure its effective utilisation so as to generate adequate profits. • Market research and development- In recent years, competition in most of the industries has increased due to growing industrialization, expanding size of operations, liberalization. The business organization have to be fully aware of marketing environment & formulate company policies keeping in mind the target customers, pricing, sales promotion and after sales service. 	1+1+1+1=4

	<ul style="list-style-type: none"> • Logistics decisions - Logistics decisions is concerned with the proper movement of material from source of supply to place of procedure and movement of finished product from the factory to the customer. It helps to provide product to the customer at right place and at right time. The business firm has to design and operate a quick, accurate and efficient order processing system to retain customers and ensure repeat order. It includes decision regarding transportation, warehousing, order processing, inventory management, procurement, vendor management etc. • Technological decisions – Information Technology is a boon to any business organization. Through Information Technology they can perform many functions & activities in lesser time & at lesser cost. To improve the quality of decisions, managers require very fast processing & transmission of huge mass of data. I.T. helps in collecting, processing & communicating information very quickly & effectively. • Internal process review - It is easy to focus only on the day to day running of your business especially in early stages. But once the business expands a regular review of the progress, internal process policy and procedures can help the business to identify its position in the market. This review highlights the assessment of core business activities, finance, business efficiency and competitor analysis. • Maintaining Customer Relationship – Maintaining good customer relationship is growing in importance due to the challenging business environment faced by organization throughout the world today. The aim should be to maximize profit over the long run through the satisfaction of customer's wants. All the plans, policies & operations of business enterprise should be oriented towards customer. Every business decision is made with a prior knowledge of its impact on the customers as 'consumer is the king' • Employee enrichment - Human resources are the only resource which has an unlimited potential for empowerment and development. Sound organization adopts right strategies for attracting, developing, retaining and utilizing human resources. A competent & dedicated team of employees can help an enterprise in achieving its goals efficiently & effectively. • Innovation & Creativity — Innovation implies doing new things or doing things that are already being done in new ways. It involves creativity & thought process to transform idea or resource into some useful applications. To survive and succeed in this competitive environment it's imperative for any organization to conceive something original and unique. <p style="text-align: right;">(Any Four)</p>	
55	<p>Business Environment is characterized by following features.</p> <ol style="list-style-type: none"> 1. Aggregative - Business Environment is the totality of all the external forces which influence the working and decision making of an enterprise. 2. Inter-related - Different elements of business environment are closely interrelated and interdependent. A change in one element affects the other element for example: Social pressure against pollution (social environment), led to the enactment of anti-pollution laws (political environment). 3. Relativity - Business Environment is a relative concept. It differs from country to country and region to region for example: Countries like USA and UK have different 	1+1+1+1=4

	<p>kind of education system from India.</p> <p>4. Uncertainty - Business Environment is legally uncertain because it is very difficult to forecast future uncertainties. Changes are taking place very frequently. For e.g. Advancement in mobile technology.</p> <p>5. Complex - Business Environment is very complex. It's difficult to know the impact of social, economic, political and technological factors on change in demand of a product.</p>	
54	<p>(a) Intangibility: Intangibility of services can be explained by a clear comparison between restaurants and soaps. Soap has a clear metric like 500 grams of soap and it is something which you can touch and feel and you know what the exact cost of the product is and what it has to be priced at. A service like a restaurant is always varying because you pay as per the service that you receive. You cannot taste the food in a restaurant and then order the food. You have to first order it and then hope that it is good in taste. Thus, unlike products, services cannot be touched or felt beforehand. They have to be first ordered and then they become tangible.</p> <p>(b) Inseparability: Services are produced and consumed on the spot. This is unlike physical products that can be produced now and stored in inventory till later time for consumption. If a service is rendered by a person, the person and the service cannot be separated since the provider is present at the point of sale. This explains why there is a provider-client interaction in services marketing. It is the provider of the services that is very important in entertainment and professional services. Because of strong preferences for provider, a substitute will not in any way satisfy the buyer.</p> <p>(c) Variability: Services are highly variable and they depend on who provides them and when and where they are provided. One Surgeon may be preferred to another because of hospital facilities and handling he has over and above the other. Service buyers are usually aware of this high variability and frequently talk to others before selecting a service provider. This explains why many banks, airlines and hotels spend substantial amount to train their employees in providing good service the degree of variability can be reduced by training the service providers in response to customers' demands.</p> <p>(d) Perishability: Services as mentioned earlier cannot be stored. The reason why many doctors charge patients for missed appointments - is that service value existed only at the point when the patient should have shown up.</p>	1+1+1+1=4
52	<p>The significance or main advantages of organization are as follows:</p> <p>1. It Facilitated Administration and management: Organization is an important and the only tool to achieve enterprise goals set by administration and explained by management. A sound organization increases efficiency, avoids delay and duplication of work, increases managerial efficiency, increases promptness, motivates employees to perform their responsibility.</p> <p>2. It Help in the Growth of Enterprise: Good organization is helpful to the growth, expansion and diversifications of the enterprise.</p> <p>3. It Ensures Optimum Use of Human Resources: Good organization establishes persons with different interests, skills, knowledge and viewpoints.</p> <p>4. It Stimulates Creativity: A sound and well-conceived organization structure is the source of creative thinking and initiation of new ideas.</p> <p>5. A Tool of Achieving Objectives: Organization is a vital tool in the hands of the</p>	1+1+1+1=4

