

INDIAN SCHOOL MUSCAT**FIRST PRE-BOARD EXAMINATION****FEBRUARY 2021****SET A****CLASS XII****Marking Scheme – ENTREPRENEURSHIP**

Q.NO.	Answers	Marks (with split up)
1.	False	1
2.	Idea fields	1
3.	Natural idea field / Think trend	1
4.	Sum total of all current assets.	1
5.	Magazines, Journals, Seminars, Books, Trade Shows, Family Members and Friends / Ecological , Technological	1
6.	Ways to generate creative ideas: a. Develop a new product b. Improve the existing product c. Find a new process for manufacturing product d. Find new markets for existing products e. Find a new use of an existing product	1
7.	Talk trend	1
8.	All of these.	1
9.	Operational Plan	1
10.	M-Measurable A-Attainable R- Relevant T- Time bound	1
11.	Patent	1
12.	15 – 20 %	1
13.	Elevator Pitch / A pitch deck with oral narrative	1
14.	Earlier they adopted skimming pricing strategy Later they decided for penetration pricing strategy OR Variable pricing method	1
15.	Point of sale / BTL	1
16.	Offer to employees / Rights issue	1
17.	Corporate name / Family brand name	1

18.	Amalgamation / Synergy	1															
19.	Manufacturing franchise opportunity	1															
20.	Vertical Merger	1															
21.	= Stock + Debtors + Short term investment = 5,98,000	1															
22.	<p>No. of Customers Per customer billed amount (in Rs.) Total Billed Amount (in Rs.)</p> <table> <tr> <td>10</td><td>370</td><td>3,700</td></tr> <tr> <td>20</td><td>430</td><td>8,600</td></tr> <tr> <td>40</td><td>500</td><td>20,000</td></tr> <tr> <td>30</td><td>1000</td><td>30,000</td></tr> <tr> <td>Total- 100</td><td></td><td>62,300</td></tr> </table> <p>Average total billed amount =</p> $\frac{\text{Total Billed Amount}}{\text{Total number of Customers}} = \frac{62,300}{100} = \text{Rs.628}$	10	370	3,700	20	430	8,600	40	500	20,000	30	1000	30,000	Total- 100		62,300	2
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30	1000	30,000															
Total- 100		62,300															
23.	<p>a. Sole proprietorship</p> <p>b. Partnership</p> <p>c. Private company</p> <p>d. Public company</p>	2															
24.	<p>a. No. It is not registered</p> <p>b. The consequences of a partnership firm which is not registered are as follows:</p> <ol style="list-style-type: none"> 1. It cannot enforce its claims against the third party in a court of law. 2. It cannot file a legal suit against any of its partners. 3. Partners of an unregistered firm cannot file any suit to enforce a right against the firm. 	2															
25.	<p>C= 12</p> <p>D= 3,000BOTTLES</p>	2															

	<p>$P = 500$</p> <p>$EOQ = \sqrt{2XP/D/C}$</p> <p>$= \sqrt{2 \times 3000 \times 500 / 12}$</p> <p>$= 500$ units</p> <p style="text-align: center;">OR</p> <p>Return on Equity = Net profit after tax * 100</p> <p>Equity = $2,00,000 / 1,00,000 \times 100 = 200\%$</p>	
26.	<p>Benefits</p> <ol style="list-style-type: none"> 1. Access to capital 2. Mergers or acquisitions possible 3. High valuation of the firm 4. Prestige/ goodwill 5. Liquidity <p>Drawbacks</p> <ol style="list-style-type: none"> 1. Public accountability 2. Loss of privacy 3. Control over the company 4. Compliance with the rules by governing body 	2
27.	<p>a. Production plan</p> <p>b.</p> <ol style="list-style-type: none"> i. Plant layout ii. machinery and equipment required iii. raw materials and suppliers information 	3

