



INDIAN SCHOOL SOHAR
PRE-BOARD EXAM 2018-2019
SUBJECT:ENTREPRENEURSHIP(066)

No. of printed pages: 3

Date: 14 /01/2018

M.Marks:70

STD: XII

Time: 3hrs

General Instructions:-

- (i) All questions are compulsory.
- (ii) Questions 1 to 5 are Very Short Answer Type carrying 1 mark each.
- (iii) Questions 6 to 10 are Short Answer Type questions carrying 2 marks each.
- (iv) Questions 11 to 17 are Long Answer-I Type questions carrying 3 marks each.
- (v) Questions 18 to 21 are Long Answer-II Type questions carrying 4 marks each.
- (vi) Questions 22 to 24 are Essay Answer Type questions carrying 6 marks each.

1. In which form does the 'opportunity' exist in the environment? 1
2. What do you mean by order lead time? 1
3. Define 'Marketing Strategy'. 1
4. Eagle Bancshares headquartered at Atlanta, Georgia and has 283 workers. It has almost 90,000 accounts and looks after asset worth US \$1.1 billion. RBC, a Canadian bank acquired Eagle Bancshares. This acquisition enables the RBC to go ahead with its growth operation in the North America market. Identify the type of merger. 1
5. Identify the negotiation method in which each side is working towards a solution where everyone wins something. 1
6. Ragini, a career oriented mother, hardly got time to cook for the family. She decided to hire a cook but was not able to find one who could cook according to the taste of the family. Her sister Abha sensed that this problem is not only faced by her sister but also by many working women. She launched a website namely 'Dial for food' where housewives who had culinary ability and were interested to cook could drop in their contact details and households where specific cuisine was required could leave in their requirements so that through the website home cooked food could be delivered. The website mainly helped in identifying the requirement and fulfilled it through providing delivery service. Identify any two uses of problem identification to Abha. 2
7. "Human life is built around works". Identify the forms of business organization being talked about in the following sentences:
 - a. "The one-man control is the best in the world if that man is big enough to manage everything".
 - b. "Two heads being better than one".
 - c. "Self-help as well as mutual helps system".
 - d. The birth of this legal person is by law and can be put to death by law only. 2
8. Rajiv was developing a business plan for his organization. While working on the financial plan he realized that his financial requirements will be for fixed assets and their installations, preliminary expenses, working capital, expenses on research and development and investment in short-term assets viz. raw material, level of cash, etc. To decide on the sources of funds for the venture, he tried to ensure the selection of the best overall mix of financing for the enterprise?
 - a. Identify the elements of financial plan discussed here.

- b. Why is it important for an entrepreneur to ensure the selection of the best overall mix of financing for the enterprise? 2
9. Explain any two rules of 'Goal Setting'. 2
10. Write the full form of ICICI and state any two of its objectives. 2
11. Sheila after graduating from college went back to her home town in Meghalaya. It was a small town with very few job opportunities. The Karbi tribal women in that area were uneducated but still practiced the method of obtaining traditional colors from natural wild herbs. Their most popular dye was indigo obtained from the leave called 'sibu'. Using these colors they added variety to their textiles. The women were mainly confined to their homes and they did not know how to make a living out of their talent. Sheila went from door to door analyzed the problem that existed. She thought of setting up a voluntary association of rural women who would be able to join and leave the organization at their own will without any intimidation.
- (a) Name the process which helped Sheila in converting an idea into an opportunity.
- (b) Identify the kind of organization that Sheila has decided to set up.
- (c) State any one which Sheila wants to communicate to the society. 3
12. What will be the effect on production plan in the following situations:
- a) When there is no manufacturing.
- b) When there is partial manufacturing.
- c) When there is complete manufacturing. 3
13. Rohan and Johan were pursuing Electrical Engineering from a prestigious engineering college. During their third year they developed a solar LED bulb which can be used indoors. The bulb had a small panel which had to be charged at a stretch for 10 hours in the sun and it would last for 200 hours of usage. The idea was risky as there was a possibility that the market might not accept such a product, but if they do so, then, there would be a revolution in the power industry as it would lead to saving of power in every household. The prototype was made but to manufacture and distribute the same, they required around ₹5crores. Both Rohan and Johan approached some affluent individuals who were ready to invest in their business in exchange for a convertible debt.
- Identify the type of investors and state any two features of the same. 3
14. Differentiate between price skimming and price penetration technique of pricing. 3
15. A brand helps a buyer in recognizing the goods or services of one seller or group of sellers and to differentiate them from those of the competitors. A brand has three components. Explain these components. 3
16. Ms Remya is a readymade garments manufacturer. Her Annual usage rate is 225pcs. The cost of placing each order is ₹8 and the carrying cost is ₹4 per unit. Calculate the Economic Order Quantity (EOQ).How does calculating EOQ facilitate budgeting? 3
17. 'Innovation is the process of entrepreneurship'. With reference to this statement explains the meaning of innovation and its elements. 3
18. Negotiation is a process where two or more parties with different needs and goals discuss an issue to find a mutually acceptable solution. In business, negotiation skills are important in both informal day-

