

**ICSE**

**Year 2019  
Examination**

# Analysis of Pupil Performance

## COMMERCIAL APPLICATIONS



*Pioneering Excellence in Education since 1958*

**Research Development and Consultancy Division**  
**Council for the Indian School Certificate Examinations**  
**New Delhi**

**Year 2019**

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## FOREWORD

This document of the Analysis of Pupils' Performance at the ISC Year 12 and ICSE Year 10 Examination is one of its kind. It has grown and evolved over the years to provide feedback to schools in terms of the strengths and weaknesses of the candidates in handling the examinations.

We commend the work of Mrs. Shilpi Gupta (Deputy Head) of the Research Development and Consultancy Division (RDCD) of the Council and her team, who have painstakingly prepared this analysis. We are grateful to the examiners who have contributed through their comments on the performance of the candidates under examination as well as for their suggestions to teachers and students for the effective transaction of the syllabus.

We hope the schools will find this document useful. We invite comments from schools on its utility and quality.

**October 2019**

**Gerry Arathoon  
Chief Executive & Secretary**

The Council has been involved in the preparation of the ICSE and ISC Analysis of Pupil Performance documents since the year 1994. Over these years, these documents have facilitated the teaching-learning process by providing subject/ paper wise feedback to teachers regarding performance of students at the ICSE and ISC Examinations. With the aim of ensuring wider accessibility to all stakeholders, from the year 2014, the ICSE and the ISC documents have been made available on the Council's website [www.cisce.org](http://www.cisce.org).

The documents include a detailed qualitative analysis of the performance of students in different subjects which comprises of examiners' comments on common errors made by candidates, topics found difficult or confusing, marking scheme for each question and suggestions for teachers/ candidates.

In addition to a detailed qualitative analysis, the Analysis of Pupil Performance documents for the Examination Year 2019 also have a component of a detailed quantitative analysis. For each subject dealt with in the document, both at the ICSE and the ISC levels, a detailed statistical analysis has been done, which has been presented in a simple user-friendly manner.

It is hoped that this document will not only enable teachers to understand how their students have performed with respect to other students who appeared for the ICSE/ISC Year 2019 Examinations, but also provide information on how they have performed within the Region or State, their performance as compared to other Regions or States, etc. It will also help develop a better understanding of the assessment/ evaluation process. This will help teachers in guiding their students more effectively and comprehensively so that students prepare for the ICSE/ ISC Examinations, with a better understanding of what is required from them.

The Analysis of Pupil Performance document for ICSE for the Examination Year 2019 covers the following subjects: English (English Language, Literature in English), Hindi, History, Civics and Geography (History and Civics, Geography), Mathematics, Science (Physics, Chemistry, Biology), Commercial Studies, Economics, Computer Applications, Economic Applications, Commercial Applications.

Subjects covered in the ISC Analysis of Pupil Performance document for the Year 2019 include English (English Language and Literature in English), Hindi, Elective English, Physics (Theory), Chemistry (Theory), Biology (Theory), Mathematics, Computer Science, History, Political Science, Geography, Sociology, Psychology, Economics, Commerce, Accounts and Business Studies.

I would like to acknowledge the contribution of all the ICSE and the ISC examiners who have been an integral part of this exercise, whose valuable inputs have helped put this document together.

I would also like to thank the RDCD team of Dr. M.K. Gandhi, Dr. Manika Sharma, Mrs. Roshni George and Mrs. Mansi Guleria who have done a commendable job in preparing this document.

*October 2019*

*Shilpi Gupta*  
*Deputy Head - RDCD*

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# INTRODUCTION

This document aims to provide a comprehensive picture of the performance of candidates in the subject. It comprises of two sections, which provide Quantitative and Qualitative analysis results in terms of performance of candidates in the subject for the ICSE Year 2019 Examination. The details of the Quantitative and the Qualitative analysis are given below.

## Quantitative Analysis

This section provides a detailed statistical analysis of the following:

- Overall Performance of candidates in the subject (Statistics at a Glance)
- State wise Performance of Candidates
- Gender wise comparison of Overall Performance
- Region wise comparison of Performance
- Comparison of Region wise performance on the basis of Gender
- Comparison of performance in different Mark Ranges and comparison on the basis of Gender for the top and bottom ranges
- Comparison of performance in different Grade categories and comparison on the basis of Gender for the top and bottom grades

The data has been presented in the form of means, frequencies and bar graphs.

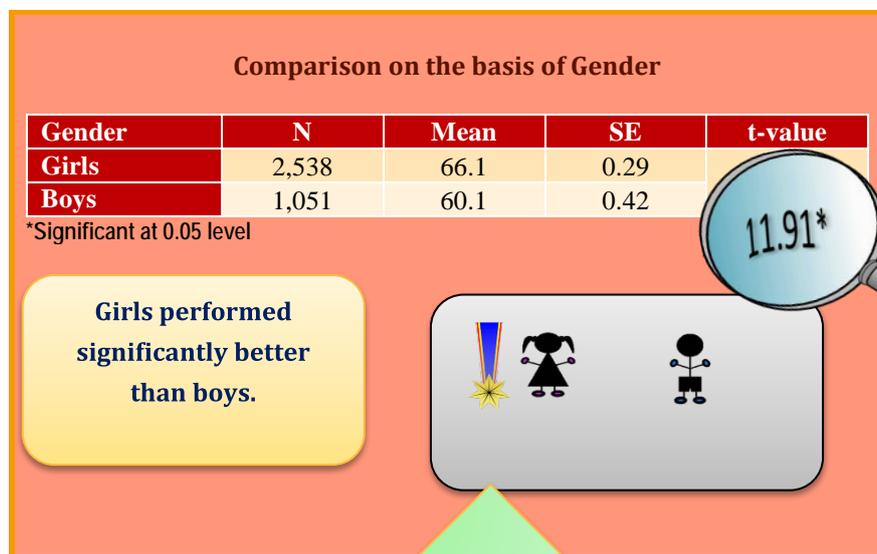
## Understanding the tables

Each of the comparison tables shows N (Number of candidates), Mean Marks obtained, Standard Errors and t-values with the level of significance. For t-test, mean values compared with their standard errors indicate whether an observed difference is likely to be a true difference or whether it has occurred by chance. The t-test has been applied using a confidence level of 95%, which means that if a difference is marked as 'statistically significant' (with \* mark, refer to t-value column of the table), the probability of the difference occurring by chance is less than 5%. In other words, we are 95% confident that the difference between the two values is true.

t-test has been used to observe significant differences in the performance of boys and girls, gender wise differences within regions (North, East, South and West), gender wise differences within marks ranges (Top and bottom ranges) and gender wise differences within grades awarded (Grade 1 and Grade 9) at the ICSE Year 2019 Examination.

The analysed data has been depicted in a simple and user-friendly manner.

Given below is an example showing the comparison tables used in this section and the manner in which they should be interpreted.



The table shows comparison between the performances of boys and girls in a particular subject. The t-value of 11.91 is significant at 0.05 level (mentioned below the table) with a mean of girls as 66.1 and that of boys as 60.1. It means that there is significant difference between the performance of boys and girls in the subject. The probability of this difference occurring by chance is less than 5%. The mean value of girls is higher than that of boys. It can be interpreted that girls are performing significantly better than boys.

