



**NATIONAL
SENIOR CERTIFICATE**

GRADE 10



**JUNE EXAMS 2023
BUSINESS STUDIES**

PAPER 1

30 MAY 2023

MARKS: 100

TIME: 1.5 hour

This question paper consists of 8 pages.

INSTRUCTIONS AND INFORMATION

Read the following instructions carefully before answering the questions.

1. This question paper consists of THREE sections and covers TWO topics

SECTION A: COMPULSORY

SECTION B: Consists of THREE questions.

Answer any TWO of the three questions in this section.

SECTION C: Consists of TWO questions.

Answer any ONE of two questions in this section.

2. Read the instructions for each question carefully and take note of what is required.
3. Number the answers carefully according to the numbering system used in this question paper. No marks will be awarded for answers that are numbered incorrectly.
4. Except where other instructions are given, answers must be written in full sentences.
5. Use the mark allocation and nature of each question to determine the length and depth of an answer.
6. Use the table below as guide for mark and time allocation when answering each question.

SECTION	QUESTION	MARKS	TIME
A: Objective-type questions COMPULSORY	1	20	10 minutes
B: THREE direct/indirect-type questions CHOICE (Answer any TWO.)	2	20	15 minutes
	3	20	15 minutes
	4	20	15 minutes
C: TWO essay-type questions CHOICE (Answer any ONE.)	5	40	30 minutes
	6	40	30 minutes
TOTAL		100	90 minutes

7. Begin the answer to EACH question on a NEW page, for example QUESTION 1 – new page, QUESTION 2 – new page, et cetera.
8. You may use a non-programmable calculator.
9. Write neatly and legibly.

SECTION A (COMPULSORY)**QUESTION 1**

- 1.1 Various options are provided as possible answers to the following questions. Write down the question number (1.1.1–1.1.5), choose the answer and write a letter (A–D) of your choice in the ANSWER BOOK.

1.1.1 A business enterprise has no control over the ...

- A. micro-business environment.
- B. employees
- C. macro business environment
- D. marketing function

1.1.2 Competition is affected by

- A. substitute that threatens to replace old products
- B. unions negotiating better wages
- C. Interest rates go down
- D. Decrease in unemployment

1.1.3. The business organisation has complete control over the ... environment.

- A. market
- B. macro
- C. global
- D. micro

1.1.4 This business function is directly involved in the sale of manufactured products in a company:

- A. Marketing
- B. Production
- C. Human resources
- D. Finances

1.1.5 Is the ability to satisfy customer needs:

- A. Quality control
- B. Quality Assurance
- C. Quality
- D. Quality management

5×2 (10)

- 1.2. Complete the following statements by using the word(s) in the list below. Write only the word(s) next to the question number (1.2.1–1.2.5) in the ANSWER BOOK. Each word should only be used ONCE.

Cash, quality assurance; public, data, quality control; public relations; credit; production, private, information

- 1.2.1 The responsibility of..... include(s) ensuring that the business develops a good image of the company to people outside the business.
- 1.2.2 is a process put in place to determine whether the level of quality is met?
- 1.2.3 Eskom is part of the sector because it is controlled by government.
- 1.2.4 A..... payment is when you buy stock and pay at a later stage.
- 1.2.5 The management report presented to shareholders at the Annual General Meeting is an example of

5x2

(10)
[20]

SECTION B

Answer Any TWO questions from this section

NOTE Clearly indicate the QUESTION NUMBER of each question that you choose. The answer to EACH question must start on a NEW page, for example QUESTION 2 on a NEW page, QUESTION 3 on a NEW page, et cetera.

QUESTION 2: BUSINESS ENVIRONMENT

- 2.1 List THREE business sectors (3)
- 2.2 Elaborate on the meaning of the market environment (4)
- 2.3 Read the scenario below and answer the questions that follow.

LUNDY CANNED FOODS (LCF)

Lundy Canned foods is a factory that manufacture canned fruit and vegetables. She employs 60 workers, due to severe drought which hampers agricultural produce in the Northern Cape, the recent increase of the interest rates and VAT by Minister of Finance, she find it difficult to keep costs down.
She notice also high rate of absenteeism due problem of HIV/Aids.

