

ROLL NUMBER				
----------------	--	--	--	--

SET	A
-----	---



**INDIAN SCHOOL MUSCAT
HALF YEARLY EXAMINATION 2023
ENTREPRENEURSHIP (066)**



CLASS : XII
DATE: 26.09.2023

TIME ALLOTTED : 3 HRS.

MAXIMUM MARKS: 70

GENERAL INSTRUCTIONS:

- 1. The question paper contains 4 sections – A, B, C & D*
 - 1.1. Section A contains objective type questions*
 - 1.2. Section B- 2 Marks*
 - 1.3. Section C- 3 Marks*
 - 1.4. Section D- 5 Marks*
- 2. Internal choice is given in the paper, there is no overall choice.*

SECTION A

1. 'The right information combined with the right adaptations, can determine an organization's future viability.' How can an organization gather information on changing conditions, so that it can adapt to it and succeed in the long run? 1
 - (a) Business opportunity
 - (b) Environment scanning
 - (c) Trend spotting
 - (d) Idea fields
2. Given below are the factors necessary for developing a successful idea. Identify the correct combinations from the given options. 1
 - (a) Skills and competitors
 - (b) Trends and demand
 - (c) Skills, Knowledge and competencies
 - (d) Trends, demand and change

3. Sita would like to start her own venture. For this, she need to understand the market and produce or provide services in sync with the market trends. Identify the concept mentioned here. 1

- (a) Product identification
- (b) Environment analysis
- (c) Idea generation
- (d) Trend spotting

OR

Michael, after completing his diploma in electronics, started an AC repair shop in his area. Which idea field is it?

- (a) Market driven
- (b) Trading related
- (c) Service related
- (d) Creative efforts

4. Following hours of market research, 21-year-old BTech graduate Tapsi Upadhyay zeroed in on pani puri which, according to her, is the most-loved food in the country. Few months ago, stalls came up in and around Janakpuri bearing the name 'BTech Pani Puri Wali'. She, has become a well-known figure on social media. Tapsi have resorted to creating her own blogging services related to her field. Neha, a graduate, is very much influenced through Tapsi's blogs. She has been following Tapsi to spot the latest trend in selling chaats, so that she can also start one. Which of the following trend spotting is mentioned here? 1

- (a) Read Trend
- (b) Talk Trend
- (c) Watch trend
- (d) Think trend

5. From childhood, Ziyad was always very innovative and wanted to try out new things. He innovated a ceiling fan which can be brought down with the help of a remote so that it becomes easy to clean whenever required. He also conducted a market research to find out whether his product will be preferred or not. Which of the following step of creative process is he following? 1

- (a) Idea germination
- (b) Preparation
- (c) Incubation
- (d) Illumination

6. Mehta is the Finance manager in L&T iron and steel Pvt Ltd. Mehta was asked to draft a proforma investment decision plan enlisting the funds which should be invested in different assets so that the company can get the highest possible returns. From the following identify the reason(s) that would help L & T iron and steel Pvt Ltd. 1
- i. It will help the company to understand the total amount of funds required.
 - ii. It will also help the company to assess the situation as to whether they have excess or inadequate funds.
 - iii. It helps the company to understand the various sources of funds.
 - iv. It helps the company to reflect the position of the business at the end of every year.
- (a) i only
 - (b) i and ii only
 - (c) i and iii only
 - (d) i, ii, and iii only
7. Jatin and his friend thought of implementing an idea of self-cooling caps. The caps are fitted with a sensor and a device which bring down the temperature of a person who wears it. They wanted to awaken the interest of investors in order to set their enterprise. For this, they prepared a three-minute summary of their business plan's executive summary. The format of business plan which they have prepared is _____: 1
- (a) An internal operational plan
 - (b) A pitch deck with oral narrative
 - (c) Elevator pitch
 - (d) A written presentation for external stakeholders
8. Following a conservative approach, making some assumptions so that enough funds could be maintained to cover the negative cash months is a part of _____ in a financial plan. 1

- (a) Proforma cash flow
- (b) Proforma income statement
- (c) Proforma Balance sheet
- (d) Proforma Investment decision