The results have also been depicted pictographically. In this case, the girls performed significantly better than the boys. This is depicted by the girl with a medal.

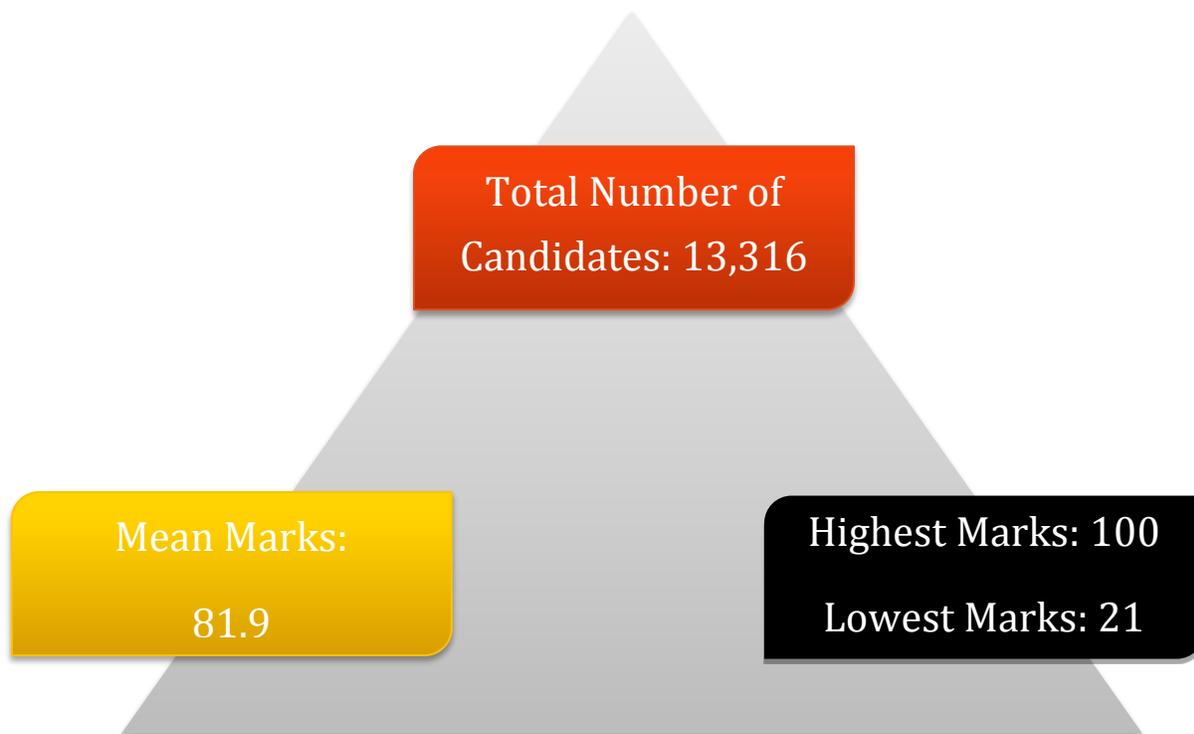
## Qualitative Analysis

The purpose of the qualitative analysis is to provide insights into how candidates have performed in individual questions set in the question paper. This section is based on inputs provided by examiners from examination centres across the country. It comprises of question wise feedback on the performance of candidates in the form of *Comments of Examiners* on the common errors made by candidates along with *Suggestions for Teachers* to rectify/ reduce these errors. The *Marking Scheme* for each question has also been provided to help teachers understand the criteria used for marking. Topics in the question paper that were generally found to be difficult or confusing by candidates, have also been listed down, along with general suggestions for candidates on how to prepare for the examination/ perform better in the examination.

# QUANTITATIVE ANALYSIS

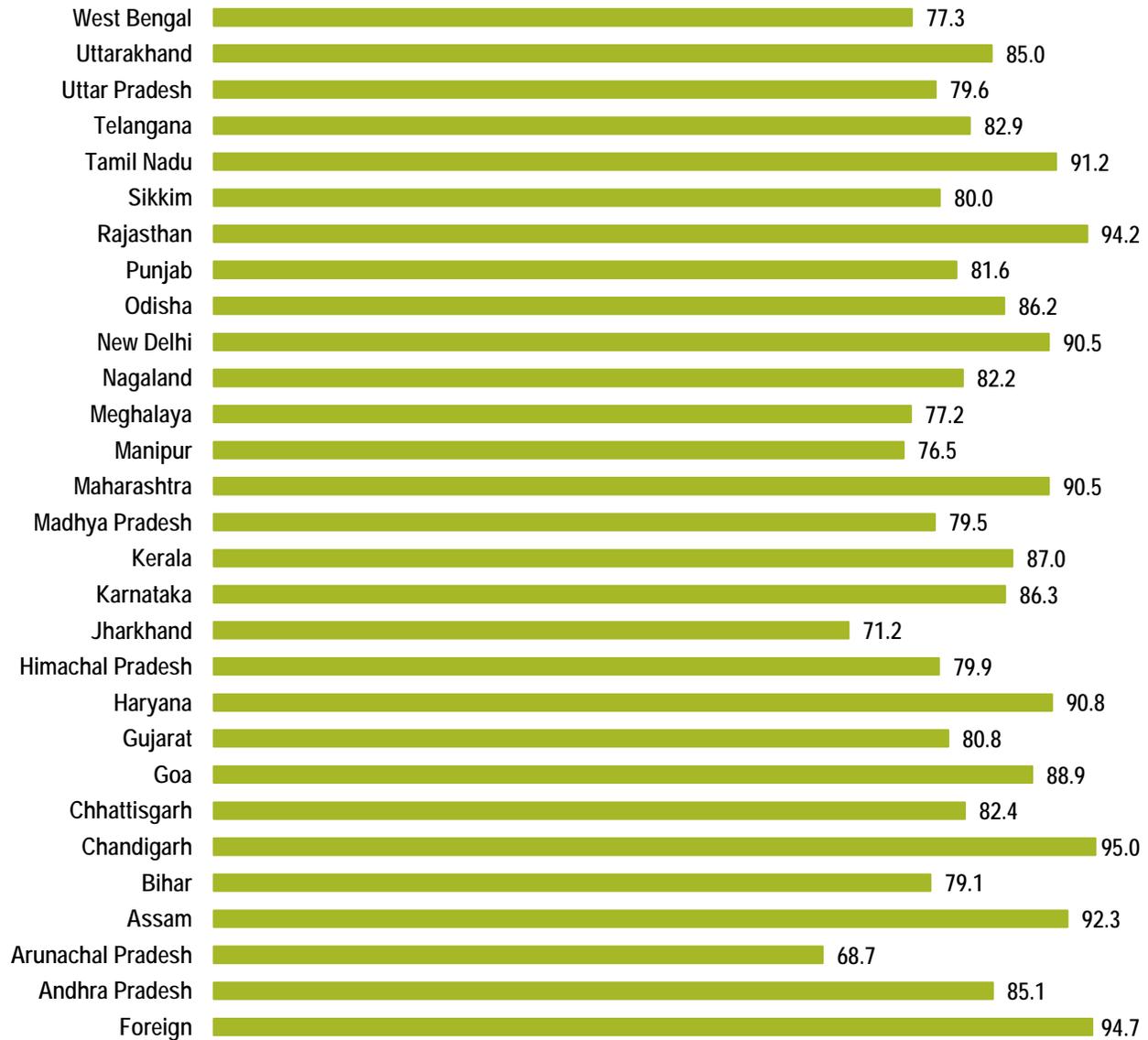


## STATISTICS AT A GLANCE





## PERFORMANCE (STATE-WISE & FOREIGN)



**The States/UTs of Chandigarh, Rajasthan and Assam secured highest mean marks. Mean marks secured by candidates studying in schools abroad were 94.7.**



