

SET	C
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**INDIAN SCHOOL MUSCAT
FINAL EXAMINATION 2022
ENTREPRENEURSHIP (066)**

CLASS: XII

Max.Marks: 70

MARKING SCHEME			
SET	QN.NO	VALUE POINTS	MARKS SPLIT UP
C	1	Environment analysis	1
C	2	Natural resources	1
C	3	(a) (i)-(iv)-(iii)-(ii)-(v)	1
C	4	Creativity	1
C	5	Idea Fields	1
C	6	Implementation	1
C	7	Dispatching	1
C	8	Market assessment	1
C	9	Corporate name	1
C	10	Cost plus pricing	1
C	11	Advertising	1
C	12	Horizontal merger	1
C	13	Proprietary statements	1
C	14	Demand and lead time.	1
C	15	Break-even point	1
C	16	The length of time between a firm's purchase of inventory and the receipt of cash from accounts receivable	1
C	17	Stock option	1
C	18	Venture capitalists	1
C	19	Watch trend (explain) OR Opportunity spotting- By analyzing the needs and wants in the environment Creativity and ideas-Evaluating the ideas to get creative solution Innovation and product- Developing a product through innovation Project- Setting up project and nurturing it	2
C	20	Economic environment It includes interest rates, inflation, business cycles, disposable income, unemployment etc.	2
C	21	Manpower planning. Recruitment, Selection and Training	2
C	22	Advantages of franchising to the franchisor Quick expansion Cost advantages (explain) OR It takes place between two companies that deal in the same products but in separate markets. It is to access bigger market and ensure bigger client base. Eg:	2

		Merger between Eagle Bancshares Inc. and RBC Centura			
C	23	(a) Helps in mobilizing the financial resources on a nation-wide scale. (b) Securing the required foreign capital and know-how to promote economic growth at a faster rate. (c) Ensure the most effective allocation of the mobilized financial resources to highest yield projects or to underdeveloped priority areas to promote balanced and diversified industrialization OR Initial issue- When companies' issues share for the first time to the public Further issue-When already issued companies further issues shares			2
C	24	Three level (explain) Indirect channel Indirect channel			2
C	25	(a) Above the line (b) Below the line (c) Through the line			3
C	26	Ans Public relations It is a deliberate or planned effort to establish and maintain good relation with the public through publicity. It includes News creation Speeches and presentations Educational programmes Community activities			3
C	27	Organizational plan Decide the form of organization. - Sole proprietorship, partnership, Joint stock company etc. OR Breakeven point To know the minimum level of output to be produced The effect of change in quantity of output on profit The selling price of product The profitable line of business			3
C	28	$D=6,000$ $O=500$ $C=20\%$ of $120=24$ $EOQ = \sqrt{2 \times 500 \times 24} = 500$			3
C	29	It is internal expansion. Expansion of production capacity by adding more machines or by modernizing the technology or production through more units. OR Amalgamation- It is the union of two or more companies to form a new entity. $A+B=AB$ or C Absorption- Existing company takes over other company which leads to the shutdown of taken over company. $A+B=A$			3
C	30	Equity	8,00,000		5
		Debt	12,00,000		
		Capital invested		20,00,000	
		Sales revenue	1,44,00,000		
		Less: Cost of goods sold	84,00,000		
		Gross profit		60,00,000	

		Less: Fixed exp	24,00,000		
		Less: Interest on loan	72,000		
		Less: Tax	8,82,000		
		Net profit		26,46,000	
C	31	Drawbacks While there are benefits to going public, it also means additional obligations and reporting requirements such as: <ol style="list-style-type: none"> Increasing accountability to public shareholders Need to maintain dividend and profit growth trends Becoming more vulnerable to an unwelcome takeover Need to observe and adhere strictly to the rules and regulations by governing bodies Increasing costs in complying with higher level of reporting requirements Relinquishing some control of the company following the public offering Suffering a loss of privacy as a result of media interest 			5
C	32	Importance of Business Plan <ol style="list-style-type: none"> It provides a road map for starting a new venture. It helps in determining the viability of the venture in the market. It guides the entrepreneur in <ol style="list-style-type: none"> Identifying the resources required Enabling obtaining of licenses if required Working out with legal requirements It helps in satisfying the queries of people who are interested in the venture. It provides a room for self-assessment and self-evaluation, requiring entrepreneurs to plan the ways to avoid obstacles. It helps to identify the obstacles which cannot be avoided. It serves as an important tool for procuring funds. <p style="text-align: center;">OR</p> The business plan is a written document prepared by the entrepreneur which describes all the relevant external and internal elements involved in starting a new venture. It is a blue print of actions to be taken in future to achieve the goals. <ol style="list-style-type: none"> Elevator pitch : It is a three-minute summary of the business plan's executive summary. It is often used as a teaser to awaken the interest of potential funders, customers etc. A pitch deck with oral narrative: It presents the business plan in the form of slide show complemented with an oral narrative. A presentation for external stakeholders: A detailed formatted plan is made targeting the external stakeholders. An internal operational plan: A detailed plan describing planning details that are needed by management. 			5
C	33	Application and use Level of operation Cost Competition Technical complexity Annual turnover and profit margin			5
C	34	Manufacturing franchise opportunity			5

		<ol style="list-style-type: none"> 1. The startups get a ready market of a well-established product. 2. Startups gets training from the franchisor to market the produc 3. Less labour and operating cost. 4. Franchisors take sincere efforts to boost their franchises. This ensures success for startups. 	
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