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A



INDIAN SCHOOL MUSCAT SECOND PRE – BOARD EXAMINATION

ENTREPRENEURSHIP

CLASS: XII

Sub. Code: 066

Time Allotted: 03 hours

16.02.2020

Max. Marks: 70

General Instructions:

The Question Paper is divided into 5 parts. There is no overall choice, though internal choice is given.

- Section A has 17 objective questions carrying 1 mark each.
- Section B has 7 questions carrying 2 marks each. Answer may be within 50 to 75 words.
- Section C has 5 questions carrying 3 marks each. Answers may be about 100 words.
- Section D has 3 questions carrying 4 marks each. Answers may be about 150 words.
- Section E has 2 questions carrying 6 marks each. Answers may be about 200 words.

SECTION A

This part contains 17 objective questions carrying 1 mark each.

Fill in the Blank

- 1 An activity in which an individual works regularly for others and get remuneration in return undertaking personal services as per the agreement of employment is called as _____ 1
- 2 It deals with shares, debentures, bonds and such securities already issued by the companies. Hence it is called as _____ 1
- 3 Sensing entrepreneurial opportunities is thus a process of converting an idea into an opportunity and then into _____ 1
- 4 _____ approves the by-laws of stock exchanges. 1
- 5 _____ is any organized effort to gather information about target markets or customers. 1
- 6 The acronym _____ stands for earnings before interest, and taxes. 1

OR

_____ is the Financial Institution established by the Central Government in 1951 to empower state governments to support the financial needs of small and medium enterprises in various states.

State whether the following statements are 'true' or 'false'

- 7 When an entrepreneur identifies a conflict or a road block, he or she is said to have solved the problem 1

OR

Gopi, a young entrepreneur sells his skincare products under brand name 'Lovely Skin'. Now he decides to bring some change in the ingredients of the product. The idea field referred is Natural Resource.

- 8 For a true measure of how 'own money' is being used, ROI is good indicator. 1
- 9 The Proforma of cash flow, a component of Financial Plan mentions the socio-economic benefits expected to acquire from the proposed business. 1
- 10 If procurement or manufacturing lead time is 3 months and the demand during this period is expected to be 300 units per month and then an order is to be placed when the stock or inventory level reaches 900 pieces. 1
- 11 Television is a powerful advertising medium because it creates impact through sight, sound and movement. 1
- 12 When both the companies approve of the acquisition and there is no forceful acquisition and the entire process is cordial. Such growth strategy is called as back flip acquisition. 1

Multiple Choice Questions

- 13 Something that can be offered to market to make the product or service known to the user and trade. 1
(a) Product (b) capital (c) price (d) Promotion
- 14 A process where an entrepreneur and the supplier of goods or service come to a mutually acceptable agreement of payment for the supply of goods or service. 1
(a) Vendor management (b) trade channel (c) negotiation (d) distributor
- 15 Rahul wants to know the market trend. His friend Gopal suggested him to read the leading publications like industry publications and websites like trade associations sites that affect Rahul's business. Identify the method of trend spotting suggested by Gopal to Rahul. 1
(a) Talk Trend (b) Read Trend (c) Watch Trend (d) Think Trend
- 16 Which is third step in the creative process? 1
(a) Innovation (b) Idea Germination (c) Incubation (d) Preparation
- 17 Which one of the following leads to low labour turnover? 1
(a) Capital Market (b) Offer to employees (c) IPO (d) Private Placement

SECTION – B

- 18 It is a professionally managed pool of equity capital. Mention any two features of source of finance referred. 2
- 19 It deals with second hand securities. List any two advantages of referred institution to the society. 2
- 20 It stands for the situation in which an entrepreneur uses a common name for their several products. Identify the type of branding .Give an example. 2

OR

What is Sales Strategy? Mention the types.,

- 21 Explain Inadequate Financing as a cause for business failure. 2
- 22 What is a partnership deed? 2

- 23 Name the four formats of a Business plan. 2
- 24 Mention any two objectives of problem identification. 2

OR

What is Incubation? Define the next stage of creativity that follows.

SECTION - C

- 25 When is it advisable for an entrepreneur to opt for a two levels of distribution? 3
- 26 Pink & Blue Stores sells 1000 insulated water bottles annually. Demand for the product is uniform. Purchase Cost per bottle is Rs.50. Holding cost per annum is 10% of purchase cost. Ordering cost is Rs. 100 per order. Calculate the Economic Ordering Quantity for bottles? 3
- 27 Define Angel Investor. State any two features of the same. 3
- 28 Mention any three features of Co-Operative form organizations. 3
- 29 Explain any three sources which lead to the emergence of basic ideas. 3

OR

This is a section of Financial Plan that summarizes how the enterprise funds are invested in different assets. Identify and explain the component of financial plan referred here.

SECTION - D

- 30 Pure Air Pvt. Ltd. started a business of making three varieties of portable air purifiers for vehicles - Vincent, Banish, and Exclusive. From the following information calculate Breakeven point in units for the company and suggest from which variety most revenue is generated. Fixed costs are Rs. 15, 20,000. 4

| | Vincent | Banish | Exclusive |
|---------------|---------|--------|-----------|
| Sales Price | 800 | 450 | 600 |
| Variable Cost | 400 | 150 | 200 |
| Sales mix | 50% | 20% | 30% |

- 31 Explain any four benefits of Franchising to start-ups. 4
- OR**
- 32 "Creativity can be applied to develop new products and services." How? 4

SECTION - E

- 33 What are the factors that ensure effective employee relationship? 6
- 34 'No form of business organization is without merits and demerits. Entrepreneur needs to understand it better that no form is the best form. Thus the selection of an appropriate form of business organization is a very difficult decision. The selection of a form is to a great extent affected by various factors'. Mention any six factors. 6

OR

It is a creation by law and it can be put to death by law only. Identify and explain the features of the form of organization referred here.

End of the Question Paper