

INDIAN SCHOOL SOHAR PREBOARD EXAMINATION (2023-2024) ENTREPRENEURSHIP (066)- SET:1

Class: XII Max Marks: 70 Date:10/01/2023 Time: 3 Hrs

General Instructions:

- 1. This question paper contains 34 questions.
- 2. The question paper contains 4 sections A, B, C and D

2.1. Section A contains multiple choice questions 2.2. Section B - 2 marks; Answers to these questions may be from 30-40 words. 2.3. Section C - 3 marks; Answers to these questions may be from 50-75 words. 2.4. Section D - 5 marks; Answers to these questions may be from 120-150 3. Internal choice is given in the paper, there is no overall choice. SECTION: A Umbrella branding' is: (1) 1. a) Entrepreneur opts to use a successful family name for their several products. b) Entrepreneurs choose to utilise their corporate name or logo together with some brand names of individual products. c) Entrepreneur uses alpha-numeric names to signify physical characteristics of the product. d) Entrepreneur chooses distinct names for each of his offerings. 2. section of the business plan generally begins with the "mission (1) statement" by the entrepreneur describing the size, scope and nature of the enterprise. Description of business Venture b) Introductory profile Industry profile d) Entrepreneur's biodata Evaluate the statements given below and choose the most appropriate option from the following: (1)**Assertion** (A): The relation of partnership arises from contract and not from status. **Reason** (R) : The business of partnership can be carried on by all the partners or any one of them acting for all. a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A). b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A). c) Assertion (A) is true, but Reason (R) is false. d) Assertion (A) is false, but Reason (R) is true State whether the following information are True/False. Give the reason for your answer (1) B & H is a leading advertising firm. They recruit new graduates through college placements. During an interview, a student was asked to list the four rules for planning any advertising activity; he replied that the following is required: Aim, Target, Desire, Competitors. Who plays a very vital role as a financial intermediary? (1) a) Primary Market b) Capital Market Stock Market d) Securities and Exchange Board of India.

- 6. 'Polymer Ltd' decided to diversify into manufacturing pipes and plastic household products apart from their (1) water tanks business. Their finance and marketing department decided to adopt two pricing strategies
 - I. Adding a certain percentage of profit to the cost of production
 - II. Selling at a lesser amount so as to capture a huge market.

The suggested pricing strategies are:

i. Cost-plus pricing

ii. Skimming pricing

iii. Penetration pricing

iv. Competitive pricing

Identify the pricing strategies adopted by Polymer Ltd.

a) i& iii

b) ii&iii

c) iii&iv

d) i&iv

Read the following passage and answer the questions from 7 to question 11.

(1)

E-Commerce: The pandemic has given rise to a "homebody economy", as households make more use of online orders to avoid crowds. Across Europe's largest e-commerce markets - France, Germany, and the UK- purchase behaviour has evolved. According to a May study by Kantar, 9% of shoppers make more online purchases than before; 60% say they will continue to shop online after the outbreak; and &80% say they will shop online again for non-essential items.

Gaming: The pandemic has accelerated existing trends within the gaming industry, such as the way gamers purchase and consume, moving from packaged games to downloadable content. Another indicator of this shift, mobile apps in general have skyrocketed during the crisis and are expected to account for 48% of the global games market this year, according to Newzoo's April 'study.

Automotive industry: As consumers regain the ability to travel in a post-lockdown world, they'll also be more concerned with how to commute safely. Despite being caught in the grip of the Covid-19 pandemic, the automotive industry has been a surprising early riser post-confinement. Marketers have quickly realised that more consumers are exploring car ownership now that they want to reduce their use of public transport.

Blogging: Confined to their homes, most people have resorted to creating their own blogging services related to every field. Home cooks have emerged successfully creating their own reels. Many ready to cook food companies have resorted to advertising their products through these influential bloggers.

Finance : In the early stages of Covid-19, finance, and especially insurance services, saw a huge spike in page views as consumers wanted to ensure the safety and health of their families. Following the global financial uncertainty, consumer behaviour has shifted from a "now" mindset to one that prioritises the future -thinking more about how to invest and protect savings. As this crisis continues to evolve, finance will likely continue to be a high priority, and brands have started to identify the current mood and concerns of their customers through feedback, observations and are deciding as to how best to address them.

- 7. Cook-it-fast a growing ready to cook product manufacturing company was looking into various means of (1) advertising for their products. The marketing team suggested for approaching an influential food blogger who can use their products in their recipes. Which way of trend spotting does this indicate?
 - a) Read Trends

b) Watch Trends

c) Talk Trends

- d) Think Trends
- 8. "Play your way" a leading game developer company realised that they have to redevelop and enhance their (1) app experience after reading the above article and listening to customer reviews as well observing the pattern of people downloading and using the "In Purchase Facilities' within the app. Which way of trend spotting does this indicate?
 - a) Read Trends

b) Watch Trends

c) Talk Trends

d) Think Trends

9.	"Marketers have quickly rea	lised that more consumers are exploring car ownership now that they want to (1	L)
	reduce their use of public transport." Which way of trend spotting does this indicate?		
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d) Think Trends

10. "As this crisis continues to evolve, finance will likely continue to be a high priority, and brands have started (1) to identify the current mood and concerns of their customers through feedback, observations and are deciding as to how best to address them." Which way of trend spotting does this indicate?

a) Read Trends

b) Watch Trends

c) Talk Trends

d) Think Trends

11. Sara had established a homemade papad business in Pune. Papads made by her were very popular in her (1) locality but being the sole owner and manager of business, she could neither introduce many flavours because of limited financial resources.