- 2.3.1 Name the sector in which LCF operates. Motivate your answer (3)
- 2.3.2 Identify the challenges faced by LCF and classify according to business environment. Use the table below to present your answer

CHALLENGE	BUSINESS ENVIRONMENT

- 2.3.3. Differentiate between public and private sector (4)

[20]

QUESTION 3: BUSINESS OPERATIONS

- 3.1. Identify the various business functions from each of the given statements below:
- 3.1.1 Makaula carries out market research to assess the demand from the consumers (2)
- 3.1.2 Nandi looks for possible ways to expand the business when dealing with debts and payments (2)
- 3.1.3 Thoni makes the decisions, sets goals and mission of the business (2)
- 3.2 Distinguish between quality control and quality assurance (4)
- 3.3 Explain TWO reasons why a business may need financing (4)
- 3.4 Suggest the quality indicators in the administration function (6)

[20]

QUESTION 4: MISCELLANEOUS**BUSINESS ENVIRONMENT**

- 4.1 Identify business environments that are linked to components in the table below (6)

	Business environment	Component
4.1.1		Technological factors
4.1.2		vision
4.1.3		consumer

- 4.2 Suggest the reasons why NGO's and CBO's form part of the market environment. (4)

BUSINESS OPERATIONS

- 4.3 Distinguish the difference between management and leadership (4)
- 4.4 Discuss the following levels of the three-general management
- 4.4.1 Top level management (2)
- 4.4.2 Middle level management (2)
- 4.4.3 Lower level management (2)

[20]**TOTAL SECTION B****[40]**

SECTION C

Answer ONE question in this section



NOTE: Clearly indicate the QUESTION NUMBER of the chosen question. The answer to EACH question must start on a NEW page, for example QUESTION 4 on a NEW page, QUESTION 5 on a NEW page, et cetera

QUESTION 5: BUSINESS ENVIRONMENTS (MACRO ENVIRONMENT)

The influences that are present in this environment are completely outside the control of a business enterprise. The environment includes all the forces, events and circumstances that affect the business and its macro environment

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- Elaborate on the meaning of macro business environment.
- Define any SIX components of the macro environment and give practical example of each component
- Discuss the interrelationship between the micro and market environments
- Suggest reasons why the macro environment can be a challenge to the businesses

[40]

QUESTION 6: BUSINESS OPERATIONS (BUSINESS FUNCTION)

The Purchasing function is the department responsible for buying resources that the business will need to carry out its activities. Purchasing can be done cash or on credit. When purchasing is done on credit there are legislations that a business must comply with

- Outline SIX consumer rights as outlined in National Credit Act.
- Distinguish between cash payment and credit payment.
- Explain the impact of NCA on businesses
- Advise the activities of the purchasing function

[40]

TOTAL

[100]



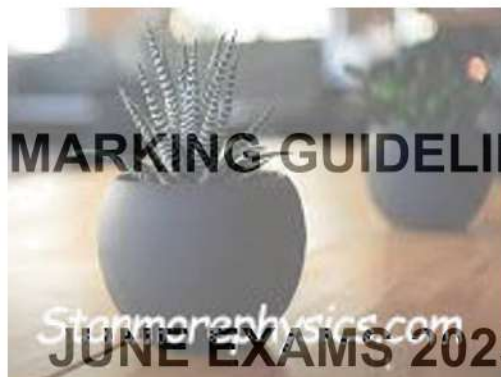
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GRADE 10

PAPER 1

BUSINESS STUDIES



MARKING GUIDELINE

JUNE EXAMS 2023

30 MAY 2023

MARKS: 100

This memorandum consists of 20 pages.

