



INDIAN SCHOOL MUSCAT FINAL TERM EXAMINATION

SUBJECT : ENTREPRENEURSHIP

CLASS: XI

Sub. Code: 066

Time Allotted:

3 Hrs.

19.02.2019

Max. Marks:

EXPECTED VALUE POINTS AND SCHEME OF EVALUATION

Q.NO.	SET B-Answers	Marks (with split up)
1	Technical feasibility includes the details on how to deliver a product or service i.e., materials, labour, transportation etc.	1
2	Characteristics of social entrepreneur (1) Social catalyst (2) Socially aware (3) Opportunity seeking (4) Innovative (5) Resourceful (6) Accountable	Any 2 points $\frac{1}{2} + \frac{1}{2} = 1$ mark
3	Analytical industry This industry is related with analyzing and separating basic materials for getting distinct final products. Synthetic industry This industry is concerned with grouping together or combining or synthesizing various raw materials in manufacturing process to produce a final product.	$\frac{1}{2} + \frac{1}{2} = 1$ mark
4	2 examples for inflow of cash Sales, rent received, borrowings, issue of capital	Any 2 points $\frac{1}{2} + \frac{1}{2} = 1$ mark
5	2 methods of collecting secondary information: Published, unpublished, biography, dictionary, handbooks, textbooks	Any 2 points $\frac{1}{2} + \frac{1}{2} = 1$ mark
6	Trading entrepreneurs Entrepreneurs who undertake trading activities whether domestic or overseas are Trading Entrepreneurs. Industrial entrepreneurs Industrial entrepreneurs essentially manufacture products and offer services, which have an effective demand in the marketing.	1+1=2 marks
7	Importance of evaluating ideas (1) To decide what is important (2) To identify strengths and weaknesses of the idea (3) To make the best use of limited resources (4) To minimize risks while maximizing return	Any 2 points with explanation 1 + 1 = 2 marks
8	Census Method When all the units associated with a particular problem are studied it is called census method. Sample Method In a sample technique, data is collected about the sample on a group of items taken from the population for examination and conclusions are drawn on their basis.	1 + 1 = 2

9	<ul style="list-style-type: none"> (1) Changing environmental variables (2) Internal changes happening within the enterprise (3) Changing preferences, trends etc. of customers. 	Any 2 points with explanation 1 +1 = 2 marks
10	<p>2 factors influencing assessment of working capital requirement:</p> <ul style="list-style-type: none"> (1) Nature and size of business (2) Business cycle (3) Gestation period: Time gap between commencement and end of manufacturing process (4) Volume and procurement of raw material (5) Manual or automation (6) Need to stock up inventories (7) Turnover of working capital (8) Terms of credit 	Any 2 points with explanation 1 +1 = 2 marks
11	<p>Study of Dell about women entrepreneurs in India</p> <ul style="list-style-type: none"> (1) 71 percent of women entrepreneurs in India say their business is very successful, and eight in 10 of them say they are hiring; (2) 74 percent of them say their technology needs are getting more complex; (3) 90 percent started their business while maintaining their day job; (4) 85 percent of Indian women entrepreneurs believe it is very important that their business has a social impact. 	Any 3 points with explanation 1 +1 + 1 = 3 marks
12	<p>Psychological needs: These are the basic needs like food, dress, water etc.</p> <p>Safety needs: Includes need for shelter and security.</p> <p>Esteem needs: Include the desire for self-respect, self-esteem status etc.</p>	1 +1 + 1 = 3
13	<ul style="list-style-type: none"> (a) Persistence: The entrepreneur requires intense perseverance or hard work for creating need in the market. (b) Leadership: An entrepreneur should also be an effective leader who should be able to guide and motivate his/her entire team. Whenever a company faces problem it is the will power and effective business acumen and communication skills which oversees the success of the corporation. (c) Systematic planning: Every entrepreneur has limited resources in terms of time, finance, and manpower. They invest their life's saving and total energy in creating entrepreneurial ventures and cannot afford to lose or waste these. Before putting the whole enterprise into operation, he is required to develop a detailed blueprint. 	1 +1 + 1 = 3
14	<p>Differences between feasibility study and business plan</p> <ul style="list-style-type: none"> (1) Meaning: A feasibility study is not the same thing as a business plan. The feasibility study would be completed prior to the business plan. The feasibility study helps determine whether an idea or business is a viable option. The business plan is developed after the business opportunity is created. (2) Objective: Before anything is invested in a new business venture, a feasibility study is carried out to know if the business venture is worth the time, effort and resources. A feasibility study is filled with calculations, analysis and estimated projections while a business plan is made up of mostly tactics and strategies to be implemented in order to grow the business. (3) Linkage: A feasibility study can readily be converted to a business plan. (4) Benefit: It's important to think of the business plan in terms of growth and sustainability and the feasibility study in terms of idea 	Any 3 points with explanation 1 +1 + 1 = 3 marks