	management for achieving set objectives of the business enterprise.	
56	<ol style="list-style-type: none"> 1. Filing of documents – After the approval of name the following documents have to be submitted with the Registrar which are duly stamped, signed and witnessed – i) Memorandum of Association ii) Articles of Association iii) Consent of proposed directors with name, address, iv) Agreement with proposed Managing Director v) Copy of Registrar’s letter approving the name of the Company. vi) Name & address of Registered Office 2. Payment of fee – Along with filing of the document the prescribed fees of registration also has to be deposited. Amount of fee depend upon the authorized capital of the Company. 3. Registration – Once the Registrar is satisfied that all the documents filed are in order and other statutory requirements have been complied with, he enters the name of the Company in his register. 4. Certificate of Incorporation – After entering the name of the Company in the register, the Registrar issues a ‘Certificate of Incorporation’. This certificate implies the birth of the Company. The Registrar also allots a CIN (Corporate Identity Number) to the Company. From this date onwards the Company is considered as a separate legal entity and can enter into valid contracts. On issue of Certificate of Incorporation, a private Company can immediately commence its business, but a Public Company has to undergo 2 more stages before commencing its business 	1+1+1+1=4

SET**C**

INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2022
BUSINESS ADMINISTRATION (833)

CLASS: XI

Max. Marks: 60

MARKING SCHEME

QN.NO	VALUE POINTS	MARKS SPLIT UP
1	a. Putting arm around a coworker's shoulder	1
2	a. Speaking	1
3	M-Measurable R - Realistic	$\frac{1}{2} + \frac{1}{2} = 1$
4	(a) Listening	1
5	Interests are the things that we enjoy doing. Interests can be • activities you like to do in your free time that makes you happy. • Activities you are curious about or would do even if no one asked you to do it. • Activities you want to learn or would like to do in the future. Sometimes interests may not match abilities. In those cases, you can either improve your abilities or follow some other path. For example, you may like cricket (interest), but you may not be good at playing the game. In that case, just play for fun but do not aim for a career in cricket	$\frac{1}{2} + \frac{1}{2} = 1$
6	It is our ability to do the things that need to be done without someone or something influencing us.	1
7	c. Trade is that branch of commerce which is concerned with the sale, transfer or exchange of goods & services.	1
8	d. Genetic industries	1
9	a. Busy	1
10	Business Environment means the sum total of all individuals or organizations and other forces that are controllable or outside the control of business enterprise but may affect its performances.	1
11	c.Tertiary industries	1
12	Selling domestic product in foreign countries. For Examples – Rice is exported to other countries from India.	1