## GENDER-WISE COMPARISON



**GIRLS**

Mean Marks: 84.0

Number of  
Candidates: 5,998



**BOYS**

Mean Marks: 80.2

Number of  
Candidates: 7,318

### Comparison on the basis of Gender

Gender	N	Mean	SE	t-value
Girls	5,998	84.0	0.17	15.98*
Boys	7,318	80.2	0.17	

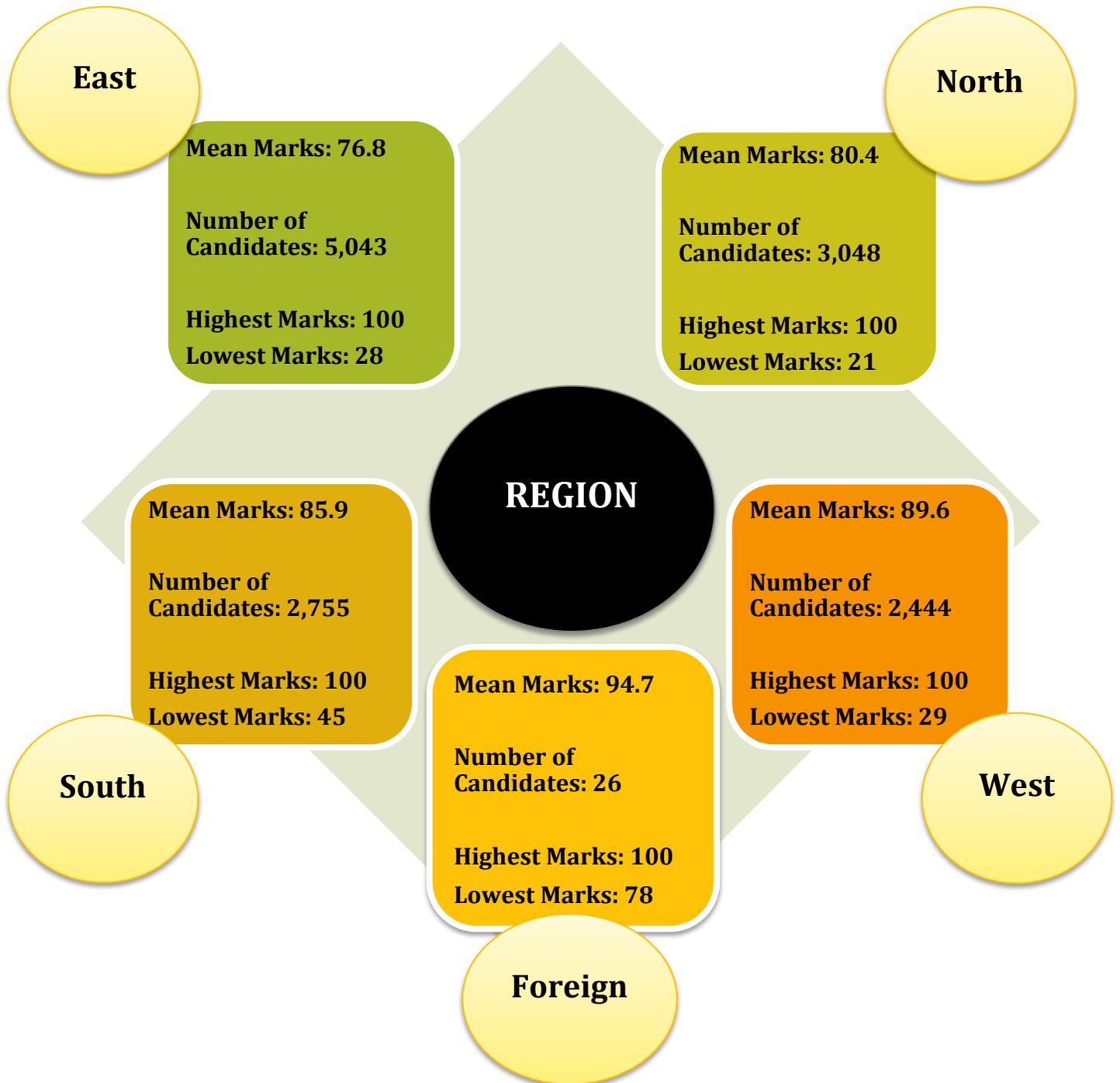
\*Significant at 0.05 level

**Girls performed  
significantly better than  
boys.**

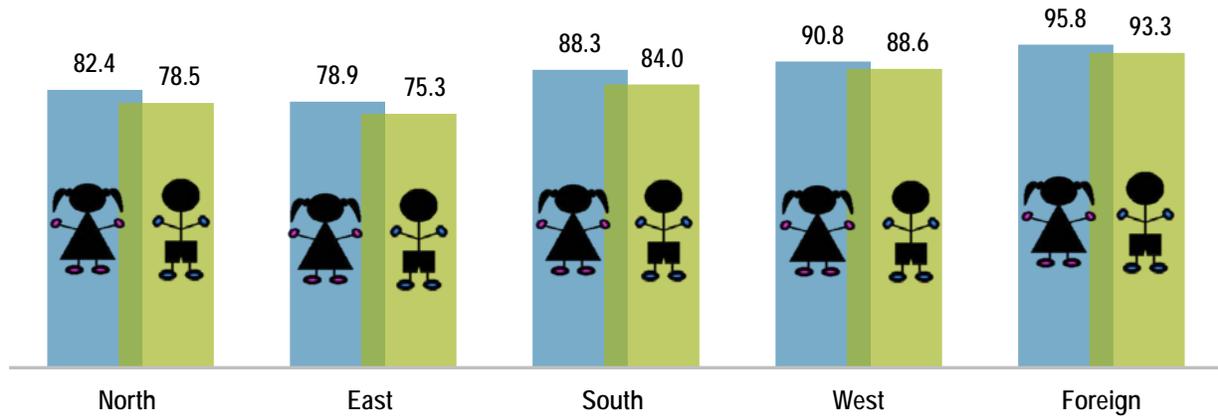




## REGION-WISE COMPARISON



## Mean Marks obtained by Boys and Girls-Region wise



### Comparison on the basis of Gender within Region

Region	Gender	N	Mean	SE	t-value
North (N)	Girls	1,529	82.4	0.32	8.04*
	Boys	1,519	78.5	0.37	
East (E)	Girls	2,105	78.9	0.30	8.87*
	Boys	2,938	75.3	0.26	
South (S)	Girls	1,213	88.3	0.29	10.35*
	Boys	1,542	84.0	0.28	
West (W)	Girls	1,136	90.8	0.30	5.23*
	Boys	1,308	88.6	0.31	
Foreign (F)	Girls	15	95.8	1.76	0.87
	Boys	11	93.3	2.33	

\*Significant at 0.05 level

The performance of girls was significantly better than that of boys in all the regions except foreign region.