- to-day interactions and formal transactions such as negotiating conditions of sale, lease, service delivery, and other legal contracts. Explain the methods of 'Good Negotiations'. 4
19. To regulate and supervise the securities market in India, this statutory body was constituted in 1998.
- Identify this body.
 - Give any three powers of this body.
 - State any one value which the statutory body as identified in (a) above tries to inculcate among the members of the securities market. 4
20. Explain four types of Acquisitions. 4
21. Kapil an unemployed graduate got training for automobile repairing and allied services under PMKVY (Pradhan Mantri Kaushal VikasYojana) for skill development. He is planning to start a digital workshop for which he needs ₹ 25 lacs. Though through MUDRA (Micro Units Development and Refinance Agency) he is able to get a loan of ₹ 10 lacs but still he is falling short of ₹ 15 lacs. He wants to pitch in his idea to potential investors through his business plan. Explain the different formats in which he can present his business plan for his start-up. 4
22. Raj Singh has started a restaurant on a National highway in the name of 'Desi Dhaba' by spending ₹ 25, 00,000. He invested ₹ 10, 00,000 of his own and took a loan of ₹ 15, 00,000 from Dena Bank @ 6% per annum. His monthly sales revenue is ₹ 17, 00,000 and cost of goods sold is ₹ 9, 00,000. He pays monthly salary of ₹ 3, 00,000 to his employees. The tax rate is 25%.
You are required to calculate:
- Return on investment and
 - Return on Equity for Raj Singh (on annual and monthly basis). 6
23. Explain the factors that help an entrepreneur to identify a product. 6
24. Slurppy is a new mixed fruit juice introduced by Amit Beverages Ltd. the mixed fruit juice has been fortified using various vitamins and minerals. The company designed a unique package for the product which made it very attractive. Their sales figures were an indication of their success. In order to capture huge market share, they decided to give exclusive rights to retailers to manufacture and sell the product to the public.
- Identify and explain this concept.
 - State two factors which help start-ups.
 - State two advantages to Amit Beverages Ltd. in doing so. 6

19. Sunil runs a sandwiches stall outside a shopping mall. Following information given below regarding the cost and revenue.

Capacity	₹ 200 sandwiches per day
Demand	₹ 150 sandwiches per day
Unit price	₹ 35 per sandwiches
Ingredients and material requirement per ₹ sandwiches	15 per sandwiches
Rent	₹ 200
Salary	₹ 2400
Other fixed overhead Expenses	₹ 1600
Electricity	₹ 500

- Total Fixed cost.
- Calculate Break Point (in units) and per month.
- Calculate new BEP (in units) and (in sales) if fixed overhead expenses increased by 100%.
- Show $TR = TC$ concept. Find out cash flow from operating activities of Indialtd. from the following.

6

SAMPLE PAPER-1 -2016-17

Class: XI

Entrepreneurship (066)

M.M: 80

General Instructions: -

- 1) *All questions in both the sections are compulsory.*
- 2) *Marks for questions are indicated each.*

1	Who plays the role of an entrepreneur in a socialist country?	1
2	This industry is concerned with analysing and separating basic materials forgetting distinct final products. Identify the type of this manufacturing industry.	1
3.	"They are highly ambitious are normally not satisfied by slow progress in their jobs." This applies for which entrepreneurs?	1
4.	What are non-insurable risks?	1
5.	What do you mean by mobilisation of resources'?	1
6.	"Many problems are bound to come in the path of progress, Ratan Tata shifted the manufacturing plant for Nano Cars from Singur to Sanand due to unforeseen complexities". Which type of competency is shown here? Define	2
7.	State two factors that affect the fixed capital requirement of an enterprise.	2
8.	Corporation tax is a tax levied on the Income (Profit) of the Domestic Company or Foreign Company. (a) Define the type of tax mentioned above. (b) Give another example of the type of tax defined above.	2
9.	Differentiate between competitors and suppliers as primary forces of market.	2
10.	It defines the legal and corporate structure of the business, It also includes professional background information about the founders and what skills they can contribute to the business. (a) Name the type of feasibility study mentioned. (b) Define any other type of feasibility study.	2
11.	A young man was passing through a site of construction. He saw three labourers working in the site. He went to one of them and asked 'What are you doing here?' the worker answered, 'don't you see? I'm pulling in to earn a living. I am working and earning.' The young man moved towards the second. Now, he asked the second man the	3

	<p>question 'What are you doing?' Pat came the reply 'Don't you see? I am constructing a wall'.</p> <p>The young man now asked the third person the same question and he replied 'don't you see? I am building a beautiful mansion.'</p> <p>All three men were doing the same work, but what differentiated them was their attitude towards work.</p> <p>Comment on the level of attitude for all of the three workers.</p>	
12.	“Attitude is not by birth, it is acquired.” In the light of this statement explain any three sources of attitude.	3
13.	"Entrepreneurs cannot survive and grow without fulfilling the ethical responsibilities of the society." Explain.	3
14.	“Raju is a 16 year young boy, working hard to earn his living. He also tries to save some part of his earnings to acquire basic education”. He falls in which level of Need as propounded by Maslow in his Motivational Theory? Also, discuss the immediate next two levels in the need hierarchy.	3
15.	Mehak wants to start a textile unit near Gurgaon. Discuss the commercial functions which she will require to plan and perform for the same.	3
16.	Differentiate between the Fixed Capital Requirement and Working Capital Requirement on the following basis: (a) Meaning and scope (b) Nature (c) Sources of procurement used.	3
17.	These risks arise from the events taking place within the business enterprise. Such risks arise during the ordinary course of a business. These risks can be forecasted and the probability of their occurrence can be determined. (a) Identify the type of risk. (b) Discuss the factors that give rise to above type of risk.	3
18.	State whether the following require small or large working capital. Answer should be supported by a valid reason: (a) selling ice-creams (b) following a liberal credit policy (c) dealing in stainless steel wares (d) using capital intensive technology.	4
19.	Ms. Laxmi, who runs a stationary store, has the following transactions. Please help her with the Cashbook for her operations. (i) On 1st of January, she has Rs. 12, 500/- in cash and Rs. 25,000/- in bank account. (ii) On 3rd January, she makes a cash sale of Rs. 9, 500/-. (iii) On 4th January, she receives a cheque for Rs. 6,000/- from Excel Company for sales made in December. (iv) On 6th January, she buys filing cabinets and makes a check payment of Rs. 5,000/- (v) On 6h January, she makes cash payment of Rs. 15,000/- for various stationary	4