	viability.	
15	<p>Disadvantages of entrepreneurship:</p> <ol style="list-style-type: none"> (1) Salary: Starting your own business means that you must be willing to give up the security of a regular pay check. (2) Benefits: There will undoubtedly be fewer benefits, especially when considering that your business will be just starting off. (3) Work schedule: The work schedule of an entrepreneur is never predictable; an emergency can come up in a matter of a second and late hours may become the norm. (4) Administration: All the decisions of the business must be made on his/her own; there is no one ranked higher on the chain of command in such a business, and the fear of a wrong decision can have its own effect. (5) Incompetent staff: Most of the time, the entrepreneurs will find themselves working with employees who "don't know the ropes" as well as they do, due to lack of experience. 	Any 3 points with explanation 1 + 1 + 1 = 3 marks
16	<p>Break-even point is the amount or level of sales or revenues that it must generate in order to equal its expenses.</p> <p>Break even point = Fixed cost/Gross margin per unit</p> <p>BEP = $40,000/(100-60)$, = $40,000/40$, = 1, 000</p>	Meaning=1 Formula=1 Answer=1
17	<p>Ancillary small units: A small-scale industry unit can be known as ancillary (auxiliary) small industrial unit if it supplies not less than 50% of its production to another unit, referred to as the parent unit.</p> <p>Export-oriented unit: A small scale industry unit can be known as export-oriented unit if it exports more than 50% of its production.</p>	$1\frac{1}{2} + 1\frac{1}{2}=3$
18	<p>Promotional functions of an entrepreneur:</p> <ol style="list-style-type: none"> (1) Discovery of an idea (2) Detailed investigation (3) Assembling the requirement (4) Financing the proposition 	1X4=4
19	<p>Reasons for external risks:</p> <ol style="list-style-type: none"> (1) Economic factors: Due to change in market conditions (2) Natural factors: Natural calamities (3) Political factors: Change in government, government policies etc. (4) Change in tastes and preferences 	1x4=4
20	<p>Distribution channels:</p> <ol style="list-style-type: none"> (1) Direct/Zero-level: Through this channel, the producers supply the products direct to the consumers. (2) Indirect: Producer-Retailer-Consumer (One level channel): Under this type, producer sells the product to retailer, who in turn sells to the consumer. (3) Producer-Wholesaler-Retailer-Consumer (Two level channel): This is the most common channel of distribution. Under this channel, two intermediaries viz., the wholesaler and retailer are involved between the producer and the consumer. (4) Producer-Agent- Wholesaler-Retailer-Consumer (Three level channel): Under this type, the producers take the help of agents who, in turn, supply to wholesalers and then through the retailers, the goods ultimately reach the consumers. 	1x4=4