9. Where we have been? – is a question responded in designing a marketing plan. Usually we show the view of past performance and achievements of the enterprise here. Find the step in the marketing plan 1
- (a) Identifying target market
 - (b) Establish goals
 - (c) Business situation analysis
 - (d) Implementing and monitoring plan
10. What is the minimum paid up capital required to start a Public Company? 1
- (a) Rs.1,00,000
 - (b) Rs.10,00,000
 - (c) Rs.5,00,000
 - (d) Rs.50,00,000
11. One of the latest features in Tesla vehicles is the company's Full Self-Driving (FSD) technology. This technology, which is still in the beta testing phase, allows Tesla cars to drive themselves in most conditions. This includes navigating city streets, stop signs and traffic lights, and merging onto highways. While the technology is not yet fully perfected, it is a major step towards the goal of fully autonomous vehicles. The intellectual property right which Tesla will have to obtain is: 1
- (a) Copyright
 - (b) Patent
 - (c) Industrial design
 - (d) Trade mark
12. Assertion (A) Break-even point is the level at which the revenue generated is equal to all the expenses required for generating the revenue. 1

Reasoning (R) Break-even point is the element of financial plan.

- (a) Both Assertion and Reason are true but Reason is not the correct explanation for Assertion.
- (b) Both Assertion and Reason are true and Reason is the correct explanation for Assertion.
- (c) Assertion is correct but Reason is false.
- (d) Assertion is false but Reason is true.

13. The element of operational plan which is concerned with determining the exact path of a product is known as _____.

- (a) Dispatching
- (b) Inspection
- (c) Scheduling
- (d) Routing

14. 'Blue Ray' has been manufacturing soap bars, bath gels and shampoos. International players like Unilever, Procter and Gamble etc. have created a strong brand for years and has made difficult for the local brands to compete in the market. Hence, they decided to diversify into manufacturing perfumes, rooms fresheners and other household products. Their finance and marketing department decided to adopt any of the two pricing strategies –

- i. Adding a certain percentage of profit to the cost of production
- ii. Selling at a lesser amount so as to capture a huge market.

They put forward their pricing strategy to the CEO. The suggested pricing strategies are:

- (a) Skimming pricing
- (b) Skimming pricing, Penetration pricing
- (c) Penetration pricing, Cost plus pricing
- (d) Skimming pricing, Penetration pricing

15. Tata Group-owned Air India seeks to completely transform itself with a touch of legacy, as the airline recently unveiled a "modern new brand identity". The airline's refurbished look includes a new logo, The Vista, is inspired by the peak of the gold window frame, which signifies the limitless possibilities, progressiveness, and its bold and confident outlook for the future. Select the one which clearly defines what a logo is.

- (a) They are powerful message that helps to communicate an enterprise's goals or machine.
- (b) They are that part of brand which can be recognized but cannot be vocalized.
- (c) They are that part of brand which can be vocalized.
- (d) They are either symbols or composed of the name of the organization.

16. In September 2009, the CEO of Kraft Foods Inc., publicly announced their intentions to acquire Cadbury PLC. Kraft offered \$16.3 billion for the maker of Dairy Milk chocolate, a deal rejected by Sir Roger Carr, Cadbury's chair, as the offer was too low. Identify the type of acquisition planned by Kraft Foods. 1

- (a) Friendly acquisition
- (b) Reverse acquisition
- (c) Back flip acquisition
- (d) Hostile acquisition

17. Assertion (A): In franchising there is usually a much higher likelihood of success when an individual opens a franchise as opposed to a mom-and-pop business. 1

Reason (R): It runs on a proven business formula that is already in place.

