MARKING SCHEME

TERM-2 (2021-22)

ELEMENT OF BUSINESS (Class X)

Q.No				Marks
1	(a) Hire Vendor -Hire vendor is a person who delivers the goods along with its possession to the hire purchaser under a hire purchase agreement.			
	1	- The initial payment made to the h f entering into a hire purchase agre	<u>-</u>	(1)
2	Advertising- Advertising is a most commonly used tool of promotion. It is an impersonal form of communication, which is paid by the marketers to promote some goods or services. OR			
	1	fers to short term incentives which immediate purchase of a product	-	(1+1)
3	The first four steps involved in the process of selling are:-			(1/2
	(a) Enquiry from intending buyer			
	(b) Providing quotations to the intending buyer			
	(c) Receipt of order from the buyer			
	(d) Execution of order and Invoicing			
4	Two factors responsible for lack of popularity of mail order businesses are:			
	(a) Lack of personal contact between buyer and seller			
	(b) High promotional cost (any other valid answer)			
	Or			
	Two limitations of Multiple shops are:-			
	(a) Limited selection of goods			
	(b) Lack of personal touch (any other valid answer)			
5	BASIS OF DIFFERENCE	DEPARTMENTAL STORES	MULTIPLE STORES	(1X3)
	Location	Centrally Located to attract large number of customers.	Established at number of places	

	Range of Products	Different types of products	Specific Range of		\neg
		are sold under one roof.	products are sold.		
	Services offered	Departmental stores lay great	Multiple stores provide		
	Jervices offered	emphasis on providing	very limited service		
		maximum service to their	confined to guarantees		
		customers	and repairs if the sold		
			out turn out to be		
			defective.		
		OP			
	Advantages of retailin	OR			
	Advantages of retailing through departmental stores:-				
	(i) Attract large number of customers: These stores are usually located at central places, they attract a large number of customers during the best part of the day.			/4 FV	2)
	(ii) Economy of large-	scale operations: As these stores	are organised at a very larg	(1.5X2	۷)
	(ii) Economy of large- scale operations: As these stores are organised at a very large scale, the benefits of large scale operations, particularly, in respect of purchase of				
	goods are available to them. (any other valid answer)				
6	Radio has been an eff	ective media source in a country	like India .With the		
	recent rise in private channels (FM) on radio a new chapter has begun for this			(3)	
	media. Currently major orgnisations (like real estate, educational institutions,				
	amusement parks etc) are using this media actively. Also this media is				
	connected very well to	the young prospective buyers .			
7	I -	nsfer of the possession and owner	• • • •	(3)	
	property, or the entitlement to a service, in exchange for money or value is known as a sale .Essential elements that must be present in a valid sale are:				
	(1) competence of both the buyer and seller to enter into a contract,				
	(2) mutual agreement on the terms of exchange,				
	(3) a thing capable of	being transferred, and			
	(4) a consideration in	money (or its equivalent) paid or	promised.		
8		en a cash sales & and credit sales	-	(3)	
	payment. A cash sales is a transaction where payment is settled immediately. On the other hand, payment for a credit sales is settled at a later date.				
	For example, Ramesh	buys grocery and makes paymen	nt immediately in cash it will		
		les. However, if he makes the pa			
	be known as a credit s	•			
	(a) Hire purchase	Method- It is the agreement of h	niring goods. Under this		_
	method the o	wnership is transferred after the	payment of last instalment.		

9	In this method buyer cannot transfer goods.	(2.5)	
	(b) Instalment method- It is the agreement of sale. Under this method ownership is transferred after signing the agreement. In this buyer can transfer goods.	(2.5)	
10	Following are the advantages of Automatic Vending Machine:	(15)	
	1. Large scale retailing		
	2. Round the clock buying is possible		
	3. Uniform weight		
	4.Convenient for customers		
	5.Elimination of middleman (any other valid answer)		
	OR		
	Multiple –Shops		
	Advantages of Multiple Shops are:		
	(a) Economies of Scale: As there is central procurement, the multiple-shops enjoys the economies of scale.		
	(b) Elimination of middlemen: By selling directly to the consumers, the multiple- shop organisation is able to eliminate unnecessary middlemen in the sale of goods and services.		
	(c) No bad debts: All the sales in theses shops are made on cash basis ,there are no losses on account of bad debts.		
	(d) Diffusion of Risk: The losses incurred by one shop may be covered by profits in other shops, reducing the total risk of an organisation.		
	(any other valid answer)	(1X4)	
11	The promotional tool suggested by Mr. Mehta is Sales Promotion.		
	Following techniques are suggested by Mr.Metha for increasing sales of the product line:		
	(a) Quantity Gifts		
	(b) Refund		
	(c) Product combination		
	(d) Instant Draws (any other valid answer)	(1X4)	