NOTES TO MARKERS

1. For marking and moderation purposes, the following colors are recommended:
 - a. Marker: Red
 - b. HODs: Green
 - c. Clusters : orange
2. Learners' responses must be in full sentences for SECTION B and C. However, this would depend on the nature of the question.
3. A comprehensive memorandum has been provided but this is by no means exhaustive. Due consideration should be given to an answer that is correct but:
 - Use a different expression that which appears in the memorandum
 - Comes from another source
 - Original
 - A different approach used

NOTE: there is only one correct answer in SECTION A

4. Take note of other relevant answers provided by learners and allocate marks accordingly. (in cases where the answer is unclear or indicate some understanding, part-marking should be awarded, for example, one mark instead of the maximum of two marks)
5. The word 'sub-max' is used to facilitate the allocation of marks within a question or sub-question.
6. Subtotals to the question must be written in the right hand margin. Circle the subtotals as indicated by the mark allocation. This must be guided by 'max' in the

memo/breakdown of marks. Only the total for each question should appear in the left-hand margin next to the appropriate question number.

7. Incorrect numbering of answers to questions or sub-questions in Section A and B will be severely penalized. Therefore, correct numbering is strongly recommended in all sections.



8. No additional credit must be given for repetition of facts. Indicate it with an 'R'.
9. Note that no marks will be awarded for indicating Yes/No in evaluation type question requiring substantiation or motivation. (applicable to Section B and C)
10. The allocation of marks must be informed by the nature of the question, cognitive verb used, mark allocation in the memorandum and the context of each question.

Cognitive verbs such as:

- 10.1 Advise, name, state, mention, recommend, suggest, (list not exhausted) do not usually require much depth in learners' responses. Therefore, the mark allocation for each statement/answer appears at the end.
- 10.2 Describe, explain, discuss, elaborate, justify, devise, analyse, evaluate, critically evaluate (list not exhausted) requires a greater depth of understanding, application and reasoning. Therefore, the marks must be more objectively to ensure that assessing is conducted according to established norms so that uniformity, consistency and fairness are achieved.
- 11. SECTION B**
- If for example, of the response FIVE facts are required mark the candidate's FIRST FIVE responses and ignore the responses. Indicate by drawing a line across the unmarked portion or use the word 'Cancel'.

NOTE: this applies only to questions where the number of facts is specified.

12. Use the cognitive verbs and allocation of marks:

If the number of facts is specified, questions that require candidates to 'describe/discuss/explain' may be marked as follows:

- Fact: 2 marks (or as indicated in the memorandum)
- Explanation : 1 marks

The 'fact' and 'explanation' are given separately in the memorandum to facilitate mark allocation.

13. If the number of facts required is not specified, the allocation of marks must be informed by the nature of the question and the maximum mark allocated in the memorandum.

14. ONE mark may be awarded for answers that are easy to recall, requires one word answers or is quoted directly from a scenario/case study. This applies to SECTION B and C in particular (where applicable).

15. **SECTION C**

15.1 The breakdown of the mark allocation for the essay is as follows:

Introduction	Maximum:	
Content		
Conclusion		32
Insight		8
Total		40

15.2 Insight consists of the following components:

Layout/structure	Is there an introduction, body and conclusion?	2
Analysis and interpretation	Is the candidate able to break down the question into heading/sub-heading/interpret it correctly to show understanding of what is being asked? Marks to be allocated using this guide: All headings addressed: 1 (One 'A') Interpretation (16 to 32 marks): 1 (One 'A')	2
Synthesis	Are there relevant decision/facts/responses made based on the questions? Marks to be allocated using this guide: No relevant facts: 0 (two '-S') Some relevant facts: 1 (One '-S') Only relevant facts: 2 (No '-S') NB. If there is no '-S' allocated, award the maximum of TWO (2) Marks.	2
Originality	Is there evidence of examples, recency of information, current trends and developments?	2
TOTAL FOR INSIGHT:		8
TOTAL MARKS FOR FACTS:		32
TOTAL MARKS FOR ESSAY:		40

NOTE: 1. No marks will be awarded for content repeated from the introduction and conclusion.