13	b. Employment	1
14	a. Finance	1
15	b. Weakness	1
16	d. Political Environment	1
17	GLOBALISATION means integration of our economy with world economy to promote imports, exports and mobilizing exchange movement.	1
18	Specific forces refer to those forces which are having direct effect on day to day working of the business i.e. customers, competitors, investors etc.	1
19	Loyal Customer: Loyal consumers are likely to comprise a small segment of your consumer base. However, because of their loyalty, they are valuable to every business. Once they have found the right company to do business with they will remain loyal, often becoming a promoter of the brand by sharing their experience with their friends, family and extended social network.	1
20	Product: The products are tangible and can be inspected / sampled before buying. Services: Service on the other hand is experiential and sometimes based on a belief.	$\frac{1}{2} + \frac{1}{2} = 1$
21	c. Know your customer	1
22	c. Company	1
23	Impulse consumers are the most difficult when it comes to maximizing marketing collateral. These consumers often don't shop with a specific product or service in mind, let alone a brand. Rather they make purchases capriciously, buying when something strikes their fancy	1
24	b. Shareholders	1
25	These are goods that the consumer does not know about or know about but does not normally think of buying.	1
26	d. 1912	1
27	c. Unstable	1
28	b. Lack of business continuity	1
29	d. Share	1
30	a. 50	1
31	a. Company	1
32	a. Private	1

33	a. Partner by holding out	1
34	c. Limited partnership	1
35	a. Sleeping partner	1
36	d. All of these	1
37	b. Mutual agency	1
38	These are operating supplies that are used up in the operation of the firm but do not become part of the product. They are usually budgeted as expenses and have short life. The purpose of such goods is to keep the foundation goods functioning properly and to help in the handling and supply of the entering goods.	1
39	<ul style="list-style-type: none"> • Share expertise and skills — for example, you can ask your friend or neighbour employed in a company to help you prepare for an interview. • Seek and provide support in difficult times — for example, you can ask your friends to help you out if you are going to get late to school or in completing a school project. • Inform and be informed about new opportunities — for example, you can ask your parents' friends to help you get a part time summer job in their place of work. (Any two) 	1+1=2
40	<p>Be confident When someone walks into a room smartly and with confidence, he or she gets the attention of others easily.</p> <p>Speak slowly and clearly Talking too fast will not give people the time to listen and understand you. If someone is accusing you wrongly or shouting and behaving aggressively, stay calm and reply slowly and firmly.</p>	1+1=2
41	<p>Time management is the ability to plan and control how you spend the hours of your day well and do all that you want to do.</p> <p>Example: Sameera is always punctual at school. She has a regular schedule that she follows every day. She plans for study and play time in advance.</p>	1+1=2
42	<ul style="list-style-type: none"> • Language • Visual Perception • Past Experience • Prejudice • Feelings • Environment • Personal factors • Culture <p>(Any two)</p>	1+1=2
43	There are two basic types of questions: close-ended questions and open-ended questions.	1+1=2
44	Non-durable goods	$\frac{1}{2} + \frac{1}{2} + \frac{1}{2} + \frac{1}{2} =$

	<ul style="list-style-type: none"> Non-durable goods are tangible goods that are normally consumed in one or few uses. These goods are consumed fast and purchased frequently by the consumers. <p>Durable goods</p> <ul style="list-style-type: none"> These are tangible goods that normally survive many uses. Goods that fall under this category include Furniture, Refrigerator, Clothing, Rug etc. They are not frequently purchased as non-durable goods because they are used up slowly 	2
45	<ul style="list-style-type: none"> It serves as an invitation to the public to invest in the shares and debentures of the company. It acts as an advertisement for inducing the investors to invest in the company. 	1+1=2
46	<ul style="list-style-type: none"> Survival – The entrepreneurs engage in business activities to earn profits as a means of livelihood. Everyone has to satisfy his needs & hence no one is expected to undertake business activity without any earnings. Business can survive only when there are adequate profits. Growth & Expansion – Profit not only provides funds for growth & expansion but also motivates businessman to think of diversification & re-invest for expansion. Reward for Risk bearing – Profit motivates businessman to take risks, higher the risk, higher is the possibility of earning more profits. In the eventuality of loss due to any risk, he does not stop the business. He runs the business assuming profits in future. Measures efficiency – Profit is considered as an index for judging the performance of the business enterprise if profits are higher it indicates the efficiency of management. Goodwill & Reputation – Higher profitability builds reputation of the business. Goodwill creates market standing which helps to raise loans and obtain credit for further expansion. <p style="text-align: center;">(Any two)</p>	1+1=2
47	<ol style="list-style-type: none"> Limited capital: Co-operatives are usually at a disadvantage in raising capital because of the low rate of return on capital invested by members. Inefficient management: The management of a cooperative society is generally inefficient because the managing committee consists of part-time and inexperienced people. Qualified managers are not attracted towards a co-operative on account of its limited capacity to pay adequate remuneration. Absence of motivation: A co-operative society is formed for mutual benefit and the interest of individual members is not fully satisfied. There is no direct link between effort and reward. Hence members are not inclined to put in their best efforts in a co-operative society. Differences and factionalism among members: Once the initial enthusiasm about the cooperative ideal is exhausted, differences and group conflicts arise among members. Then it becomes very difficult to get full cooperation of the members. The selfish motives of members begin to dominate and service motive is sometimes forgotten. But the society continues because it functions in the interest of members. Rigid rules and regulations: Excessive government regulation and control over Cooperatives affect their functioning. For example, a Co-operative society is required 	1+1=2