	<p>purchased.</p> <p>(vi) On 7th January, she withdraws cash of Rs. 5,000/- from her bank account.</p> <p>(vii) On 8th January, she pays salary of Rs. 5,000/- to her sales staff.</p> <p>(viii) On 9th January, she pays the monthly rent of Rs. 2,500/- by cheque.</p> <p>(ix) On 10th January, she deposits Rs. 5,000/-in her bank account.</p>	
20.	Explain any four ways that a domestic firm can employ to enter foreign market.	4
21.	<p>The following information relates to a company, which produces a single product.</p> <p>Direct labour per unit Rs. 22/-</p> <p>Direct materials per unit Rs.12/-</p> <p>Variable overheads per unit Rs.6/-</p> <p>Fixed costs Rs. 4, 00,000/-</p> <p>Selling price per unit Rs. 60/-</p> <p>Use the figures above to show the minimum number of units that must be sold for the company to break even.</p> <p>Also, calculate the number units to be sold if the target profit is Rs.50,000.</p>	4
22.	<p>The macro-environment forces refer to all forces that are part of the larger society and are the "uncontrollable" to which companies adapt through setting the "controllable" factors.</p> <p>In the light of the above statement, discuss the macro environment forces that governs the market.</p>	6
23.	Explain in detail the elements of business plan.	6
24.	"Entrepreneur's decisions can strengthen or seriously weaken a firm's future business viability." Discuss this statement in the light of necessity of ethics for societyand development of business.	6

SAMPLE PAPER-2 -2016-17

Class: XI

Entrepreneurship (066)
80

M.M:

General Instructions: -

- 3) *All questions in both the sections are compulsory.*
- 4) *Marks for questions are indicated each.*

Sr. no	Questions	Marks
Q1.	It is the business organization that is formed and which provides goods and services, creates jobs, contributes to national income, exports and contributes to the overall economic development. Name the entrepreneurial concept.	1
Q2.	“Attitudes are gradually learnt over a period of time. The process of learning attitudes starts right from childhood and continues throughout the life of a person. However, in the beginning, the family members have a greater impact on the attitude of a child.” Name the feature of attitude from the above given detail.	1
Q3.	What is E-business?	1
Q4.	It is defined as the measure of what products are sold. It is required to understand the economics of the business in an easy and standardized manner and for tracking the past with the future and to be able to take corrective action. Identify the concept of business finance and arithmetic.	1
Q5.	Name one factor that affects the requirement of resources?	1
Q6.	Differentiate between entrepreneur and entrepreneurship.	2
Q7.	<ul style="list-style-type: none"> a) They are detail- and tactic-oriented, and motivated by doing things one-way-the right way. They are very conscientious and cooperative, following rules, procedures and policies carefully. b) They are good at running customer service-oriented or retail businesses, or any business where being convincing is an important aspect of getting the job done, and done right. They do well within structured environments where people are an element of success. <p>From the information given above identify the type of entrepreneurs.</p>	2
Q8.	Why is there a growing need for entrepreneurs?	2
Q9.	<p>It comprises of the study of proper business policies and practices regarding potentially controversial issues, such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility and fiduciary responsibilities.</p> <ul style="list-style-type: none"> a) Name the concept of entrepreneurship as a part of social responsibility. b) Why is the above identified concept important to the entrepreneur? 	2
Q10.	What are the first two steps involved in organizations resource mobilization?	2

Q11.	Attitudes constitute an important psychological attribute of individuals which shape their behaviour. It may be defined as the way a person feels about something—a person, a place, a commodity, a situation or an idea. The central idea running through the process of attitude formation is that, the thoughts, feelings and tendencies to behave are acquired or learned gradually. The attitudes are acquired from different sources. Explain the different sources of attitude.	3
Q12.	These risks which arise from the events taking place within the business enterprise. Such risks arise during the ordinary course of a business. These risks can be forecasted and the probability of their occurrence can be determined. Hence, they can be controlled by the entrepreneur to an appreciable extent. a) Name the concept from entrepreneurship as innovation and problem solving. b) What are the factors that give rise to such risks?	3
Q13.	After clearing some of the initial misconceptions about ideas, it's time to look at the process involved with generating ideas. Generating ideas is an innovative and creative process. Initially it seems difficult to think of many ideas and it will take some time, not only in the beginning stages of the entrepreneurial venture but also throughout the life of the business. What are the different structured approaches that might be adopted to generate ideas?	3
Q14.	Field work calls for a lot of managerial and administrative skills apart from research skills. Explain by giving three valid points.	3
Q15.	Differentiate between a) Expenditure and expense. b) Cost and expense. c) Unit of sale and unit cost.	3
Q16.	Rani has started selling dress materials from her own house. She purchases 50 sets from a wholesale dealer @ Rs. 600/- per set and selling @ Rs. 1000/- per set. She spent Rs.500/- for advertisement and Rs.800/- for transportation. All the sets were sold in one month's time. Calculate her income by preparing an income statement.	3
Q17.	What are the different sources of generating finance?	3
Q18.	To everything in life, there are advantages and disadvantages; entrepreneurship is no exception. As a matter of fact, entrepreneurship involves a lot of risk taking. Yet, it can pay off very well, with rewards such as profits, the opportunity to be your own boss and make your own decisions. In the light of the above given details explain any two advantages and disadvantages to entrepreneurship.	4
Q19.	Mansukhbhai Prajapati remoulded his family's struggling pottery business to produce the Mitticool range of ingenious earthenware, including a fridge that works without electricity. Originally from Morbi village in Rajkot, South Gujarat, Prajapati, a tenth standard dropout, began working at a tea-stall after his father discouraged him from entering the family's pottery business as the income was negligible. Later, he became a supervisor at a roof-tile manufacturing company and eventually, in 1989, returned to his passion for pottery by producing tavdi or tawa (frying pan) from clay. It was this abiding interest in innovation that led him to develop the Mitticool water filter, way back in 1997. A lot of rigorous experimentation went into his work on the Mitticool refrigerator, which he launched in 2002. The special terracotta clay used is baked at 1,200 degree Celsius to harden it. Like any clay pot used to cool water, the fridge too works by keeping the inside temperature 10 degrees lower than the outside. The natural cooling process keeps vegetables and fruits fresh for up to five days, and milk products for up to three days. Measuring 27 inches high and 15 inches wide, the fridge costs between Rs.3000 to Rs.3500. As it works without electricity, it is especially useful in villages that experience frequent power cuts. The entrepreneurial values and attitudes provide the necessary backdrop for acquiring the sense of enterprise. It is however necessary that a	4