- (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)
- (b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)
- (c) Assertion (A) is true but Reason (R) is false.
- (d) Assertion (A) is false but Reason (R) is true

18. Berkshire Hathaway, America's one of the oldest company, was originally a part of a textile business. Then, in 1965, legendary investor Warren Buffet overtook its reins by acquiring major stocks of the firm. Today, it is a \$632 billion company after Buffet invested heavily in many stocks under Hathaway. The company owns more than 60 companies. Its subsidiaries are prospering in unrelated businesses across sectors such as insurance, energy, utility, manufacturing, freight rail transportation, retailing, etc. Identify the type of merger the company has entered in the given case. 1
- (a) Conglomerate
 - (b) Horizontal
 - (c) Vertical
 - (d) Product extension

SECTION B

19. There has been a sizeable class shift in China over the past few decades, and the consumers are far more diverse than it once was. It is also completely detached from markets elsewhere in the world, and many companies have sunk in China because they failed to take into account consumer preference. Identify and explain the PESTEL model depicted here. 2
20. KFC (Kentucky Fried Chicken) was founded by Colonel Harland Sanders, an entrepreneur who began selling fried chicken from his roadside restaurant in Corbin, Kentucky. Sanders identified the potential of restaurant, when the customers lined up only to buy his fried chicken. Identify and explain the form of business organization when this popular giant firm began its operations. 2
21. Marketing Strategy of Swarovski Crystal analyzes the brand with the marketing mix framework which covers the 4Ps (Product, Price, Place, Promotion). These business strategies, based on Swarovski Crystal marketing mix, help the brand succeed in the market. The statement describes which step of marketing plan. Describe the next stage too. 2
22. Flying to more than 50 destinations worldwide, including daily flights from Muscat to London, Oman Air has a global footprint which aligns with Chelsea's far-reaching fan base, and offers award-winning customer experiences. As part of the launch, and to celebrate its 30th anniversary this year, Oman Air and Chelsea have worked together to design a premium co-branded plane livery, which will feature as part of Oman Air's fleet later this year. This is 2

Oman Air's first-ever Premier League club partnership, making its branding visible at Stamford Bridge and across the club's digital platforms, alongside exclusive experiences and events. Elucidate branding and the types of brand.

OR

Nirma washing powder created a marketing miracle, when introduced in the domestic marketplace. In 1969, when the detergents were priced so exorbitantly that for most of the Indians, it was a luxury item. Nirma envisioned the vast Fabric Wash market segment and sensed a tremendous potential therein. For its marketing, appointed salesmen throughout the country. The company also trained the salesmen to provide information about the usefulness of the washing powder to the customers without attacking the competition head and motivated them to buy the same.

- (a) Name and explain the type of promotion strategy as well the promotion tool adopted by the company
- (b) Also identify the sales strategy used by the company.

23. Most of us in the franchise industry agree that Isaac Singer's technique to produce and sell sewing machines was the spark that created the franchise model, as we know it today. As a matter of fact, most of us feel that Singer created the first franchise. Though these machines started to appear on the scene in the mid 1800's – and worked pretty well – Singer came up with an idea that made them work even better. So he started selling them through franchise. Mention any four benefits which a start-up can get through franchise. 2
24. Car manufacturer BMW and designer Louis Vuitton may not be the most obvious of pairings. But if you think about it, they have one thing in common. They both value luxury and are known for high-quality craftsmanship. In their partnership, BMW created a sports car model called the BMW i8, while Louis Vuitton designed an exclusive, four-piece set of suitcases and bags that fit perfectly into the car's rear parcel shelf. Mention and describe the type of merger. 2

SECTION C

25. Source: Kilmer- Information

3

Johnson and Seabury who were the employees of 'Roushton & Aspinwall', decided to start their own business of selling medicated plasters in 1873 under the name of Seabury & Johnson.

In 1959, the company acquired McNeil Laboratories, Inc., dedicated to developing prescription drugs such as Tylenol, the pain-relieving medicine. In 1885, Johnson left Seabury & Johnson due to a disagreement between the two partners over the distribution of company's profits. Johnson, instead, joined with his two brothers James Wood Johnson and Edward Mead Johnson, to begin a small family business called Johnson & Johnson in 1886. In 1920, a Johnson & Johnson employee Earle Dickson invented the Band-Aid Brand Adhesive Bandages by combining two of the company's products: gauze and adhesive tape.