	to get its accounts audited by the auditors of the co-operative department and submit its accounts regularly to the Registrar. These regulations and control may adversely affect the flexibility of operations and the efficiency of management in a co-operative society (Any two)	
48	<p>Legal environment consist of laws, rules and regulation, framed by the parliament under which the business must operate. To exist and grow the business has to follow all the law that constitutes this environment. Noncompliance of laws can pose threats for business enterprises. The main constituents of legal environment are –</p> <ol style="list-style-type: none"> 1. Laws governing business- economic, commercial and labour laws. 2. Flexibility and adaptability of laws. 3. Implementation and effectiveness of laws, court decisions for protection of consumers. 4. Decision rendered by various agencies at center, states or local level. Examples of impact of legal environment on business <ol style="list-style-type: none"> a) Chambers of commerce and industry try to influence the policies and rules through lobbying and public opinion. b) Restriction on sale of arms ammunitions, Explosive, dangerous drugs. c) Protect employee against unfair dismissal. (Any One) 	1+1=2
49	<p>A sole proprietary organisation has the following advantages:</p> <ol style="list-style-type: none"> 1. Easy formation: A sole proprietorship business is easy to form where no legal formality involved in setting up this type of organization. It is not governed by any specific law. It is simply required that the business activity should be lawful and should comply with the rules and regulations laid down by local authorities. 2. Better Control: In sole proprietary organisation, all the decisions relating to business operations are taken by one person, which makes functioning of business simple and easy. The sole proprietor can also bring about changes in the size and nature of activity. This gives better control to business. 3. Sole beneficiary of profits: The sole proprietor is the only person to whom the profits belong. There is a direct relation between effort and reward. This motivates him to work hard and bear the risks of business. 4. Benefits of small-scale operations: The sole proprietorship is generally organized for small scale business. This helps the proprietor's family members to be employed in business. At the same time such a business is also entitled to certain concessions from the government. For example, small industrial organisations can get electricity and water supply at concessional rates on a priority basis. 5. Inexpensive Management: The sole proprietor does not appoint any specialists for various functions. He personally supervises various activities and can avoid wastage in the business. (Any three) 	1+1+1=3
50	<ul style="list-style-type: none"> • Economic Activity: Business is an economic activity undertaken to earn money for livelihood. It satisfies human needs through production, Sale or distribution of goods & services. Example: Sale of toys in the shop. • Sale or Exchange of Goods & Services: For any business it is essential that there is sale or exchange of goods & services for money worth. Goods purchased or produced for personal use cannot be termed as Business Activity. For Example: 	1+1+1=3