	budding entrepreneur should have the necessary competencies so that he/she can venture into an enterprise. What are the competencies possessed by Mr. Mansukhbhai Prajapati to venture into this business?													
Q20.	Ela Bhatt: Founded in 1972, Self-Employed Women's Association (SEWA) is a rare trade union of poor, unorganized, self-employed women who work as vendors, hawkers and laborers. a) Identify the type of entrepreneur. b) What are the typical characteristics possessed by the above identified type of entrepreneur?	4												
Q21.	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Direct labour</td> <td>Rs 55/-</td> </tr> <tr> <td>Direct materials</td> <td>Rs 70/-</td> </tr> <tr> <td>Variable overheads</td> <td>Rs 5/-</td> </tr> <tr> <td>Fixed cost</td> <td>Rs 1,40,000/-</td> </tr> <tr> <td>Selling price</td> <td>Rs 200/-</td> </tr> </tbody> </table> <p>The above given information relates to a Prashant and company which produces a single product.</p> <p>a) Calculate the Breakeven point. b) If Prashant has a daily goal of achieving a profit of Rs21, 000/- what should his sales target be?</p>	Particulars	Amount	Direct labour	Rs 55/-	Direct materials	Rs 70/-	Variable overheads	Rs 5/-	Fixed cost	Rs 1,40,000/-	Selling price	Rs 200/-	4
Particulars	Amount													
Direct labour	Rs 55/-													
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Q22.	Lijjat was the brain child of seven Gujarati women from Bombay (now Mumbai). The women lived in Lohana Niwas, a group of five buildings in Girgaum. They wanted to start a venture to create a sustainable livelihood using the only skill they had. The women borrowed Rs 80/- from Chhaganlal Karamsi Parekh, a member of the Servants of India Society and a social worker. They took over papad making venture which was running in loss owned by Laxmidasbhai, and bought the necessary ingredients and the basic infrastructure required to manufacture papads. On March 15, 1959, they gathered on the terrace of their building and started with the production of 4 packets of Papads. They started selling the papads to a known merchant in Bhuleshwar. From the beginning, the women had decided that they would not approach anyone for donations or help, even if the organization incurred losses as they knew that it is difficult to get financial help because of the attitude of lenders towards women. Lijjat expanded as a cooperative system. Initially, even younger girls could join, but later eighteen was fixed as the minimum age of entry as the girls need to be educated. Within three months there were about 25 women making papads. Soon the women bought some equipment for the business, like utensils, cupboards, stoves, etc. In the first year, the organization's annual sales were Rs. 6196/-. The broken papads were distributed among neighbours. During the first year, the women had to stop production for four months during the rainy season as the rains would prevent the drying of the papads. The next year, they solved the problem by buying a cot and a stove. The papads were kept on the cot and the stove below the cot so that the process of drying could take place in spite of the rains. The group got considerable publicity through word of mouth and articles in vernacular newspapers. a) From the above given details identify the barriers faced by women. b) Explain the other barriers to entrepreneurship.	6												
Q23.	If an entrepreneur wants to enter into international market, what are the different approaches he can take in order to enter foreign market?	6												
Q24.	What are the factors determining the amount of working capital?	6												

Sample Paper - 1

Class: XII

Sub: ENTREPRENEURSHIP

Marks: 70

GENERAL INSTRUCTIONS:

ANSWERS TO QUESTIONS CARRYING 1 MARK EACH SHOULD BE WRITTEN IN 15 WORDS.

ANSWERS TO QUESTIONS CARRYING 2 MARKS EACH SHOULD BE WRITTEN IN 50 WORDS.

ANSWERS TO QUESTIONS CARRYING 3 MARKS EACH SHOULD BE WRITTEN IN 75 WORDS.

ANSWERS TO QUESTIONS CARRYING 4 MARKS EACH SHOULD BE WRITTEN IN 150 WORDS.

ANSWERS TO QUESTIONS CARRYING 6 MARKS EACH SHOULD BE WRITTEN IN 250 WORDS.