#### REGION (N, E, S, W)





## MARK RANGES : COMPARISON GENDER-WISE

### Comparison on the basis of gender in top and bottom mark ranges

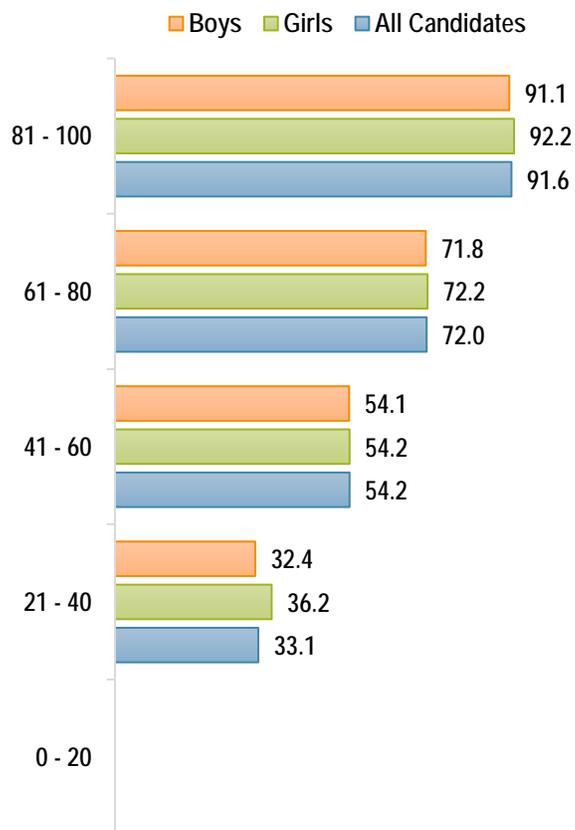
Marks Range	Gender	N	Mean	SE	t-value
Top Range (81-100)	Girls	3,865	92.2	0.09	8.11*
	Boys	3,928	91.1	0.09	
Bottom Range (0-20)	Girls	0	0	0	-
	Boys	0	0	0	

\*Significant at 0.05 level

### Marks Range (81-100)

Performance of girls was significantly better than the performance of boys.

### Marks Range (81-100)





# GRADES AWARDED : COMPARISON GENDER-WISE

## Comparison on the basis of gender in Grade 1 and Grade 9

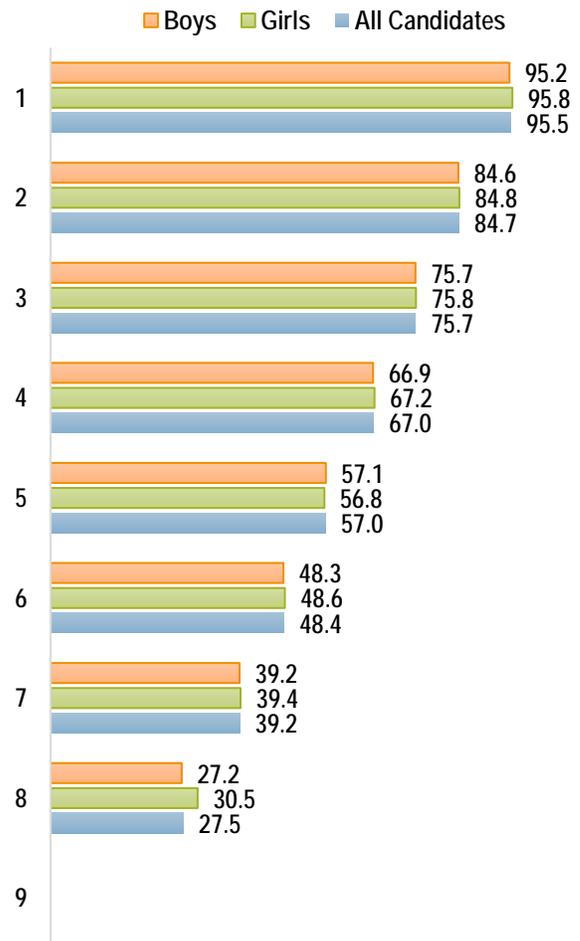
Grades	Gender	N	Mean	SE	t-value
Grade 1	Girls	2,529	95.8	0.07	7.03*
	Boys	2,334	95.2	0.07	
Grade 9	Girls	0	0	0	-
	Boys	0	0	0	

\*Significant at 0.05 level

### Grade 1

Performance of girls was significantly better than the performance of boys.

### Grade 1



## SECTION A (40 Marks)

*Attempt all questions from this Section*

### Question 1

State one *difference* between each of the following:

- |     |   |     |
|-----|---|-----|
| (a) | Capital Market and Money Market             | [2] |
| (b) | Direct Cost and Indirect Cost               | [2] |
| (c) | Employment Exchanges and Placement Agencies | [2] |
| (d) | Cheque and Bank Draft                       | [2] |
| (e) | Advertising and Publicity                   | [2] |

### Comments of Examiners

- (a) Majority of the candidates, instead of stating long-term finance and short-term finance for Capital Market and Money Market respectively, wrote huge finance and less finance.
- (b) Most of the candidates did not relate the direct cost with a particular unit or centre of cost.
- (c) Several candidates wrote the correct meaning of Placement Agencies but for Employment Exchanges they wrote, exchange of employees between companies.
- (d) Most of the candidates answered this question correctly. However, a few candidates mistook overdraft for Bank draft.
- (e) Majority of the candidates were able to write the correct difference between Advertising and Publicity.

### Suggestions for teachers

- Explain to the students the difference between Capital Market and Money Market.
- Clarify the difference between direct cost and indirect cost.
- Discuss with the students, the practical implications of recruitment through Placement Agencies and Employment Exchanges by doing a comparative study between the two.
- For better clarity, make the students fill up dummy bank draft forms in the class.
- Spell out the difference between the Advertising and Publicity.