2. Learners forfeits marks for layout if the words INTRODUCTION and CONCLUSION are not supported by an explanation.

SECTION A

QUESTION 1

1.1 MULTIPLE CHOICE QUESTIONS

1.1.1 C ✓✓

1.1.2 A ✓✓

1.1.3 D ✓✓

1.1.4 A ✓✓

1.1.5 C ✓✓



(5x2) (10)

1.2 COMPLETE THE STATEMENT

1.2.1 Public Relation ✓✓

1.2.2 Quality control ✓✓

1.2.3 Public ✓✓

1.2.4 credit ✓✓

1.2.5 information ✓✓

(5x2) (10)

TOTAL SECTION A: 20

SECTION B

QUESTION 2: BUSINESS ENVIRONMENT

2.1 Organisational resources

- Primary sector✓
- Secondary Sector ✓
- Tertiary sector ✓

NOTE: Mark the first THREE sectors

(1x3) (3)

2.2. Meaning of the Market environment

- Challenges and influences✓ outside the business✓
- Business has little✓ or no control over the environment. ✓
- All elements determine why and how✓ the business exists and operate✓

Any other relevant answer related to the meaning of the market environment.

2.3.1

(4 max)

Secondary sector✓

Motivation

- Lundy Canned foods is a factory that manufacture canned fruit and vegetables✓✓

(3)

2.3.2

CHALLENGE	BUSINESS ENVIRONMENT	
Severe drought which hampers agricultural products ✓	Physical/ Macro ✓	
Increase in interest rates & VAT by Minister of Finance✓	Economic/ Macro ✓	
She noticed high rate of absenteeism due problem of HIV/Aids✓	Social/ Macro ✓	
Sub-max 3	Sub-max 3	

(6)

2.3.3 Difference between public and private sector

PUBLIC SECTOR	PRIVATE SECTOR
<ul style="list-style-type: none"> Aim is to meet the needs ✓of the society✓ State owned/state run or parastatals ✓which are operated by private company. ✓ Partly or wholly funded ✓by tax money✓ Motive is to provide✓ a service✓ State ownership State owned businesses report✓ to government ✓ Government monitors and oversees✓ their performance✓ 	<ul style="list-style-type: none"> Aim is to meet both the need and wants✓ of the society. ✓ Privately owned ✓by entrepreneurs✓ Owners raise capital✓ to fund their businesses✓ Motive is to make✓ a profit✓ Owned by✓ different forms of ownership. ✓ Businesses in this sector do not report ✓to government but owners. ✓ Owners oversees✓ their performance✓
Sub-max(2)	Sub-max 2)

The answer must not be in tabular format

2. Mark to the first answer to the maximum of 2, if the answer is not in a clear

(4)

[20]

QUESTION 3: BUSINESS OPERATIONS

3.1 Business functions

- 3.1.1 Marketing function✓✓
- 3.1.2 Financial function✓✓
- 3.1.3 General management✓✓

(3x2) (6)

3.2 Difference between Quality control and Quality Assurance

QUALITY CONTROL	QUALITY ASSURANCE
Inspection of the final product✓ to ensure that it meets the required standards. ✓	Carried out during and after the production process✓ to ensure required standards have been met at every stage of the process✓
Includes setting targets/measuring performance✓ and taking corrective measures. ✓	Ensure that every process is aimed at getting the product right first time✓ and prevent mistakes from happening again. ✓
Sub-max (2)	Sub-max(2)

The answer must not be in tabular format

2. Mark to the first answer to the maximum of 2, if the answer is not in a clear
 Max(4)

3.3. Reasons why a business need financing

- Money for starting up a business✓ – borrowing money in order to start a business✓
- Money to cover the running costs of a business ✓while waiting for outstanding payments✓
- Money to replace ✓machinery, equipment and computers✓

- Money for expansion, ✓ to grow a successful business ✓
- Any other relevant answer relating to the reasons why a business needs financing

NOTE: Mark the first TWO reasons only

(4)

3.4 Quality indicator of Administration function

- Applying technology efficiently ✓✓
- Quality of performance takes place in order to apply technology ✓ efficiently ✓
- Collecting data and information ✓✓
- In order to collect ✓ data & information ✓
- Ensuring that captured data or information is accurate ✓✓
- Processing data and information ✓✓
- Making information available to management so that management can react to opportunities and threats ✓✓
- Any other relevant answer relating to the quality performance in the administrative function