Sr. no	Questions	Marks
Q25.	It includes the provision of value to customers, reward employees, and satisfy the stake holders. Identify the element of innovation process.	1
Q26.	A goal without an outcome is like a sports competition without a scoreboard or scorekeeper. Identify the component of SMART goal.	1
Q27.	What do you mean by unit of sales?	1
Q28.	It allows entrepreneurs to be in business for themselves, but not by themselves. Identify the concept.	1
Q29.	Define capital market.	1
Q30.	Along with the huge requirement of funds what are the other suitability which entrepreneurs ponder upon and selects the company form of organisation.	2
Q31.	Identify and discuss the type of merger: i) A merger between Coca-Cola and the Pepsi. ii) A merger between two companies producing different goods or services for one specific finished product.	2
Q32.	Write the full form of ICICI and state any two of its objectives.	2
Q33.	It refers to the various forces within which various small, medium and large enterprises operate. These factors exert influence upon each other and do not operate in isolation. Identify the concept and list its contents.	2
Q34.	Finance is one of the most important pre-requisites to establish an enterprise. Availability of finance facilities the entrepreneur to bring together men, material, machines and methods to produce goods/services. List the key financial data projected by financial plan.	2
Q35.	Bill Gates, who as an undergraduate at Harvard, developed BASIC for the first microcomputer. He later found Microsoft in 1975. During the 1980s, IBM contracted with Gates to provide the operating system for its computers, a system now known as MS-DOS. Gates procured the software from another firm, essentially turning the thirty-dollar pair of jeans into a multibillion-dollar product. Microsoft's Office and Windows operating software now run on about 90 percent of the world's computers. By making software that increases human productivity, Gates expanded our ability to generate output (and income), resulting in a higher standard of living for all. It clearly depicts that Creativity is important to entrepreneurs because it is the first stage in the process of innovation, providing the stimulus for opportunity discovery and new venture creation. Discuss the last three steps to creative process.	3
Q36.	Ray Kroc, the president of McDonald's, did not invent or even improve the hamburger. He invented a new way of marketing hamburgers because The marketing plan represents a significant element in the business plan for a new venture as it effectively establishes how the entrepreneur will complete and operate in the market place by providing answers to three basic questions.	3

	Discuss these questions in detail.																					
Q37.	What are the considerations from company viewpoint to select the channel of distribution?	3																				
Q38.	In product franchising the manufacturer grants a store owner the authority to distribute goods by the manufacturer and allows the owner to use the name and trademark owned by the manufacturer. The store owner must pay a fee or purchase a minimum inventory of stock in return for these rights. Explain the other types of franchising.	3																				
Q39.	The following data relates to a manufacturing unit – company has to pay an annual carrying cost of ₹ 2,400 per unit. The monthly usage rate of a firm is 1800 units. The cost to place an order is ₹ 200. Calculate EOQ.	3																				
Q40.	“Stock exchange indicates about the good or bad health of an economy. It is an investment intermediary which facilitates economic and industrial development of a country.” Support the statement by signifying the importance of stock exchange from company’s viewpoint.	3																				
Q41.	To sense an entrepreneurial opportunity, an entrepreneur employs his/her sharpened skills of observation, analysis and synthesis to identify an opening. List the most important factors involved in the process	3																				
Q42.	Discuss the sources of idea fields.(any four)	4																				
Q43.	Janak is ready to incorporate with HUF form or organisation and is a possessor of a PAN card. Being his legal advisor what are the legal requirements to be accomplished by him.	4																				
Q44.	Value chain managers are always looking for ways to improve the company's processes. Elements like leadership and technology investment are an example to comply an effective value chain management. What are the other requirements?	4																				
Q45.	Sanorta company produces and sells pottery chimneys the chimneys come in three models small basis, large basis and Carved. From the following details calculate BEP in units. <table border="1" data-bbox="256 951 1308 1161"> <thead> <tr> <th>Products</th> <th>Small basis</th> <th>Large basis</th> <th>Carved</th> </tr> </thead> <tbody> <tr> <td>Sales price per unit</td> <td>120</td> <td>200</td> <td>350</td> </tr> <tr> <td>Variable cost per unit</td> <td>70</td> <td>150</td> <td>275</td> </tr> <tr> <td>Sales mix %</td> <td>30%</td> <td>50 %</td> <td>20 %</td> </tr> <tr> <td>Fixed cost</td> <td colspan="3">4,56,500 ₹</td> </tr> </tbody> </table>	Products	Small basis	Large basis	Carved	Sales price per unit	120	200	350	Variable cost per unit	70	150	275	Sales mix %	30%	50 %	20 %	Fixed cost	4,56,500 ₹			4
Products	Small basis	Large basis	Carved																			
Sales price per unit	120	200	350																			
Variable cost per unit	70	150	275																			
Sales mix %	30%	50 %	20 %																			
Fixed cost	4,56,500 ₹																					
Q46.	La Opala is India’s only opal glassware maker and ready to take on global competition. In the 19th century, it was common to import good chinacrockery in return for opium exports from Calcutta. However, bone china crockery never really caught on, because it used cow bone ash. Even today, food is served on glass plates at traditional weddings for this reason. A small glass kiln, Radha Glass, at Madhupur in Bihar, has been making tea shop glasses, jars that are found in the neighborhood grocery shop, and hurricane- lamp shades for decades. The eldest son of the family, Sushil Jhunjhunwala, inherited his father’s business in the mid-1980s. Jhunjhunwala realized that nothing big could had happen, if he stuck to traditional glass products and was persuaded to look around. He got an idea when, in late 1980s, during a trip to South Korea, he came across an opaque white glass called „Opal“. Impressed by its look, he decided to manufacture it with the use of imported machinery – and La Opala was born in 1988. Identify and list the benefits observed by the entrepreneur by scanning the environment.	6																				
Q47.	What are the Factors which lead to effective employee relationship?	6																				
Q48.	"Stock exchange are not merely the chief theaters of business transactions, they are also barometers which indicate the general conditions of the atmosphere of business." State the functions of stock exchange (any six).	6																				

Sample Paper- 2

Class: XII

Sub: ENTREPRENEURSHIP

Marks: 70

GENERAL INSTRUCTIONS:

ANSWERS TO QUESTIONS CARRYING 1 MARK EACH SHOULD BE WRITTEN IN 15 WORDS.