## MARKING SCHEME

### Question 1

(a)	<p style="text-align: center;"><b>Capital Market</b></p> <ol style="list-style-type: none"> <li>1. This is a specialized market for providing long-term finance to business enterprises.</li> <li>2. Example: Specialised financial institutions, stock exchanges, insurance companies, investment trusts.</li> </ol>	<p style="text-align: center;"><b>Money Market</b></p> <ol style="list-style-type: none"> <li>1. This is a specialized market for providing short-term finance to business enterprises.</li> <li>2. Example: Various types of banks.</li> </ol> <p style="text-align: right;"><i>(Any one)</i></p>
(b)	<p style="text-align: center;"><b>Direct Cost</b></p> <ol style="list-style-type: none"> <li>1. Directly and wholly related to a particular unit or centre of cost.</li> <li>2. Direct material direct labour and direct expenses.</li> <li>3. Sugarcane used in a sugar mill wages of sugar workers.</li> </ol>	<p style="text-align: center;"><b>Indirect Cost</b></p> <ol style="list-style-type: none"> <li>1. Not directly and wholly related to a particular unit or centre of cost.</li> <li>2. Indirect material indirect labour and indirect expenses.</li> <li>3. Fuel, wages of store-keeper.</li> </ol> <p style="text-align: right;"><i>(Any one)</i></p>
(c)	<p style="text-align: center;"><b>Employment Exchanges</b></p> <ol style="list-style-type: none"> <li>1. Employment Exchanges are run by the government.</li> <li>2. Anyone seeking employment can get himself registered free of cost.</li> <li>3. These are a useful source of recruitment for semi-skilled and unskilled personnel.</li> <li>4. No cost is involved in this source of recruitment.</li> </ol>	<p style="text-align: center;"><b>Placement Agencies</b></p> <ol style="list-style-type: none"> <li>1. These are private employment agencies engaged for recruiting staff.</li> <li>2. They advertise vacancies, receive applications, shortlist candidates by conducting interviews on behalf of employers.</li> <li>3. They charge fees for their services.</li> <li>4. They are engaged in recruiting managerial and technical personnel.</li> </ol> <p style="text-align: right;"><i>(Any one)</i></p>
(d)	<p style="text-align: center;"><b>Cheque</b></p> <ol style="list-style-type: none"> <li>1. A Cheque is drawn by a Person.</li> <li>2. A Cheque can be drawn payable to bearer.</li> <li>3. In case of a cheque, the person who receives the payment has to pay collection charges.</li> <li>4. A Cheque is dishonoured, if the funds in the drawer's account are insufficient.</li> <li>5. The payment of a Cheque can be stopped by giving a written notice to the concerned bank.</li> </ol>	<p style="text-align: center;"><b>Bank Draft</b></p> <ol style="list-style-type: none"> <li>1. Bank Draft is always drawn by a Bank.</li> <li>2. A Draft cannot be made payable to bearer.</li> <li>3. In Case of draft, Commission is paid in advance by the sender of money.</li> <li>4. The draft amount is taken in advance by the bank. A draft cannot be dishonoured.</li> <li>5. The payment of a bank draft cannot be so easily stopped.</li> </ol> <p style="text-align: right;"><i>(Any one)</i></p>

(e)	<b>Advertising</b>	<b>Publicity</b>
	<ol style="list-style-type: none"> <li>1. Identity of the sponsor is clearly known.</li> <li>2. The message originates from the advertiser.</li> <li>3. The advertiser has to pay to the media owners.</li> <li>4. The sponsor has control over the contents and timing of the message.</li> <li>5. Message designed to persuade customers to favour product, service etc.</li> </ol>	<ol style="list-style-type: none"> <li>1. Identity of the sponsor is not clear.</li> <li>2. The message originates from the media.</li> <li>3. The individual or firm involved does not have to pay.</li> <li>4. Media has control over the contents and timing.</li> <li>5. Informative message designed to inform public.</li> </ol>
		<i>(Any one)</i>

## Question 2

- (a) Mention *any two* advantages of wind energy. [2]
- (b) State *any two* uses of a Balance Sheet. [2]
- (c) Mention *any two* circumstances when a Bank can refuse payment of a cheque. [2]
- (d) What is meant by consumer education? [2]
- (e) Mention the four elements of Marketing mix. [2]

## Comments of Examiners

- (a) Most of the candidates answered it correctly. Some candidates, confused wind energy with tidal energy and wrote general points.
- (b) Majority of the candidates answered it correctly. However, a few candidates wrote the features of a Balance sheet instead of its uses.
- (c) This was a well attempted question by most of the candidates.
- (d) Majority of the candidates performed well. However, some candidates, instead of writing the meaning of consumer education, wrote the rights and duties of consumers.
- (e) This question was well attempted by most of the candidates.

### Suggestions for teachers

- Explain various forms of energy, with their advantages and disadvantages, by means of a flow chart.
- Clarify the difference between the features and uses of a Balance Sheet.
- Illustrate the circumstances to the students when a Bank can refuse payment of a cheque.
- Spell out the difference among the consumer education, rights and duties of consumers.
- With the help of a grid, discuss with examples, the four elements of marketing mix.

## MARKING SCHEME

### Question 2

(a)	<p>(i) Wind energy is available abundantly in nature.</p> <p>(ii) It is inexpensive and Pollution-free.</p> <p>(iii) It can be generated and supplied to remote areas where other energy sources are not available.</p> <p>(iv) It is a renewable source of energy.</p> <p style="text-align: right;"><i>(Any two)</i></p>
(b)	<p>(i) Balance Sheet shows the assets owned by a non-trading organisation.</p> <p>(ii) It reveals the liabilities of the organisation.</p> <p>(iii) It depicts the Capital Fund of the organisation.</p> <p>(iv) It shows the financial position of the organisation.</p> <p>(v) It fulfils the statutory requirements.</p> <p style="text-align: right;"><i>(Any two)</i></p>
(c)	<p>Bank can refuse the payment of a cheque under the following circumstances:</p> <p>(i) When the funds to credit of the drawer are not sufficient to make payment of the cheque.</p> <p>(ii) When the cheque is stale.</p> <p>(iii) When the drawer has stopped payment of the cheque.</p> <p>(iv) When the cheque is postdated.</p> <p>(v) When the cheque is altered.</p> <p>(vi) When the cheque is mutilated.</p> <p>(vii) When the signature of the drawer on cheque does not tally with the specimen signatures.</p> <p>(viii) When the amount in figures and words differ.</p> <p>(ix) When the drawer has closed his account before presentation of the cheque.</p> <p>(x) When the cheque is not duly presented.</p> <p>(xi) When the bank comes to know that the drawer has become insolvent or insane or is dead.</p> <p style="text-align: right;"><i>(Any two)</i></p>
(d)	<p>Consumer education means making consumers aware of their rights and duties. It plays a vital role in protecting the environment. Consumer education helps consumer realise that their actions can make a difference to the environment.</p>
(e)	<p>The elements of Marketing mix are Product mix, Price mix, Place or physical distribution mix and Promotional mix.</p>

### Question 3

- (a) What is *food adulteration*? Give an example. [2]
- (b) State the importance of ‘persuasion’ as an element of Public Relations. [2]
- (c) Explain two advantages of opening a bank account. [2]
- (d) What is meant by parity pricing? [2]
- (e) What do you mean by Office and Administrative Overhead? [2]

### Comments of Examiners

- (a) Many candidates mistook food adulteration for an adult food and thereby wrote an incorrect answer. Several candidates gave fertilizers in the crops as an example of food adulteration.
- (b) Most of the candidates wrote the importance of persuasion correctly. A few candidates, however, wrote examples of persuasion, instead of its importance.
- (c) Most candidates were clear about the concept of the advantages of opening a bank account and so were able to answer this question.
- (d) A large number of the candidates wrote the meaning of parity pricing correctly. A few candidates, however, confused it with penetrating pricing.
- (e) Majority of the candidates were unable to answer it correctly. However, a few candidates mentioned salary of production manager as an Office and Administrative Overhead, instead of salary of office manager.

### Suggestions for teachers

- Explain to the students the concept of food adulteration with concrete examples.
- Clarify to the students the importance of persuasion as an element of Public Relations.
- Explain the advantages of opening a bank account. For conceptual clarity give them a project on Banking in the class.
- Emphasise on key words while explaining the various pricing policies.
- Organize class discussions to ensure that the students are clear about the meaning of Office and Administrative Overhead.

### MARKING SCHEME

#### Question 3

(a)	Deliberate mixing of low quality, undesirable, inedible and toxic material in food items. Any example.
(b)	Persuasion is important element of public relations. It is through some kind of communication that persuasion takes place. To persuade means to convince another person or a group to do something.
(c)	The advantages of a bank account are: (i) Safety of money: The savings deposited in bank account remain safe and free from risk.