Which of the following characteristic of her business, does this situation imply?

a) Individual management and control

b) Easy formation and closure

c) Limited area of operation

d) Unlimited liability

12. Evaluate the statements given below and choose the most appropriate option from the following:

(1)

Assertion (A) : Working capital is required ,especially during the start-up period.

Reason (R) : The business will not yet be ready to make profits and the break even point is not yet reached.

- a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
- b) Both Assertion (A) and Reason (R) are true, but Reason (R) is not the correct explanation of Assertion (A).
- c) Assertion (A) is true, but Reason (R) is false.
- d) Assertion (A) is false, but Reason (R) is true.
- 13. Raghav is a very creative person and has always been working on innovating products and services that can (1) make living healthy and hygienic. He developed a design of an air conditioner with an inbuilt air purifier as well. Since he did not get any financial support from the bank, he approached Nirvana, a venture capitalist firm. They liked the idea but it refused to help Raghav at the seeding stage and asked him to come again if needed during second round Why was seed capital not given by VC when it was ready to fund the second-round financing?
 - a) They did not like the idea.
 - b) They did not have enough funds for the innovation.
 - c) They doubt on the potential for rapid growth.
 - d) They do not give preference to new businesses.
- 14. A grocery owner has an equity stake of ₹ 40,000/- in the business. He has borrowed ₹ 60,000/- at the (1) interest rate of 10% per annum. He made a net profit of ₹ 20,000/- in one year. What will be the Return on Equity for the grocery owner?

a) 20%

b) 30%

c) 35%

d) 50%



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(1)

Identify the promotion strategy shown in the image above.

- a) Above the line
- b) Below the line
- c) Through the line

- d) Both below the line and above the line
- 16. Amaze Itd., is a company engaged in the manufacturing of air- conditioners. The company has four main (1) departments Purchase, Marketing & Sales, Finance and Warehousing. As the demand for the product grew, the company decided to recruit more employees in the Finance department and Marketing & Sales departments. Identify the component of the business plan which will help the Human Resource Manager to decide and recruit the required number of persons for each department.
 - a) Marketing Plan

b) Financial Plan

c) Manpower Plan

- d) Organisational Plan
- 17. Rushan devised an apparatus to measure the quality of air at home, which can be fitted in any Air (1) conditioner, and the air conditioner can become an air purifier as well. His product is still in the precommercialization stage. Rushan wants to exclude others from making, using, selling and importing this apparatus. The intellectual property right which Rushan will have to obtain is:
 - a) Copyright

b) Patent

c) Industrial design

- d) Trade mark
- 18. Basant Builders located in Mumbai, who were engaged in building and selling of flats, wanted to expand (1) their business. To do so, they decided to merge with NOV builders located in Singapore. It was decided that they would merge the companies with equal shares and form a new company 'BANOV'. Identify the type of merger mentioned in the above case
 - a) Product Extension Merger

b) Vertical Merger

c) Horizontal Merger

d) Market Extension Merger

SECTION B

19. Pink & Blue Stores sells 1000 insulated water bottles annually. Demand for the product is uniform. Purchase (2) Cost per bottle is ₹ 50. Holding cost per annum is 10% of purchase cost. Ordering cost is ₹ 100 per order. Calculate the Economic Ordering Quantity for bottles?

OF

'Tasty Bites' is a restaurant situated in the main market. The following figures have been extracted from (2) the books of Tasty Bites (₹):

Stock of Raw Material -1,00,000

Short-Term Loans -1,60,000

Trade Creditors -90,000

Trade Debtors -2,20,000

Dividend Payable -1,00,000

Tax Payable -1,32,000

Short-Term Investments -2,50,000

From the above information, calculate the Gross Working Capital.

- 20. V.M. Ltd is a leading mobile phones manufacturer in India. The company decided to launch a new model (2) which will have in-built software for hands free use and enhance the customer experience through 3D photos. They are also looking into ideas to use eco-friendly recyclable materials for the body of the phones that may cause negligible damage to the environment. Identify and explain the factors of the PESTEL model discussed here.
- 21. State four components of a sales strategy.

(2)

22. "The process of generation of ideas can be streamlined by developing an awareness about it and these (2) work as the convenient frames of references for this". State any four sources of the concept identified in the above line.