ANSWERS TO QUESTIONS CARRYING 2 MARKS EACH SHOULD BE WRITTEN IN 50 WORDS.

ANSWERS TO QUESTIONS CARRYING 3 MARKS EACH SHOULD BE WRITTEN IN 75 WORDS.

ANSWERS TO QUESTIONS CARRYING 4 MARKS EACH SHOULD BE WRITTEN IN 150 WORDS.

ANSWERS TO QUESTIONS CARRYING 6 MARKS EACH SHOULD BE WRITTEN IN 250 WORDS.

1.	<p>“The proprietor and proprietorship are one and the same business and owner exists together, thus with owner's death, business too dies”. State the character of sole proprietorship from the given line.</p> <p>[1]</p>
2.	<p>Mobilize the financial resources on a nation-wide scale is one of the function of capital market. List another function of capital market.</p> <p>[1]</p>
3.	<p>“Obtain 2 crore worth corporate clients in the Delhi property insurance market is more meaningful to mobilize your team than —Get more business”.</p> <p>The above given details explains one of the elements of “SMART” goals. Name it.</p> <p>[1]</p>
4.	<p>“The concern may expand its present production capacity by adding more machines or by replacing old machines with the new machines with higher productive capacity”. Name the concept from the chapter “Enterprise Growth Strategies”</p> <p>[1]</p>
5.	<p>Explain any two assumptions made for the calculation of break Even Point for sales mix.</p> <p>[1]</p>
6.	<p>What is business opportunity? Explain any two elements of business opportunity.</p>

	[2]
7.	Why is goal setting important? [2]
8.	Annual quantity of T.V sold by a shop is 256 at the rate of 45000/- per month. Cost of placing an order and receiving goods is ` 50/- per order. Inventory holding cost is ` 100/- per annum. What is the economic order Quantity for the shop keeper? [2]
9.	‘It helps the entrepreneur in enlarging the scope of thinking, at the same time structuring the ideas according to convenient frames of reference’. Explain any two sources of the above mentioned concept. [2]
10.	‘It is a roadblock in a situation, something that sets up a conflict and forces you to find a solution When an entrepreneur identifies such a road block, he/she is said to have identified the problem’. How is it useful to an entrepreneur?[Any two] [2]
11.	One of the keys to business success is to anticipate what the market will want or need before the entrepreneurs are aware of it themselves. Since it’s unlikely for an entrepreneur to see into the future, there is one best way to do this. a) Identify the best way of understanding the market and provide goods in sync with the market. b) Name the different ways of doing the identified concept. [3]
12.	It enables the department to link all transactions of the “person” with the department. These transactions include tax payments, TDS/TCS credits, returns of income/wealth/ Gift/FBT, specified transactions, correspondence, and so on. It acts as an identifier for the “person” with the tax department. It is mandatory to quote in all documents pertaining to financial transactions.

	<p>a) Identify the document</p> <p>b) Who must have the above identified document?</p> <p>[3]</p>
13.	<p>It is usually employed to reimburse the cost of investment of the original research into the product commonly used in electronic markets when a new range, such as smart phones, are firstly dispatched into the market at a high price. This strategy is often used to target "early adopters" of a product or service. Early adopters generally have a relatively lower price-sensitivity. This can be attributed to their need for the product outweighing their need to economics, a greater understanding of the product's value, or simply having a higher disposable income. This strategy is employed only for a limited duration to recover most of the investment made to build the product. To gain further market share, a seller must use other pricing tactics such as economy or penetration. This method can have some setbacks as it could leave the product at a high price against the competition.</p> <p>a) Name the pricing strategy from the above given details.</p> <p>b) Explain any two setbacks in this type of pricing methods.</p> <p>[3]</p>
14.	<p>Raymond Ltd, a company started in 1925 as a woollen and readymade garment industry, has achieved phenomenal success with more than 500 stores. As Anirudh Deshmukh, President, Raymond Ltd, says, 'Raymond can be called the "absolute leaders" in the fabric industry as consumers had faith on us for the last 50 years and still we are growing stronger. We basically opted for franchise model for expanding in smaller towns as these are not affected by recession and the franchised stores can be driven by local entrepreneurs who are aware of the preferences of the local customers. In the light of the above given details explain the disadvantage of franchising to franchisee.</p> <p>[3]</p>
15.	<p>You have newly started a restaurant business, you spend Rs 10, 00,000/- to open the restaurant.</p>