	<p>(ii) Payment facility: Payments can be made easily and safely by means of cheques.</p> <p>(iii) Collection facility: Bank collects cheques, drafts, bills of exchange, etc. deposited by the account holder.</p> <p>(iv) Habit of savings: People are prompted to save and deposit money in bank accounts due to benefits of safety and earning interest.</p> <p>(v) Loans and Advances: Account holders can obtain loans, overdrafts and cash credits from banks.</p> <p>(vi) Safe custody of valuables: Customers can deposit their jewellery and valuables in lockers for safe custody.</p> <p>(vii) Credit information: Banks provide information relating to creditworthiness of their customers and also issue letters of credit on behalf of their customers.</p> <p style="text-align: right;">(Any two)</p>
(d)	Under this pricing strategy a business firm adjusts its own price policy to the general pricing structure in the industry. It involves charging according to what competitors charging.
(e)	Indirect materials, indirect labour and indirect expenses incurred in connection with the management of the organisation are known as office and administrative overheads. Examples: Printing and Stationery, Salary of Office manager, office rent.

## Question 4

Give a reason either *for* or *against* each of the following statements:

- (a) Human Resource Management is a challenging function. [2]
- (b) Every transaction has two effects. (answer with reference to the Concept of Accounting) [2]
- (c) Ethics has no role in Public Relations. [2]
- (d) Today's Marketing Concept is known as Consumer Oriented Concept. [2]
- (e) A distribution channel serves as a link between producers and consumers. [2]

## Comments of Examiners

- (a) Most candidates answered it correctly. However, a few candidates were unable to write convincing reasons to justify themselves for agreeing or disagreeing with the statement.
- (b) Most candidates attempted this part correctly.
- (c) Most candidates answered it correctly. They were able to justify that Ethics has a role in Public Relations.
- (d) This part of the question was well attempted by most candidates.
- (e) Most candidates answered it correctly.

### Suggestions for teachers

- Train the students to first mention whether they are *For* or *Against* the given statement, followed by the reasons with examples to justify themselves.
- Familiarise students with the commercial/technical terms/key words while teaching in the class and drill them to use in writing the answers.
- Explain the meaning of ethics, its role in human life and in business. Organise class discussion on the role of ethics in business.
- Discuss the importance of consumers in today's marketing and how goods are produced according to the needs of consumer.

## MARKING SCHEME

### Question 4

(a)	<b>For:</b> Managing of Human Resources is a challenging job due to dynamic nature of people, people have sentiments and emotions. Human Resource Management is, therefore, necessary tactfully as it is not simply managing people but administering a social system.
(b)	<b>Correct:</b> Every debit has a corresponding and equal credit. $Assets = Liabilities + Capital$
(c)	<b>Against:</b> 1. Ethics is the science of morality, right conduct and behaviour in society. 2. Without ethics Public Relations cannot exist.
(d)	<b>For:</b> Consumer awareness forces the producer to promote marketing. The aim of marketing should be to know and understand the customer so well that the product or service fits him or her and thus, sells itself. If against write about societal goals.
(e)	<b>For:</b> A Distribution channel serves as a connecting link between the producers and consumers. It creates utilities of time, place and possession by bridging the gap between the point of production and the point of consumption.

## SECTION B (60 Marks)

*Attempt any four questions from this Section*

### Question 5

- (a) Explain the maturity stage and abandonment stage of product life cycle. [5]
- (b) Explain three professional and two social significances of Human Resource Management. [5]
- (c) Explain any two lending money functions of the commercial bank. [5]

### Comments of Examiners

- (a) Most candidates explained well, the maturity stage and abandonment stage of product life cycle. Some candidates mentioned only the strategies to be adopted during these stages. A few candidates confused Maturity stage with Growth stage and Abandonment stage with Decline stage.
- (b) Some candidates were unable to distinguish between the professional and social significance of Human Resource Management.
- (c) Most candidates were able to explain two lending money functions of a commercial bank. A few candidates, however, wrote accepting deposits as one of its lending money functions.

### Suggestions for teachers.

- Clarify to the students, the various stages of a Product Life Cycle.
- Illustrate the professional and social significances of Human Resource Management to the students.
- Explain the various functions of commercial banks with the help of a flow chart.
- Give a project on *banking functions* to the students.
- Ensure adequate revision of all topics in the class to enable students to understand the concepts thoroughly.

## MARKING SCHEME

### Question 5

(a)

#### **Maturity Stage:**

During this stage sales continue to grow but at a decreasing rate. Competition increases and market gets stabilized. The product is known all over the market and third level low income group emerge. Competition prices are reduced but promotional expenditure remains high.

*(Any two)*

#### **Abandonment Stage:**

Most firms shift their attention to other products, gradually phasing out the declining product.

	<p>They abandon the product in order to make better use of their resources.</p> <p>Preference of consumers change, and new innovations enter the market to take place of the abandoned products.</p> <p style="text-align: right;"><i>(Any three)</i></p>
(b)	<p><b>Professional Significance:</b></p> <p>(i) It permits teamwork among employees by providing a healthy working environment.</p> <p>(ii) It provides maximum opportunities for personal development of each employee.</p> <p>(iii) It helps to maintain healthy relationships between individuals and different workgroups.</p> <p>(iv) It helps in allocating work properly. <span style="float: right;"><i>(Any three)</i></span></p> <p><b>Social Significance:</b></p> <p>(i) It provides suitable employment that gives people social and psychological satisfaction.</p> <p>(ii) Maintaining a balance between the jobs available and the job-seekers in terms of numbers, qualifications, needs and aptitudes.</p> <p>(iii) Eliminating waste of human resources through conservation of physical and mental health.</p> <p style="text-align: right;"><i>(Any two)</i></p>
(c)	<p><b>Lending money (Any two functions)</b></p> <p>(i) Overdraft: Overdraft means an arrangement under which a current account holder is allowed to withdraw more than the balance to his credit upto the specified limit.</p> <p>(ii) Cash Credit: The bank advances cash loan to the borrower against some tangible security or personal guarantee. The borrower can withdraw upto his cash credit limit according to his needs and can deposit back the surplus. Interest is charged on the amount actually withdrawn and not on the whole amount granted.</p> <p>(iii) Discounting the bills: Businessmen receives bill of exchange from customers who buy goods on credit. Commercial banks pay the amount of the bill before the date of its maturity after deducting discount charges.</p> <p>(iv) Loans and advances: The bank advances a fixed amount in lump sum to the borrower for an agreed period. The borrower may withdraw the whole amount at once or as per his needs. But interest is charged on the whole amount sanctioned.</p>

## Question 6

- (a) Explain *any two* types of interviews that are used in selection of employees. [5]
- (b) Discuss employee relations and government relations on the basis of scope of public relations. [5]
- (c) Explain any five features of Income and Expenditure account. [5]

## Comments of Examiners

- (a) Majority of the candidates wrote two types of interviews used in the selection of employees. Some candidates gave vague answers. A few candidates got confused with the explanation of the types of interviews and interchanged one for the other.
- (b) Majority of the candidates lacked understanding of the concept employee relations and government relations as a scope of public relations. A few candidates discussed the scope with reference to the public.
- (c) Most candidates explained the features of Income and Expenditure account correctly. Some candidates, however, wrote its uses.