(6)

[20]

QUESTION 4 (MISCELLANEOUS TOPICS)

BUSINESS ENVIRONMENTS

4.1 Business Environment

	Business environment	Component
4.1.1	Macro ✓✓	Technological factors
4.1.2	Micro ✓✓	vision
4.1.3	Market ✓✓	consumer

(6)

4.2. Reasons for the NGOs and CBOs to form part of the market environment

- They employ workers and operate in the community✓✓
- They employ worker✓ and operate in the community✓
- They supply and consumer goods and services✓✓
- They supply consumer goods & services✓✓
- They can act as intermediaries ✓✓
- They can act as intermediaries✓✓
- They focus on socio economic issues, like HIV, unemployment, etc ✓✓
- They focus on socio economic issues like HIV, unemployment etc. ✓✓
- Any other relevant answer relating to reasons why NGO's and CBO's form part of the market environment

Max (4)

BUSINESS OPERATIONS

4.3 Differences between management and leadership

MANAGEMENT	LEADERSHIP	
Managers ensures that tasks given✓ to subordinates are completed✓	Leaders inspires✓ other people✓	
Task ✓orientated✓	People✓ orientated✓	
Uses Instructional✓ approach	Uses motivational✓ approach✓	
Managers hold a managerial position ✓in the business✓	A leader does not hold✓ a managerial position✓	
Management is the process of achieving✓ business goals✓	Leadership is the process of inspiring and influencing other ✓ to achieve business goals✓	
Guides✓ human behaviour✓	Influences human behaviour	
Communicates through management functions, ✓ e.g. line function. ✓	Communicates by means✓ of interaction/behaviour/vision/value s/ charisma. ✓	
A person becomes a manager because he/she is appointed✓ in the position✓	Leaders are born ✓with natural/ instinctive leadership skills✓	

Manage by ✓ planning/organising/leading and controlling ✓	Lead by ✓ example/trust/respect ✓
Sub Max (2)	Sub max (2)

NOTE: 1. The answer must not be in tabular format

2. Mark to the first answer to the maximum of 2, if the answer is not in a clear

Max (4)

4.4 Levels of management

4.4.1 Top Level management

- Consists of the executives ✓ and are responsible for making strategic decisions ✓
- They set the vision, mission and goals ✓ of the business ✓
- Top-level management is responsible ✓ for the business as a whole. ✓
- Any other relevant answer relating to the Top level management

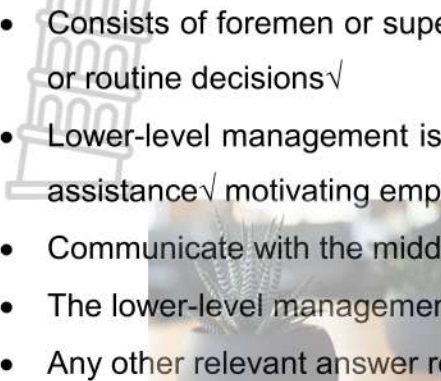
Max (2)

4.4.2 Middle level management

- Consists of the heads of different departments ✓ and are responsible for making tactical decisions ✓
- Middle-level management is responsible for specific department ✓ within the business, such as finance, marketing and purchasing. ✓
- Communicate with top-level management ✓ and implement plans ✓
- Is the link ✓ between the top level management and lower level management ✓
- Any other relevant answer relating to the Middle level management.

Max (2)

4.4.3 Lower level management

- 
- Consists of foremen or supervisory management✓ and they carry out operational or routine decisions✓
 - Lower-level management is responsible for a high level of productivity, technical assistance✓ motivating employees and accomplishing the day to day objective. ✓
 - Communicate with the middle-level management ✓and workforce✓
 - The lower-level management supervise✓ and encourages the workforce✓.
 - Any other relevant answer relating to the lower level management.