21	<table><tr><th colspan="6">Cash Register</th></tr><tr><th>Date</th><th>Particulars</th><th>Ref. No.</th><th>Cash received</th><th>Cash paid</th><th>Cash balance</th></tr><tr><td>Jan 1</td><td>Op. balance</td><td></td><td></td><td></td><td>1,00,000</td></tr><tr><td>4</td><td>Pur. Of shirts</td><td></td><td></td><td>10,000</td><td>90,000</td></tr><tr><td>7</td><td>Pur. Of furniture</td><td></td><td></td><td>2,000</td><td>88,000</td></tr><tr><td>12</td><td>Pur. Of shirts</td><td></td><td></td><td>10,000</td><td>78,000</td></tr><tr><td>15</td><td>Sale of shirts</td><td></td><td>25,000</td><td></td><td>103,000</td></tr><tr><td>16</td><td>Deposit into bank</td><td></td><td></td><td>25,000</td><td>78,000</td></tr><tr><td>17</td><td>Received from Ranjan</td><td></td><td>12,000</td><td></td><td>90,000</td></tr><tr><td>22</td><td>Wages</td><td></td><td></td><td>1,200</td><td>88,800</td></tr></table>	Cash Register						Date	Particulars	Ref. No.	Cash received	Cash paid	Cash balance	Jan 1	Op. balance				1,00,000	4	Pur. Of shirts			10,000	90,000	7	Pur. Of furniture			2,000	88,000	12	Pur. Of shirts			10,000	78,000	15	Sale of shirts		25,000		103,000	16	Deposit into bank			25,000	78,000	17	Received from Ranjan		12,000		90,000	22	Wages			1,200	88,800	(1/4 X each transaction + ¼ for format= 4 marks)				
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22	Methods of entering into foreign market (1) Indirect export: Occasional exporting (2) Direct export (3) Licensing (4) Contract manufacturing (5) Joint venture (6) Direct investment: Direct ownership of foreign based manufacturing units	1x6=6																																																																
23	<table><tr><th colspan="4">Cash flow projection statement</th></tr><tr><th>Months</th><th>Month 0</th><th>Month 1</th><th>Month 2</th></tr><tr><td>Cash inflow:</td><td></td><td></td><td></td></tr><tr><td>Owner's equity</td><td>3,00,000</td><td></td><td></td></tr><tr><td>Loan from bank</td><td>4,00,000</td><td></td><td></td></tr><tr><td>Cash sales</td><td></td><td>1,80,000</td><td>1,60,000</td></tr><tr><td>Credit sales</td><td></td><td></td><td>20,000</td></tr><tr><td>Total inflow</td><td>7,00,000</td><td>1,80,000</td><td>1,80,000</td></tr><tr><td>Cash outflow</td><td></td><td></td><td></td></tr><tr><td>Assets</td><td>60,000</td><td></td><td></td></tr><tr><td>Raw materials</td><td>1,00,000</td><td>1,20,000</td><td>90,000</td></tr><tr><td>Salary</td><td></td><td>8,000</td><td>8,000</td></tr><tr><td>Sales commission</td><td></td><td>20,000</td><td>24,000</td></tr><tr><td>Total outflow</td><td>1,60,000</td><td>1,48,000</td><td>1,22,000</td></tr><tr><td>Surplus/ deficit</td><td>5,40,000</td><td>32,000</td><td>58,000</td></tr><tr><td>Cumulative surplus/deficit</td><td>5,40,000</td><td>5,72,000</td><td>6,30,000</td></tr></table>	Cash flow projection statement				Months	Month 0	Month 1	Month 2	Cash inflow:				Owner's equity	3,00,000			Loan from bank	4,00,000			Cash sales		1,80,000	1,60,000	Credit sales			20,000	Total inflow	7,00,000	1,80,000	1,80,000	Cash outflow				Assets	60,000			Raw materials	1,00,000	1,20,000	90,000	Salary		8,000	8,000	Sales commission		20,000	24,000	Total outflow	1,60,000	1,48,000	1,22,000	Surplus/ deficit	5,40,000	32,000	58,000	Cumulative surplus/deficit	5,40,000	5,72,000	6,30,000	(1/4 X each entry= 6 marks)
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24	Problems faced by women entrepreneurs (1) Patriarchal society: The gender bias that exists in society is predominantly due to the patriarchal attitude that has existed over a long period of time.																																																																	

	<p>(2) Lack of opportunities: As in some area education still has not reached to every female, the lack of education does stand as a barrier, they are no doubt skilled which enables them to work, but more focused programmes for their education would enable them to overcome this challenge.</p> <p>(3) Enabling technologies for women: There is a need to create more opportunities regarding new methods of production, marketing and other modern technologies.</p> <p>(4) Social barriers: The traditions and customs prevailing in Indian society sometimes stand as an obstacle to women is to grow and prosperity. In rural areas, they face more social barriers. They can be overcome through education and positive legislation.</p> <p>(5) Attitude of creditors towards women: Women entrepreneurs suffer while raising and meeting the financial needs of their business. The society was slightly biased in their attitude towards women entrepreneurs.</p> <p>(6) Organised sector: The skilled women work more in the unorganised sector and hence does not get her due, if she can overcome the challenge of education and be aware of all the schemes she would not only be able to join the organised sector but be a leader in it.</p>	1x6=6
	END	