## Suggestions for teachers

- Explain, in detail, the various types of interviews along with the importance of each, emphasising on the use of the correct terminology.
- Ensure better clarity to the students about the different types of interviews by following the role-playing method.
- Clarify to the students about employee relations and government relations on the basis of scope of public relations.
- Give adequate revision on accounting principles.
- Conduct regular oral and written tests on this topic, to help the students in retaining the concepts of accounting.

## MARKING SCHEME

### Question 6

- (a) **Any two types of interview:**
- (i) Structured or patterned interviews: This interview is systematically planned in advance. The questions to be asked and the time to be allowed to a candidate are decided in advance in a pre-planned manner.
  - (ii) Unstructured or Non-Directive Interview: This interview is not planned in advance. The questions to be asked and the time to be allowed to a candidate are decided in advance in a pre-planned manner.
  - (iii) Group interview: In this interview, a group of candidates are interviewed at the same time. They are given problems for discussion and candidates express their views on the problem. The interviewers judge the views and initiative taken by the candidates.
  - (iv) Panel or Board interview: In this type of interview, the candidate is interviewed by a panel or board of selectors. Different interviewers ask questions on different topics. The candidates are judged on the basis of combined rating by the panel.
  - (v) Stress Interview: The purpose of this interview is to see how candidates react to awkward questions and difficult situations. The interviewer deliberately adopts a hostile attitude by asking questions rapidly or by criticizing the candidates, etc. the reactions of the

	<p>candidates to stressful conditions is judged. If the candidate keeps his cool, he is selected.</p>
(b)	<p><b>Employee Relations:</b></p> <p>The foundation to good employee relations are:</p> <ul style="list-style-type: none"> <li>(i) Sound personnel policies and their implementation.</li> <li>(ii) Informing employees about corporate policies and developments affecting their interests.</li> <li>(iii) Establishment of two-way channels of communication between management and workers, to allow employees to express their opinions about matters affecting their interests.</li> <li>(iv) Management should do a little more listening and little less talking than in the past.</li> </ul> <p><b>Government Relations:</b></p> <ul style="list-style-type: none"> <li>(i) The interests of business and government are becoming synthesized to the common advantage of both.</li> <li>(ii) There is an increasing recognition on the part of business executives of the importance of developing an effective partnership with the government.</li> <li>(iii) Business is taking an increasingly active part in government affairs.</li> <li>(iv) Government is also increasingly consulting businessmen in formulating policies and programmes for economic and social development of people. <span style="float: right;"><i>(Any two)</i></span></li> </ul>
(c)	<p><b>Features of Income and Expenditure Account:</b></p> <ul style="list-style-type: none"> <li>(i) It is a normal account. Debit the expenses and losses and credit the incomes and gains.</li> <li>(ii) The opening and closing balance of cash in hand and cash at bank are not recorded.</li> <li>(iii) Only items of revenue nature are recorded, and all items of capital nature are not included.</li> <li>(iv) Income and Expenses pertaining to only current year are recorded.</li> <li>(v) Income and Expenditure is prepared in the same manner in which Profit and loss is prepared.</li> <li>(vi) The closing balance of this account shows surplus or deficit for the year.</li> </ul>

## Question 7

- (a) Discuss the Sales oriented stage and Product oriented stage of marketing. [5]
- (b) Explain Product advertising and Informative advertising. [5]
- (c) Explain the first five steps in personal selling. [5]

## Comments of Examiners

- (a) Most candidates explained the Sales oriented stage and Product oriented stage of marketing. However, some candidates mistook the Product oriented stage for the Production oriented stage.
- (b) Majority of the candidates explained well, both Product advertising and Informative advertising. Several candidates supported their answer with examples also.
- (c) Most candidates wrote the first five steps in personal selling correctly. Some candidates were unable to write the steps in order. A few candidates gave incorrect captions.

### Suggestions for teachers

- Clarify to the students the various stages of marketing, laying stress on the key words.
- Explain the different types of advertising by giving examples for better clarity of the topic to the students and to enable them to develop a logical outlook.
- Explain the sequence of the steps in personal selling, giving reasons as to why one step is followed by a particular one and so on.
- Discuss the importance of each step in personal selling.

## MARKING SCHEME

### Question 7

(a)	<p><b>Sales oriented stage:</b></p> <ul style="list-style-type: none"><li>(i) Customers will not buy without hard selling.</li><li>(ii) Mass production supply exceeds demand.</li><li>(iii) Focus on Sales promotion.</li><li>(iv) Tactics to create demand.</li><li>(v) Profits through aggressive selling.</li><li>(vi) The Motto was to 'Get Rid of what you have'.</li></ul> <p><b>Product oriented stage:</b></p> <ul style="list-style-type: none"><li>(i) Marketers believe that customers will buy product if its quality is good.</li><li>(ii) Focus is shifted from promotion to product improvement.</li><li>(iii) Firms made efforts to improve product features and performance.</li><li>(iv) Marketing myopia which means short sightedness.</li></ul>
(b)	<p><b>Product advertising:</b> Promote sale of a product brand or service. It is sponsored by manufacturers, traders and other organisation to promote use of product.</p> <p><b>Informative advertising:</b> Information about a product, service or institution. It makes consumers aware of the existence features, uses of goods and services.</p>

(c)	<p><b>The steps of personal selling process are:</b></p> <ul style="list-style-type: none"> <li>(i) Preparation</li> <li>(ii) Prospecting</li> <li>(iii) Approach</li> <li>(iv) Presentation</li> <li>(v) Convincing</li> <li>(vi) Closing the sale</li> <li>(vii) Post sale follow up</li> </ul>	<i>(Any five steps with brief explanation)</i>
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## Question 8

- (a) Write short notes on: [5]
- (i) Business Entity Concept
  - (ii) Going Concern Concept
- (b) Explain any two types of consumer products with examples. [5]
- (c) Explain any five procurement functions of Human Resource Management. [5]

## Comments of Examiners

- (a) (i) Most candidates answered Business Entity Concept correctly. Several candidates also supported their answer with examples.
- (ii) Most of the candidates wrote a short note on the Going Concern Concept. A few candidates, however, gave vague explanations.
- (b) Majority of the candidates were able to explain two types of consumer products correctly. However, a few candidates could not write the examples of consumer products.
- (c) Most candidates explained five Procurement functions of Human Resource Management correctly. A few candidates, however, wrote about the Development and Compensation functions, instead of the Procurement function.

### Suggestions for teachers

- Clarify the various accounting principles and concepts to the students with their applications.
- Organise class discussion on the types of consumer products with examples.
- Explain the various functions of Human Resource Management by differentiating each function by giving examples.
- Make the students revise the topics regularly by giving them assignments.
- Encourage students to do an in-depth study of the syllabus.