Max (2)

[20]

SECTION C

QUESTION 5: BUSINESS ENVIRONMENTS (MACRO ENVIROMNENTS)

5.1 Introduction

- Entrepreneurs and businesses operate under three business environments, namely, micro, market and macro environment✓
- The business environments are very uncertain, dynamic and consists of many parts✓
- Business environment includes all the factors that influence or can influence a business, some come from inside and some from outside✓
- Any other relevant opening statement related to the topic (2 x 1) (2)

5.2 Meaning of macro environment

- Refers to the environment outside the business✓ and is also known as the external environment✓

- Refers to the challenges and influences outside the business✓ and also known as the social environment✓
- External aspects that will affect the running of the business✓ and management decisions✓
- Any other relevant answer related to description of macro environment

Max (4)

5.3. Components of macro environment and the practical examples

- **Social and demographic environment**✓✓
- Deals specifically with the people of the community, country and target market✓
- Composition of the consumer force✓

e.g. suppliers, investors, buyers and their tastes and preferences✓

Sub max (4)

- **Economic environment** ✓✓
- Economic factors that have a effect on consumer buying and spending.✓
- Changes in interests rates, exchange rates, inflation, income levels and taxes ✓

Sub max (4)

- **Technological environment** ✓✓

- Is a fast changing environment and has forced businesses to keep- up- to- date with new trends✓

- e.g. internet, e-mails, electronic commerce, iPods, cellphones, IT✓ Sub max (4)

- **Natural and physical environment**✓

- Forces that are present in the natural environment✓
e.g. pollution, infrastructure, natural resources✓

Sub max (4)

- **International/global environment**✓✓
- Refers to all happenings in the rest of the world that influence local business enterprises✓
- e.g. technological innovations/ telecommunication / international trade✓

Sub max (4)

- **Legal and political environment**✓✓
- Policies, frameworks and rules that businesses must obey and consider, laws that impact the functioning of the business✓
- e.g. Labour relations Act, BCEA, NCA, CPA, etc. ✓

Sub max (4)

-

- **Institutional environment**✓✓
- Refers to the three spheres of government in South Africa, local, provincial and national government✓
- e.g. local municipalities, district municipalities and metropolitan municipalities✓

Sub max (4)

NOTE: Mark the first SIX components

Max (26)

5.4. Relationship between environments

- Business environments work independently✓, no business environment can work in isolation✓
- Micro environment✓ has a direct influence on market environment✓
- Market environment✓ has a direct influence on micro environment✓
- Both micro and market environment cannot control macro environment✓ but can adapt to the influences from macro environment✓

- A change in natural environment✓, e.g. weather patterns can influence availability of natural resources✓
- This can cause an increase in prices✓ which will affect consumers and suppliers✓
- Any other relevant answer related to relationship between business environment

Max (10)

5.5. **Reasons why macro can be a challenge to the business**

- This is the largest environment ✓with big challenges, e.g. like politics, technology, etc.✓
- The challenges and features are outside the business✓ and are completely outside the control of the business✓
- Business enterprises should come up with strategies✓ to deal with the external forces✓
- The forces always increase the business's threats ✓and decreases the business's opportunities✓
- Any relevant answer related to the question

Max (8)

5.6. **Conclusion**

- There are many internal and external aspects that will affect the running of a business and management decisions✓✓
- Any other relevant closing statement related to the topic

(2)

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	MAX 32
Meaning of macro environment	4	
Components of macro environments	26	
Relationship between the environments	10	
Reasons why macro is a challenge to businesses	8	
Conclusion	2	
INSIGHT		

Layout	2	8
Analysis, interpretation	2	
Synthesis	2	
Originality	2	
TOTAL MARKS		40

QUESTION 6: BUSINESS OPERATIONS (BUSINESS FUNCTION)

6.1 Introduction

- Purchasing function is from one of the eight business functions ✓
- The business has full control in the purchasing function. ✓
- The National Credit Act was introduced to provide both credit providers and credit applicants with clear guidelines regarding their rights and responsibilities with regard to lending and borrowing of money ✓
- Any other relevant opening statement related to the topic (2 x 1) (2)