- 23. Differentiate between internal expansion and external expansion.
- 24. 'Saplings' is a successful brand name in the field of playschool across the country. They decided to increase (2) the number of branches all throughout the country. For this purpose they decided to give exclusive rights to individuals in return for a regular payment. The various conditions included were: Interested individuals need to have minimum 2000 feet area and are ready to invest around ₹ 10,00,000 in the business. Books and uniform to be procured from Saplings headquarters only. Content, technical and accounting assistance would be provided. Teacher training for a month. Identify and explain this type business opportunity offered by 'Saplings'.

SECTION C

- 25. Franchising is advantageous for both franchisor and franchisee. Explain three advantages of franchising for (3) the franchisee.
- 26. Ragini, a career-oriented mother, hardly got time to cook for the family. She decided to hire a cook but was (3) 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-'Dial for food' where who had housewives' who had culinary ability and were interested to cook could drop in their contact details and household 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. Here Abha used her sharpened skill of observation, analysis and synthesis to identify an opening.
 - a) Identify and explain the process used by Abha to start her new business
 - b) Explain any two factors involved in this process.

OR

It is the process of entrepreneurship which involves the translation of a useful idea into an application which has commercial value. It takes persistent effort to work out analytically the details of the enterprise or service, to develop marketing strategies, organize finances and strategies operations.

- a) Identify and explain the concept mentioned in the above lines.
- b) Explain any four elements of the same.
- 27. Rajesh was a chemical engineer working for a company selling insect killer spray. He was aware how this (3) product could harm the health of the users and was constantly looking for ways to improve the product. Filled with innovative zeal, he worked hard and developed a mosquito repellent which produces sonic waves to drive away mosquitoes. It is non-smoky and does not emit any kind of fragrance or odour. It was safe to use as the sonic waves do not affect human beings or plants. He decided to name his product as 'Dengularia Free'. The product was to be packed in a corrugated box with an extension cord as free gift. Its price was fixed at ₹ 260 per unit that will cover all the cost of production and a minimal percentage of profit. A replacement warranty for one year will be given as an introductory offer. He decided to sell this product through agents who will sell to both, the wholesalers and retailers depending upon the market to be catered. Quoting the lines from the above para, identify any three elements of marketing mix used by Rajesh.
- 28. Vishal is a Production Manager, for smooth and coordinated flow of work within the factory, he had to pay (3) attention towards various elements like ensure predetermined quality of products, he had to compare the performance with established standards etc.
 - a) Identify and explain the element being discussed above which is related to one of the components of a 'Business Plan'.
 - b) Explain any two other elements of the identified concept.
- 29. Explain any three types of acquisition.

(3)

(2)

SECTION D

- 30. Abhimanyu Industries Ltd. had professionals and experts to draft a comprehensive yearly document with (5) all the relevant details of internal and external elements of the venture. This document acts as a decision-making tool for the management. The Chief Executive Officer of the company always pays special focus on one element of this document that ensures the timely availability of funds in right volume to ensure the success of the entrepreneurial venture.
 - a) Identify and explain the 'comprehensive yearly document' being prepared by Abhimanyu Industries.
 - b) How is this plan work as a 'decision-making tool' for the management?
 - c) Identify and explain the element Chief Executive Officer of the company always pays special focus.
 - d) Explain any two components of the above identified element in Q.(c).
- 31. Adas Ltd. and Galria Ltd. deals with men and women shoe manufacturing respectively in Mumbai and (5) Gujarat. After sometime the market was slowly taken over by a big shoe company. Both Adas Ltd. and Galria Ltd. understood the competition and decided to come together so as to increase their market share. This strategy helped them in cost saving through economies of scale as they could cover more areas now. It led to overall growth of both the companies.
 - a) Identify the enterprise growth strategy adopted by the two.
 - b) Explain any four benefits that the companies have after this arrangement.
- 32. Geeta has completed her B.Tech. in Chemical Engineering from a famous Indian Institute of Technology. (5) She wants to start a chemical production unit wherein such chemicals will be produced which are used in automobile colouring and are being imported from other countries. The technology to be used by Geeta is new and untried involving high risk factors along with high growth potential. She wants to raise funds for her project from such a source that provides private equity capital as seed funding to early stage, to give shape to her ideas.
 - a) Suggest and explain to Geeta the source of finance from where she can fund her project.
 - b) Explain any four features of the suggested source of finance.
- 33. Explain the steps of creative process.

OR

Explain the first five steps involved in opportunity assessment.

34. The Baked popcorn Deight Ltd. is a well-known name in breads and bakery products. It has diversified it's (5) business into flavoured nuts popcorn. The two were introduced as smart, snacking options for health and diet conscious people. To start with, both will be sold in a standard packing of 50 gm. each. Fixed cost for these will be ₹ 1,00,00. Sale price and variable cost as follows:

Particulars	Classic salted nuts	Flavoured nuts
Sales price per unit(₹)	120	80
Variable cost(₹)	70	30
Sales mix (%)	40	60

From the given information calculate BEP in units and in rupees.

(5)