	<p>You have invested Rs 4, 00,000/- of your own money and borrowed a loan for Rs 6, 00,000/-. Interest rate per annum is 10%. Monthly sales revenue is Rs 6,00,000/- and cost of goods sold is Rs 3,00,000/-. Fixed expenses per month Rs 2,00,000/- (salary Rs 1,50,000/-, rent and utility Rs 50,000/-),depreciation `10,000/- and tax @ 20%.calculate ROI and ROE.</p> <p>[3]</p>
16.	<p>They fill the gap in start-up or early stage financingbetween "friends and family", by providing seed funding and formal venture capital.Humorously, they were once given the acronym FFF – i.e.FRIENDS, FAMILY AND FOOLS.Although it is usually difficult to raise more than a few thousands from friends and family,even the venture capitalist are least interested to make investments. They are common second round of financing for high-growth start-ups or early stage companies.</p> <p>a) Identify the source of finance.</p> <p>b) Explain their features.</p> <p>[3]</p>
17.	<p>It is so designed that the entrepreneur and the investors couldhave a clear picture of:</p> <p>a) How much funds are required?</p> <p>b) Where will funds come from?</p> <p>c) How are they disbursed?</p> <p>d) The amount of cash available</p> <p>e) General financial well-being of the new venture i.e. probable revenue forecast for thefirst year at least.</p> <p>a) From the given details above, identify the element of business plan.</p> <p>b) Explain the components of the above identified concept.</p> <p>[3]</p>
18.	<p>The entrepreneurs highly bank on “initial issue” to generate funds. When for the first</p>

	<p>time, entrepreneur for the purpose of obtaining capital funds decides to issue securities to the public. The first sale is in the primary market. Such issues of securities" are even referred to as "new money issues".</p> <p>What are the different ways of floating new issues?</p> <p>[4]</p>
19.	<p>Golden Gate Enterprises started an automobile business. But their business failed after five years. It failed due to lack of proper financing channels and lack of planning for funding to support opportunities for growth. They did not set realistic goals. They were not flexible enough to adapt to new trends and ideas which is important for staying in business. Location of business is poor. They did not have proper checks and metrics to manage organizational activities. Therefore they had to close the business and as a result incurred great loss. From the above given details identify any four reasons for failure of business.</p> <p>[4]</p>
20.	<p>In a sense generating ideas is relatively an easy exercise, especially if it is done in groups. However, this process can also become a wild goose chase because all ideas need not necessarily become sound business opportunities. We have to assess it in terms of the potentiality of the opportunity.</p> <p>What are the steps involved in the process mentioned in details given above.</p> <p>[4]</p>
21.	<p>It's a formal statement of a set of business goals, the reasons they are believed attainable and the plan for reaching those goals along with the background information about the organization or/and team attempting to reach those goals.</p> <p>a) Identify the concept discussed from the chapter "entrepreneurial planning".</p> <p>b) Explain its importance. (Any three)</p> <p>[4]</p>
22.	<p>It is a system whereby there is achieved a smooth and coordinated flow of work within the factory so that, by planning and control of all the productive operations in all the stages of manufacture, the final</p>

product is completed in accordance with the plans. It is actually a blue print prepared right in advance of actual operations.

a) Identify the concept discussed.

b) Explain the elements of the identified concept.

[6]

There were a lot of apparent synergies between Tata Steel which was a low cost steel producer in a fast developing region of the world and Corus which was a high value product manufacturer in the region of the world demanding value products. Some of the prominent synergies that could arise from the deal were as follows :

□ Tata was one of the low cost steel producers in the world and had self-sufficiency in raw material. Corus was fighting to keep its production costs under control and was on the lookout for sources of iron ore.

□ Tata had a strong retail and distribution network in India and SE Asia. This would give the European manufacturer an in-road into the emerging Asian markets. Tata was a major supplier to the Indian auto industry and the demand for value added steel products was growing in this market.

23. Hence, there would be a powerful combination of high quality development and low cost high growth markets.

□ There would be technology transfer and cross-fertilization of R&D capabilities between the two companies that specialized in different areas of the value chain

□ There was a strong culture fit between the two organizations, both of which highly emphasized on continuous improvement and ethics. Tata steel's Continuous Improvement Programme "Aspire" with the core values: trusteeship, integrity, and respect for individual, credibility and excellence. Corus's continuous Improvement Programme "The Corus Way" with the core values: code of ethics, integrity, creating value in steel, customer focus, selective growth and respect for our people.

The above given details pertain to Tata acquiring Corus a European manufacturing steel company.

Explain the reasons for merger and acquisitions of companies. Quote the lines from the given details

	and explain. [6]
24.	<p>French word <i>bougette</i>, meaning purse (so obviously referring to money), is the origin of the concept given below:</p> <p>Though it might have started with only money, today we use it in context of many resources .For any business, it is a quantitative expression of a plan for a defined period of time. It may include planned sales volumes and revenues, resource quantities, costs and expenses etc.</p> <p>a) Name the concept of business arithmetic.</p> <p>b) What are the different types of the identified concept?</p> <p>[6]</p>

Sample Paper- 3

Class: XII

Sub: ENTREPRENEURSHIP

Marks: 70

GENERAL INSTRUCTIONS:

ANSWERS TO QUESTIONS CARRYING 1 MARK EACH SHOULD BE WRITTEN IN 15 WORDS.

ANSWERS TO QUESTIONS CARRYING 2 MARKS EACH SHOULD BE WRITTEN IN 50 WORDS.

ANSWERS TO QUESTIONS CARRYING 3 MARKS EACH SHOULD BE WRITTEN IN 75 WORDS.

ANSWERS TO QUESTIONS CARRYING 4 MARKS EACH SHOULD BE WRITTEN IN 150 WORDS.

ANSWERS TO QUESTIONS CARRYING 6 MARKS EACH SHOULD BE WRITTEN IN 250 WORDS.