## MARKING SCHEME

### Question 8

(a)	<p>(i) <b>Business Entity Concept:</b> Business firm is treated as a separate and distinct from its owners. A complete separate set of books is kept for the firm and business transactions are recorded from the firm's point of view. Capital provided by the owner is treated as a liability of the firm. Interest on capital is treated as an expense of business.</p> <p>(ii) <b>Going Concern Concepts:</b></p> <ol style="list-style-type: none"><li>1. Continue to exist for a long time in the future.</li><li>2. Indefinite period of time.</li><li>3. Difference between capital expenditure and revenue expenditure.</li></ol>
(b)	<p>Any two consumer products with example:</p> <p>(i) Convenience products:</p> <ol style="list-style-type: none"><li>1. Purchased frequently</li><li>2. Personal convenience e.g. tooth pastes, soaps etc.</li></ol> <p>(ii) Shopping products – purchased after comparative analysis of quality, price etc. – e.g. TV, Fridge.</p> <p>(iii) Specialty products: Special efforts e.g. jewellery, fancy items etc.</p>
(c)	<ol style="list-style-type: none"><li>1. Job analysis: it is a process of studying in detail, the operations and responsibilities involved in a job so as to identify the nature and level of human resources required to perform the job effectively. It includes the preparation of job descriptions and job specifications.</li><li>2. Human resource planning: It is a process by which a management determines how an organization should move from its current manpower position to its desired manpower position.</li><li>3. Recruitment: It is the process of searching for required personnel and stimulating them to apply for jobs in the organization.</li><li>4. Selection: It implies judging the suitability of different candidates for jobs in the organization and choosing the most appropriate people.</li><li>5. Placement: It means assigning suitable jobs to the selected candidates so as to match employee qualifications with job requirement.</li><li>6. Induction or orientation: it involves in familiarizing the new employees with the company, the work environment and the existing employees so that the new people feel at home and can start work confidently.</li></ol>

## Question 9

Rayan Ltd took the following steps in the beginning of this year to widen its consumer base. It expanded the nosiness operations to cover international markets and within India, it focused on Delhi. It repositioned itself as a FMCG company, offering a wide range of Modern Electronic items, and moved away from traditional marketing to non-traditional marketing. the company focused on quality control and publicity. It also introduced new advertisements featuring film stars and sports personalities. It undertook various brand promotion methods.

- (a) Explain any two advantages of advertising to manufacturers. [5]
- (b) Explain any two elements of promotion mix. [5]
- (c) Explain any five Non-traditional markets. [5]

### Comments of Examiners

- (a) Most of the candidates wrote two advantages of advertising to manufacturers. A few candidates did not write the captions.
- (b) Most candidates correctly explained two elements of promotion mix. Some candidates, however, wrote elements of marketing mix instead of promotion mix.
- (c) Majority of the candidates were able to explain five Non-traditional markets. A few candidates who wrote Network market confused its explanation with Internet marketing.

### Suggestions for teachers

- Spell out to the students the advantages of advertising to manufacturers.
- Explain each element of promotion mix, clearly bringing out the differences of the elements of promotion mix with those of marketing mix.
- Clarify to the students, the various markets, by giving real life examples, to ensure a thorough understanding of the concept.
- Give adequate and regular practice to the students to answer questions given in case studies, based on the topics covered in the syllabus.

## MARKING SCHEME

### Question 9

- (a) **Advantages of Advertising:**
- Creates demand
  - Increase sales
  - Creates goodwill
  - Steady demand
  - Direct link

	– Meeting competition
(b)	Advertising: Information to customers Personal selling: Face to face communication Sales promotion: Short term promotional activities Publicity: Favourable report by media.  <i>(Any two)</i>
(c)	<b>Non-traditional markets:</b> (i) Catalogue market: samples of products in showroom, copy mailed to customers, FMCG branded goods. (ii) In house market: Door to door sales person visits the home of consumers. (iii) Mail order market: Seller mails price lists and other publicity material to prospective buyers. (iv) Automatic vending machines: Installed at workplaces, schools and colleges. (v) Tele-market: Demonstrated on T.V. toll free number is given. (vi) Network market: Marketer recruits independent business people known as multi-level market. e.g. Amway.  <i>(Any five)</i>

## Question 10

A leading Human Resource consultancy group has received a number of applications for the post of an analyst for its Hyderabad office. But the person finally selected had no prior experience for work in the same industry. The administrative manager feels that with proper training the selected person will turn out to be an asset to the organisation. Although he feels that on-the-job training will be the most appropriate, other members of the selection committee recommended Internship training and Role Playing methods of training.

- (a) What is employee selection? Mention any three benefits of employee selection. [5]
- (b) Explain Internship training and Role Playing methods of training. [5]
- (c) Explain any two internal sources of recruitment. [5]

## Comments of Examiners

- (a) The meaning of employee selection was answered correctly by majority of the candidates. Several candidates unnecessarily explained the benefits of training along with those of selection.
- (b) Most of the candidates were able to correctly explain Internship and Role-Playing methods of training. A few candidates, however, confused Internship training with Apprenticeship training.
- (c) Most candidates identified and explained two internal sources of recruitment correctly. However, some candidates confused the internal sources with external sources of recruitment. Common error made by the candidates was considering transfer as movement of an employee from one organization to another organization instead of shifting from one place to another in the same organization.

## Suggestions for teachers

- Clarify to the students, the importance of selection and training, bringing out the differences between the two.
- Explain the various types of training using a flow chart and by giving real life examples to ensure thorough understanding of the concept by the students.
- Explain the various sources of internal and external recruitment, along with real life examples for conceptual clarity to the students.
- Train students to develop a logical and analytical outlook.
- Give adequate and regular practice to the students to answer questions given in case studies, based on the topics covered in the syllabus.

## MARKING SCHEME

### Question 10

(a)	<p>Selection is the process of judging the suitability of applicants in the light of the job requirement to decide which recruits should be hired or employed.</p> <p>Benefits of employee selection:</p> <p>(i) It helps to improve efficiency and profitability by choosing a qualified person for every job.</p> <p>(ii) It ensures job satisfaction to employees by matching the candidates with job.</p> <p>(iii) It helps to minimize labour turnover and absenteeism.</p> <p>(iv) It facilitates higher quality and quantity performance <span style="float: right;"><i>(Any three)</i></span></p>
(b)	<p>(i) Internship training: Business house collaborate with technical institutes: theory and practical. Internship training involves a balance between theory and practice. After completing theoretical training, they receive practical training.</p> <p>(ii) Role playing: Interactions and complexities involved in various roles. The trainee is assigned a role. Example An employee may play the role of a labour officer and negotiate with another trainee who plays the role of union leader.</p>
(c)	<p>Any two points to be explained:</p> <p>(i) Transfer</p> <p>(ii) Promotion</p> <p>(iii) Demotion</p> <p>(iv) Ex-employees</p>

# GENERAL COMMENTS

## Topics found difficult by candidates

- Professional and social significances of Human Resource management.
- Office and Administrative overhead.
- Employee relations and Government relations on the basis of scope of public relations.

## Concepts in which candidates got confused

- Capital market and Money market.
- Maturity stage and Abandonment stage of product life cycle.
- Lending function of the commercial banks.
- Benefits of employee selection.
- Features of Income and Expenditure account.
- Internship training.

## Suggestion for candidates

- Avoid selective study. The entire syllabus must be done in totality.
- Strictly adhere to the scope of the syllabus.
- Revise chapters periodically.
- Understand key words/technical terms/definitions and phrases properly and then learn.
- Practice solving past years' question papers.
- Use the '15 minutes reading time' judiciously.
- Comprehend the questions before deciding which question to answer.
- Read the question carefully, analyse what is asked and then answer to the point. Give logical explanation wherever it is required.
- Write distinctions in tabular form.
- Answer short notes with a brief description, merits, demerits and suitability or diagram wherever applicable.
- Read case studies and correlate study with topics learnt.
- Prepare reference notes with key words.