This was the first commercial dressing for minor injuries that consumers could apply themselves. In 1921, the company also released Johnson's Baby Soap adding to its gradually expanding line of baby products. One of the main thing which distinguishes the company is its pricing strategy. They always tried to launch their products by pricing it very low. Identify the pricing strategy used by Johnson and Johnson and write two of its benefits.

26. Japan's leading mini car maker Suzuki Motor Corp is all planned to consolidate its car production in India by having India's top car maker, Maruti Udyog Ltd., its local subsidiary, buy out a joint venture between the unit and the Japanese parent next step was to acquire information about their synergy. Is synergy required for merger and acquisition? Support your statement.

3

27. Zeeshan wanted to start a business of selling scented candles and artificial flowers. This idea is germinated because of the interest and curiosity of Zeeshan, as he is always interested in finding out the specific current problems and their solution. Before launching his idea, he also analyzed the pros and cons of the product. Now he has to complete two more steps of

3

this important process. Identify the process. Explain the steps to be completed by Zeeshan in the process identified.

28. Explain with the help of any four points the advantages of franchising to the franchisee. 3

OR

Explain internal expansion and external expansion as part of growth and development of an enterprise.

29. All ideas need not become a sound business opportunity. We have to assess it in terms of potentiality of the opportunity. The concept mentioned here is _____. Explain its first two stages. 3

SECTION D

30. 'Spotting an idea often triggers the process of sensing an opportunity.' There are various sources which lead to the emergence of basic ideas. Elaborate these sources. 5

31. Meshak has completed his Hotel Management course from Delhi. He thought of an attractive economic idea which could be implemented to create a business, earn profits and ensure further growth. Inspired from cornflakes, his idea was to make a breakfast cereal with Jackfruit and banana. List any two elements of the concept discussed above. 5

OR

"It is a process which involves the translation of a useful idea into an application which has commercial value. It takes persistent effort to work out analytically the details of the enterprise or service, to develop marketing strategies, to organize finances and strategize operations". Identify the process.

32. Mahesh wants to start a business of making corn chips in three variants. Classic Cheese, toasted corn and Tangy Tomato. He went to one of his friend, who was an auditor, to discuss about the opening of the business on a small scale. His friend advised him to prepare a written document describing formally all the relevant external and internal elements involved in starting a new venture. It will not only help in understanding the feasibility and viability of the proposed venture but also facilitate in assessing and making provisions for the 5

bottlenecks in the progress and implementation of idea. State any six points of importance of the concept discussed by Mahesh with his friend.

33. Komal has started a herbal toothpaste manufacturing unit. She has decided about the logo, packaging format and labeling of the product. Her friend Neha asked her whether she has taken care of the legally recognized exclusive rights of other manufacturers in the industry before taking the above stated decisions. Describe the concept about which Neha asked Komal. 5
34. 'Walky Footwear', which manufactures footwears, procures majority of its raw material from 'Polymers Ltd'. The major production of 'Polymers Ltd' is plastic chips, PU foam and elastic which is used by 'Walky Footwear' in its manufacturing processes. After due diligence. They decided to merge with each other. If they merge, 'Walky Footwear' doesn't need to look for a vendor and sourcing raw materials would be seamless. On the other hand, as a result of the merger, 'Polymers Ltd' doesn't need to worry about the sales and marketing. All they need to do is to improve their processes to produce better raw materials for 'Walky Footwear'. After the merger, the combined entity will be known as 'Walky Polymer'. (i) Identify and explain the type and form of merger between 'Walky Footwear' and 'Polymers Ltd'. (ii) Why is due diligence required before merger? 5

OR

Oorja and KTC Wifi are two broadband providers operating in South East Delhi. Both are competitors and have developed their strong customer base over the years. Just then a multi-national service provider company entered the market and provided services at a much cheaper price with better connectivity. To counter the threat posed by the company, Oorja and KTF Wifi consolidated their business. Identify the enterprise growth strategy adopted by Oorja and KTC Wifi. State the type of growth strategy. Also describe its different types.

******END OF THE QUESTION PAPER******

Shri Singh