Q. NO.	QUESTIONS
1.	<p>Business does not guarantee for the return of either principal amount invested in the business or the profit. Identify the feature of business.</p> <p>[1]</p>
2.	<p>What is a joint sector enterprise? [1]</p>
3.	<p>What is a patent? [1]</p>

4.	<p>A person who is an affluent individual who provides capital for a business start-up and early stage companies having a high-risk, high-return matrix usually in exchange for convertible debt or ownership equity. Identify the person</p> <p>[1]</p>
5.	<p>Name any two specialized financial institutions in India.</p> <p>[1]</p>
6	<p>‘It is a roadblock in a situation, something that sets up a conflict and forces you to find a solution When an entrepreneur identifies such a road block, he/she is said to have identified the problem’.</p> <p>How is it useful to an entrepreneur?[Any two]</p> <p>[2]</p>
7	<p>Differentiate between sales tax and excise duty.</p> <p>[2]</p>
8	<p>Germans call them as 'Claims', French refer them as 'Signatures' and Belgians call them ‘baselines’</p> <p>Identify the element of brand identity and explain.</p> <p>[2]</p>
9	<p>What are the different types of acquisition?</p> <p>[2]</p>
10	<p>Major shareholders of this financial institution are Unit Trust of India, Life Insurance Corporation of India and General Insurance Corporation and its subsidiaries. They together hold approximately 50% of the paid up shares capital.</p> <p>a) Name the institution.</p> <p>b) List any one objective of the identified institution.</p> <p>[1+1=2]</p>
11	<p>‘It helps the entrepreneur in enlarging the scope of thinking, at the same time structuring the ideas according to convenient frames of reference’.</p>

	<p>Explain any three sources of the above mentioned concept.</p> <p>[3]</p>
12	<p>It is a comprehensively written down document prepared by the entrepreneur describing formally all the relevant external and internal elements involved in starting a new venture.</p> <p>a) Name the document.</p> <p>b) Why is it important?[Any two points]</p> <p>[1+2=3]</p>
13	<p>What are the different formats of business plan?</p> <p>[3]</p>
14	<p>It is a pricing strategy where the price of a product is initially set at a price lower than the eventual market price to attract new customers. This strategy works on the expectations that customers will switch to the new brand because of the lower price.</p> <p>a) Name the strategy.</p> <p>b) Explain any two advantages of this strategy. [</p> <p>1+2=3]</p>
15	<p>What are the three requirements of value added chain?</p> <p>[3]</p>
16	<p>Explain the importance of stock exchange from the view point of investors.</p> <p>[3]</p>
17	<p>What are the methods of floatation of new issues of shares?</p> <p>[3]</p>
18	<p>In a sense generating ideas is relatively an easy exercise, especially if it is done in groups. However, this process can also become a wild goose chase because all ideas need not necessarily become sound business opportunities. We have to assess it in terms of the potentiality of the opportunity.</p> <p>In the light of the details given above identify the steps involved in the process.</p>

	[4]									
19	<p>Explain the factors taken into consideration when a manufacturer selects some channel Of distribution which are related to the quality and nature of the product.</p> <p>[4]</p>									
20	<p>‘When Glaxo and Smith Kline Beecham merged, they not only gained market share but also eliminated competition between each other’. Give four other reasons why these two businesses were merged. [4]</p>									
21	<p>A stationary shop sells books – 30,000 per year. Demand is uniform. Purchase cost is Rs 6/- per book. Holding cost per annum is 20% of purchase cost. Ordering cost is Rs 500/- per order. What should be the EOQ for the shop keeper?</p> <p>[4]</p>									
22	<p>ABC Ltd produces Pen-A and Pen- B. Fixed costs are Rs80, 000/- per year. Sales revenue and variable costs per unit are as follow:</p> <table border="1" data-bbox="203 993 1341 1215"> <thead> <tr> <th>Product</th> <th>Pen-A</th> <th>Pen-B</th> </tr> </thead> <tbody> <tr> <td>Selling price per unit</td> <td>20</td> <td>25</td> </tr> <tr> <td>Variable cost per unit</td> <td>10</td> <td>15</td> </tr> </tbody> </table> <p>Questions:</p> <p>a) Suppose the company currently sells 40,000 Pen-A per year and 60,000 Pen-B per year. Assuming the sales mix stays constant how many Pen-A and Pen-B must the company sell to break even?</p> <p>b) Find the BEP in units and rupees if the fixed cost is reduced to Rs-60.000/-</p> <p>[6]</p>	Product	Pen-A	Pen-B	Selling price per unit	20	25	Variable cost per unit	10	15
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Selling price per unit	20	25								
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23	<p>Raymond Ltd, a company started in 1925 as a woolen and readymade garment industry, has achieved phenomenal success with more than 500 stores. As AnirudhDeshmukh, President,</p>									

	<p>Raymond Ltd, says, 'Raymond can be called the "absolute leaders" in the fabric industry as consumers had faith on us for the last 50 years and still we are growing stronger. We basically opted for franchise model for expanding in smaller towns as these are not affected by recession and the franchised stores can be driven by local entrepreneurs who are aware of the preferences of the local customers.</p> <p>a) Explain the two benefits enjoyed by Raymond in franchising.</p> <p>b) What are the benefits enjoyed by the local partners in franchising.[Any four]</p> <p>[2+4=6]</p>
24	<p>Mr. Davis is an entrepreneur who identifies new trends to understand the market and produce goods or provide services in sync with the market trends. He uses tech–tools like e-mail newsletters or websites and forums to keep on top out of all and get the information he wants. He takes advantage of social networking tools like social network websites and forums. He joined groups on the networks and see what people are buzzing about and about the latest trends. He spends some time simply observing. What are people eating, doing, wearing, using? What stores or restaurants draw crowds and which sit empty? He absorbs and mulls about what he has read, heard and observed, starts to make connections and observations that will lead to business-boosting insights.</p> <p>Identify the four different ways in which Mr. Davis tried to spot the trends by stating the lines given from the paragraph.</p> <p>[1 ½ X 4=6]</p>