6.2 Consumer rights in terms of the National Credit Act.

- The right to apply for credit. ✓✓
- The right not to be discriminated against when applying for credit. ✓✓
- The right to information in an official language ✓✓
- The right to plain and understandable language being used in the credit market ✓✓
- The right to a copy of the credit agreement. ✓✓
- The right to be given a reason for credit being refused ✓✓
- The right to access and challenge credit records and information ✓✓
- Right to confidentiality of personal information. ✓✓
- Any other relevant answer related to consumer rights

NOTE: Mark the first SIX rights only

(6 x 2) (12)

6.3 Distinguish between cash payment and credit payment

CASH PAYMENT	CREDIT PAYMENT
<ul style="list-style-type: none"> Cash payment refers to all payments made by cash/ cheque ✓ for business purchases ✓ Cash payment enable businesses to budget for stock purchases ✓ and avoid unnecessary delays ✓ Cash payers can qualify ✓ for cash discounts. ✓ 	<ul style="list-style-type: none"> Credit payment refers to all payments made by means of credit cards/on future date ✓ for business purchases. ✓ Credit payment allows businesses ✓ to buy stock and pay on a future date. ✓ The credit payer can pay more for goods ✓ due to interest added on credit purchases. ✓
<p>Stanmorephysics.com</p> <p>Sub Max (4)</p>	<p>Sub-max (4)</p>

Max 8

6.4 The impact of the National Credit Act on businesses

Positives/Advantages

- Lower bad debts ✓ resulting in better cash flow. ✓
- Protects business ✓ against non-paying consumers. ✓
- Increases cash sales ✓ as credit can only be granted to qualifying customers. ✓
- Prevents reckless lending ✓ by financial institutions. ✓
- Ensures that businesses settle their debts ✓ on time so that they can obtain good credit scores. ✓
- Ensures that credit process is transparent ✓ e.g. both businesses and customers know their responsibilities. ✓

AND/OR

Negatives/Disadvantages

- Businesses are forced to budget ✓ to keep more cash/have enough cash on hand for stock purchases. ✓
- Businesses can no longer take the risk ✓ of selling poor quality goods at high prices. ✓
- Businesses can no longer ✓ carry out credit marketing. ✓
- Leads to loss of sales as many businesses ✓ may no longer qualify to buy on credit. ✓

- Businesses can only buy limited stock✓ as credit is not available resulting loss of customers. ✓
 - The Act complicates the purchasing process✓ due to too much administration work in the credit providing process. ✓
 - The purchasing department must know the terms and conditions of credit granting✓ and the National Credit Act. ✓
 - It may take longer to purchase goods ✓and this could influence the overall efficiency of the business. ✓
 - The Act compels businesses to sell quality products✓ or businesses may be forced to reimburse the consumer✓
- Max (16)**

6.5 Activities of the purchasing function

- Purchasers should have expert knowledge both about the products they must buy and about the markets in which they operate. ✓✓
- Purchasing function must find out what other business functions needs are. ✓✓
- It must look for suitable suppliers, new and better suppliers continuously✓✓
- Purchasing function must ensure that there is enough stock for continuous production and sales. ✓✓
- It must place orders with suppliers that are not that much expensive. ✓✓
- Purchasing department must negotiate the best terms and conditions with suppliers✓✓
- Any other relevant answer related to the activities of the purchasing function

Max (10)

6.6 Conclusion

- There are legal processes that have been put in place for purchasing in South Africa✓✓
- Business enterprises and consumers are ensured better offers and services, eliminating both exploitation and discrimination✓✓
- Any other relevant closing statement related to the topic

Max (2)

[40]

BREAKDOWN OF MARK ALLOCATION

DETAILS	MAXIMUM	TOTAL
Introduction	2	MAX
Consumer rights	12	
Differences between cash and credit payment	8	
The impact of NCA on the purchasing function	16	
Activities of the purchasing function	10	
Conclusion	2	32
INSIGHT		8
Layout	2	
Analysis, interpretation	2	
Synthesis	2	
Originality	2	
TOTAL MARKS		40

TOTAL SECTION C: 40

GRAND TOTAL: 100