



COMMON PRE-BOARD EXAMINATION 2023-24

Subject: ENTREPRENEURSHIP (066)

Class XII



MARKING SCHEME

| MARKING SCHEME | | |
|----------------|---|----------------|
| Q NO | VALUE POINTS | MARKS SPLIT UP |
| 1 | Environment scanning | 1m |
| 2 | i only | 1m |
| 3 | Public company | 1m |
| 4 | Public Relations | 1m |
| 5 | How many people are required? | 1m |
| 6 | Family brand name | 1m |
| 7 | Stock option | 1m |
| 8 | Assertion (A) is true but Reason (R) is false | 1m |
| 9 | Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) | 1m |
| 10 | Bridge financing | 1m |
| 11 | ₹18, 50,000 | 1m |
| 12 | Incubation | 1m |
| 13 | Identifying a product through innovation | 1m |
| 14 | Legal | 1m |
| 15 | Joint stock company | 1m |

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| 16 | Read Trends | 1m |
| 17 | Resource organization | 1m |
| 18 | Window display | 1m |
| 19 | <p>1. Demand</p> <p>2. Supply</p> <p>3. Cost and price of product</p> <p>4. Project innovation and change (with explanation)</p> <p style="text-align: center;">OR</p> <p>a. Verbal information from customers, traders, consultants</p> <p>b. Records of the companies</p> <p>c. Government publications</p> <p>d. Publication by various financial institutions</p> <p>e. Formal studies conducted by strategic planners (any four)</p> | <p>$\frac{1}{2}$m X 4</p> <p>$\frac{1}{2}$ m X4</p> |
| 20 | <p>Direct sales strategy</p> <p>Indirect sales strategy (with explanation)</p> | 1m X 2 |
| 21 | <p>a. There is a good market for the product.</p> <p>b. The rate of return on the investment is attractive to be accepted by him</p> | 1m X 2 |
| 22 | <p>Benefits which a franchisor gets through franchising.</p> <p>1. Quick expansion</p> <p>2. Cost advantages (with explanation)</p> <p style="text-align: center;">OR</p> <p>Factors related to manufacturer/company</p> <p>1. Goodwill</p> <p>2. Desire to control the channel of distribution</p> <p>3. Financial strength (any two points with explanation)</p> | <p>$\frac{1}{2}$m for each point and $\frac{1}{2}$m for explanation</p> <p>1m X 2</p> |
| 23 | <p>Reverse acquisition – A private company takes over a public company</p> <p>Back flip acquisition- Purchasing company becomes subsidiary of purchased company.</p> <p style="text-align: center;">OR</p> <p>-Most popular method -Provided with a proven method for operating</p> | <p>1m X 2</p> <p>Marks for explanation only</p> |

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| | -Pays royalty in return for using trademark of the company -Purchases supplies from the company | 2m |
| 24 | Skimming/ creaming pricing Advantages 1. Helps to recover research and development cost. 2. Cater to quality conscious consumers. | 1m 1m X 2 |
| 25 | Minimum 2 members only required Minimum only 2 Directors required Can commence after incorporation Statutory meeting not required No limit on manager's remuneration Index of members not required No issue of prospectus required (any six benefits of a private company) OR Business venture a. Site (with explanation) b. Physical infrastructure – Raw materials, Labour, Utilities, Transport & Communication, Machinery & equipment, Production process and pollution control. (any two with explanation) | $\frac{1}{2}$ m X 6 1m 1mX 2 |
| 26 | 1) The minimum level of output to be produced. 2) The effect of change in quantity of output upon the profits. 3) The selling price of the product. 4) The profitable options in line of production. (any three) | 1m X 3 |
| 27 | Product mix Elements 1. Brand 2. Logo 3. Tagline (any two with explanation) | 1m 1m X 2 |
| 28 | ROE= (net income - interest/ equity) x 100 = (140000 – 10% of 600000/400000) x 100 = (80000/400000) X 100 = 20% | 1m formula 1m for application 1m for final answer |

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| | 7) Such institutions disinvest the holdings either to the promoters or in the market. (any four features) | | | | | | | | | | | | |
| 32 | Synergy-Operating and Financial synergy Acquiring new technology Improved profitability Acquiring a competency Entry into new markets Access to funds Tax benefits (any five points with explanation) <div>OR</div> Horizontal mergers- Merger between competitors Other mergers: Vertical merger Product extension Market extension Conglomerate (with explanation) | | | | 1m X 5 1m for identification 1m X 4 | | | | | | | | |
| f33 | A written presentation for external stakeholders Importance of business plan i) It helps in finding the viability of the venture in a designated market (ii)It helps in providing guidance to the entrepreneur in organizing, planning activities as such: (a) identifying the resources required (b) enabling obtaining of licenses if required, etc. (c) working out with legal requirements. (iii) It helps in satisfying the queries, and issues of each group of people interested in the venture. (iv) It provides room for self-assessment and self-evaluation. (v) It helps entrepreneur to plan ways to avoid obstacles. (vi) It helps to realize the obstacles which cannot be avoided or overcome, suggesting to stop the venture while still on paper without investing further time and money. | | | | 1m 1m X 4 | | | | | | | | |
| 34 | | <table><tr><td>Product</td><td>Soya Sauce</td><td>Chili sauce</td></tr><tr><td>Sales price per unit</td><td>80</td><td>90</td></tr><tr><td>Variable cost per unit</td><td>60</td><td>50</td></tr></table> | Product | Soya Sauce | Chili sauce | Sales price per unit | 80 | 90 | Variable cost per unit | 60 | 50 | | 1m for contribution 1m for weighted |
| Product | Soya Sauce | Chili sauce | | | | | | | | | | | |
| Sales price per unit | 80 | 90 | | | | | | | | | | | |
| Variable cost per unit | 60 | 50 | | | | | | | | | | | |

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| | | Contribution | 20 | 40 | average Contribution 1m for Total BEP 1m for individual BEP 1m for BEP in ₹ for Soya sauce |
| | | Sales Mix | 60% | 40% | |
| | | WAC | 12 | 16 = 28 | |
| | | Total BEP= 56,000/28 =2000 units BEP of Soya sauce= 2000 X 60%=1,200 units BEP of Chili sauce= 2,000 X 40%=800 units In Rupees Soya sauce= 1,200 X 80= ₹96,000 | | | |