	<p>The owner of the toy shop sells his toys to the customer, it is a business activity, but if he gives a toy from his shop to his child then it's not business activity as he is not getting any money in return.</p> <ul style="list-style-type: none"> • Regular Dealings: Business involves exchange of goods & services on regular basis. One single transaction of sale or purchase cannot be termed as business. For example: A person sells his old air conditioner and buys a new one is not a business activity. But if he continuously deals in sale and purchase of air conditioner, it will be considered as business activity. • Production or Purchase of Goods and Services: Business includes all the activities concerned with manufacturing goods, purchasing goods or providing services like transportation, banking for satisfaction of human needs. For Example: Purchasing cloth from the manufacturer and manufacturing shirts to sell in the market. • Profit motive: Profit earning is one of the main motive of a business activity. Earning profit is essential for survival of the business. Businessman is always thinking to maximize his revenue (profit) by increasing his sales or minimizing his costs. For example: A property dealer purchases a home at Rs. `85 lakh and sells for ` 95 lakh. ` 10 lakh is his profit in this transaction which he will use in expansion of his business. • Consumer satisfaction: Today's Market is 'Consumer Oriented' i.e. Consumer is the king in the market. So businessman has to satisfy his consumers in all respects to run his business successfully. For example: Reliance industries provide consumer oriented service i.e. to provide good service to the consumers is their priority. 	
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51	<p>The distinctive features of a Company are as follows –</p> <ol style="list-style-type: none"> 1. Artificial Person – A Company is an artificial person created by law having a legal existence which is different from the members of the Company. It is an artificial person as it is intangible & has no attributes like a human being. 2. Separate legal entity – A company has a separate legal entity, independent from its members. A Company can carry on the business in its own name, can buy or sell or enter into contracts, own property in its own name. The member & the business are two separate entities. 3. Perpetual Succession – A joint Stock Company has a continuous existence as it is created by law & can be brought to an end by Law. The Company is not affected by death, insolvency, disputes among shareholders,. The members may change but the Company's existence is perpetual. 4. Limited Liability – Liability of the members of a Company is limited to the value of the shares subscribed by the members. They cannot be asked to pay more than the amount invested by the shareholders in the Company for Ex – X has purchased 	1+1+1=3

	<p>2000 shares of Rs 100 each, the his liability is limited to Rs 2,00,000 only.</p> <p>5. Common Seal – A Company being an artificial person cannot sign itself. All the acts of the Company are done by using a common seal as substitute for its signature. All the documents bearing the common seal and witnessed by least two directors is legally binding.</p> <p>6. Control – The shareholders elect a group of people amongst themselves to manage the day-to-day affairs of the Company. These elected members are called Board of Directors. These Directors are accountable to the shareholders.</p> <p>7. Transfer of share – The shares of a Company are freely transferable. They can be purchased or sold through stock exchange or in the open market. (Any Three)</p>	
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56	<ol style="list-style-type: none"> 1. Identification of Business opportunity – The promotion stage begins with an idea to set up a business. The promoter has to identify the business opportunity. It can be to set up a new business or expansion of the existing business. 2. Feasibility studies – After identifying the business opportunity, the promoter starts investigating all the aspects of business. Depending on the nature of business the promoter carries out detailed feasibility studies in technical, financial & economic forms. For this specialists & experts like CA, Engineers etc. are required. Feasibility studies include – <ol style="list-style-type: none"> a) Technical feasibility – This study is undertaken to ensure the availability of the resources & technology required for the project. If any of the raw material or other inputs are not easily available then the project will not be possible. b) Financial feasibility – This study is undertaken to estimate the funds required to carry out the business idea smoothly. If the finance required is large & cannot be easily arranged then it's not feasible to carry on with the business opportunity. c) Economic feasibility – This study is undertaken to know the profitability of the business opportunity. After estimating the cost & revenues the promoter has to carry on with the idea only if the project is economically feasible. 3. Name Approval - After the feasibility studies, it's time to give name to the Company. Promoters have to select the name & submit an application to the Registrar of Companies for approval. The application is filed in the state where the Company plans to have its registered office. 4. Fixing up signatories to Memorandum of Association - After the name approval, 	1+1+1+1=4

	<p>Promoters have to decide about the members who will be signing the Memorandum of Association. Usually the signatories become the first Directors of the Company. These Directors also take up the Qualification shares in the Company.</p> <p>5. Appointment of Professionals - After fixing the signatories the Promoters have to appoint professionals like bankers, under-writers, brokers, solicitors, auditors to assist them in preparing necessary documents to be submitted with Registrar of Companies</p> <p>6. Preparation of necessary documents– The final step in promotion is to prepare legal documents of the Company to be submitted with Registrar at the time of incorporation. The common documents are Memorandum of Association, Articles of Association, and Prospectus etc. (Any Four)</p>	
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