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SET A



INDIAN SCHOOL MUSCAT FINAL TERM EXAMINATION ENTREPRENEURSHIP

CLASS: XII

Sub. Code: 066

Time Allotted: 3 Hrs

13.11.2018

Max. Marks: 70

General Instructions:

All questions are compulsory.

Internal choice is given in selected questions

There is no word limit for numerical questions.

Questions **1 to 5** carrying **1** mark each. Answers to these questions should be from one word to one sentence.

Questions **6 to 10** carrying **2** marks each. Answers to these questions should be in 50 to 75 words.

Questions **11 to 17** carrying **3** marks each. Answers to these questions should be in about 100 words.

Questions **18 to 21** carrying **4** marks each. Answers to these questions should be in about 150 words.

Questions **22 to 24** carrying **6** marks each. Answers to these questions should be in about 200 words.

- 1 Define Elevator Pitch. 1

- 2 When a company provides a business owner with proven method for operating a business using the name and trade mark of the company. Identify the type of franchising. 1

- 3 Differentiate between Brand Mark and Trade Mark. 1

OR

 Why is logo important for a company?

- 4 Vishal was working with Abhinav, a new entrepreneur, as a production manager. For smooth and coordinated flow of work, he had to pay attention towards various elements. To ensure predetermined quality of products, he had to compare the performance with established standards. Identify and state the elements being discussed above which is related to one of the components of a business plan. 1

- 5 Name the two factors on which the accuracy of Cash Flow Projections depends upon. 1

OR

 What do you mean by Gross Profit?

- 6 Hema Enterprises is dealing in health drinks. The enterprises has been manufacturing “Mother’s Choice”, a malt based health drink. Adapting to the latest market trends, she decided to bring out an improved form of fortifying health drink with vitamin B-12, iron and minerals to increase immunity. She believed that by modifying the products, she will be able to create a new product. Identify the concept and define it. 2

- 7 Aditya wants to start a business of selling books – text books, novels, guides etc. by opening a book store as well as online, by creating a website www.adityabooks.com. By taking loan from bank and investing his savings, he opened the store in one of the complex in the city. Though, sole proprietorship does not need registration but Aditya has to undergo some legal formalities. Write down any two of such formalities which Aditya has to comply to start a sole proprietorship. 2

OR

Rohit sells his play station to his friend at a profit of Rs.1500. is it a business activity? Explain any two characteristics of business.

- 8 Explain the types of acquisition. 2

- 9 Karishma is working as a Marketing Manager in ‘Paridhan Fashions Ltd’, a company dealing in readymade garments. Despite her best efforts, sales revenue is consistently decreasing. In the Board Meeting, it is decided that to create a niche in the competitive market where MNCs are flooding the market with better quality product at cheaper price, a strong marketing strategy is required focusing on promotion of the product. 2

With reference to the above case, enlist the components of promotion with their main objectives as an element of marketing mix.

OR

Give the meaning of ‘Routing’ and ‘scheduling’ as elements of operational plan.

- 10 An entrepreneur launches a new product in the market with high prices. Identify the type of pricing and give any one advantage. 2

- 11 Explain any three features of a Cooperative Organization. 3

- 12 State the advantages of cost-plus method of pricing. 3

OR

What is meant by penetration pricing technique? State any two disadvantages of this technique.

- 13 ‘Employee Relationship Management is a process that a company uses to effectively manage interactions with employees to achieve the goals of the organization’. In the light of the statement explain any three factors that lead to effective employee relationship. 3

- 14 A stationery shop sells 30,000 pens per year. Purchase cost is Rs.2 per pen, holding cost is 20% of the purchase cost, ordering cost is Rs.15. Calculate EOQ from the details for the stationery shop. 3

- 15 What is Synergy? In what forms it can take place? 3

- 16 Explain any three factors that influence the decisions with regard to order of inventory. The entrepreneur should keep in mind the following factors while calculating the inventory level. 3

- 17 A factory is engaged in manufacturing coolers. The following information is available to you: 3

Sales	=Rs.2,50,000
Direct Labour Cost(for 100 units)	= Rs.25,000
Direct Material cost(for 100 units)	=Rs.62,500
Direct Expenses(for 100units)	=Rs.12,500
Fixed cost	=Rs.75,000

Calculate: (a) Variable cost per unit

- (b) Total Cost
- (c) Quantity to be sold at Break-even Point

- 18 Vipul did his agriculture diploma and started organic farming. Looking at the great scope for healthy options in fruits and vegetables because of people becoming diet and health conscious, he decided to open salad bars and organic fruit juice corner in malls. Now he needed a road map for him to start the venture. 4
- (i) Identify the term used for 'road-map' by Vipul
 - (ii) Why is this road map required?
- 19 What are the different types of value added? Explain. 4
- 20 What do you mean by financial management? What are the main objectives of financial management? 4

OR

What is a budget? Explain the main types of budgets for small businesses.

- 21 Gauri started her business of manufacturing designer furniture in Lonavala. Her business was a huge success and she thought of starting a designer studio involving huge capital in Mumbai as well as in Pune. Her friends wanted to join hands with her and open the same. They approached a chartered accountant and he suggested them to form a private company as according to him this form of company is more desirable. 4
- State the privileges of a private company that make it a more desirable than a public company.
- 22 Karan has started a restaurant on a National Highway in the name of 'Apna Dhaba' by spending Rs.20, 00,000. He invested Rs.8, 00,000 of this own and took a loan of Rs.12,00,000 from SBI @6% per annum. His monthly sales revenue is Rs.12, 00,000 and cost of goods sold is Rs.7, 00,000. He pays monthly salary of Rs.2, 00,000 to his employees The tax rate is 25%. Calculate (a) Return on Investment and (b) Return on Equity for Karan. 6
- 23 What do you mean by channels of distribution? What consideration related to market should be taken into account while selecting the channel of distribution. 6
- 24 ABC Company, manufacturing shoes, has taken over XYZ company which also manufactures shoes at a small scale .What do you think will be the reason for this kind of takeover? Also explain the types of mergers. 6

OR

Mergers and acquisitions are inspired by a desire to diversify or achieve higher growth rate. What are the other reasons for merger and acquisitions?

End of the Question Paper