	<p>iv. cost of manufacturing</p> <p>v Any future capital equipment required.</p>	
28.	<p>Components of manpower plan</p> <p>a. How many people are required?</p> <p>b. What type of people are required?</p> <p>c. How to select them?</p> <p style="text-align: center;">OR</p> <p>i) Break-even point- Every firm wants to maximize its profits. The break even. Point is that level where the firm earns neither profits nor a loss.</p> <p>ii) It helps in assessing</p> <p>a. Minimum level of output to be produced</p> <p>b. The effect of change in quantity of output upon profits</p> <p>c. The selling price of the products</p> <p>d. The profitable options in production</p>	3
29.	<p>i. Advertising</p> <p>ii.</p> <p>a. Attract customers</p> <p>b. Educate customers</p> <p>c. Create goodwill of the firm</p> <p>d. Familiarize the firm and its product</p>	3
30.	<p>Purposes of logo</p> <p>a. Anchors company's brand</p> <p>b. Identity of the enterprise</p> <p>c. Provide essential information</p> <p>d. Short path for advertising</p> <p>e. Visual component for brand identity</p>	4
31.	<p>Components of financial plan</p> <p>a) Proforma investment decision</p> <p>b) Proforma financing decision</p> <p>c) Proforma cash flow</p> <p>d) Proforma balance sheet</p> <p>e) Break even analysis</p>	4

	<p>f) Economic and social variables</p> <p>OR</p> <p>Steps in marketing plan</p> <p>a. Business situation analysis</p> <p>b. Identify the target market- deciding the target market on the basis of market research, Divide the market into smaller groups</p> <p>c. Conduct SWOT analysis</p> <p>d. Establish goals</p>																	
32.	<table><tr><td>Step 1 :</td><td>Ballpoint Pens</td><td>Sketch Pens</td><td>Gel Pens</td></tr><tr><td>Sales price / unit</td><td>40</td><td>45</td><td>75</td></tr><tr><td>Less: Variable cost / unit</td><td>20</td><td>30</td><td>40</td></tr><tr><td>Gross profit/margin</td><td>20</td><td>15</td><td>35</td></tr></table> <p>Step 2 : $20 \times 2 / 5 = 8$ $15 \times 1/5 = 3$ $35 \times 2/5 = 14$</p> <p>Step 3 - Weighted Average = $8 + 3 + 14 = 25/-$</p> <p>Step 4- Apply formula and calculate = Total fixed cost/ weighted contribution</p> <p>= $75,000/25 = 3000\text{units}$</p> <p>Step 5- Ballpoint Pens-1,200 units Sketch Pens -600 units Gel Pens- 1,200 units</p> <p>Step 6: BEP in Rupees Ballpoint Pens-1,200 units x 40 = Rs.48,000</p> <p>Sketch Pens -600 units x 45 = Rs. 27,000</p> <p>Gel Pens- 1,200 units x 75 = Rs.90,000</p>	Step 1 :	Ballpoint Pens	Sketch Pens	Gel Pens	Sales price / unit	40	45	75	Less: Variable cost / unit	20	30	40	Gross profit/margin	20	15	35	4
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33.	<p>Acquisition – To assume control over the target firm</p> <p>Types of acquisition</p> <p>a. Friendly</p> <p>b. Hostile</p> <p>c. Back flip</p> <p>d. Reverse</p>	6																

34.	<p>The elements of operational plan includes:</p> <ul style="list-style-type: none"> a) Routing b) Scheduling c) Follow up d) Dispatching e) Inspection f) Shipping <p style="text-align: center;">OR</p> <p>Idea and opportunity assessment</p> <ul style="list-style-type: none"> a) Product identification b) Application and use c) Level of operation d) Cost e) Competition f) Technical complexity g) Annual turnover and profit margin 	6
35.	<p>Differences between Angel investors and venture capitalist</p> <p>Individual vs fund</p> <p>Early stage vs established business</p> <p>Less amount Vs more amount</p> <p>Receive shares of the company vs more control of the company might even ask a seat on the board.</p>	6