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**INDIAN SCHOOL SOHAR
SECOND TERM EXAM
ENTREPRENEURSHIP**

**Date: -26/11/2016
STD: - XII**

**Marks: 70
Time: 3hrs**

General Instructions:-

- (i) Answers to questions carrying 1 mark each should not exceed 15 words.
- (ii) Answers to questions carrying 2marks each should not exceed 50 words.
- (iii) Answers to questions carrying 3marks each should not exceed 75 words.
- (iv) Answer to questions carrying 4 marks each should not exceed 150 words.
- (v) Answers to questions carrying 6marks each should not exceed 250 words.

1. Name the merger occurring in between firms that are involved in totally unrelated business activities? 1
2. Define marketing mix. 1
3. Distinguish between 'Joint Stock Company' and a 'Joint Hindu Family' on the basis of liability of members. 1
4. In this stage ,entrepreneur comes out with a viable plan to give practical shape by arranging funds, raw material, policy making etc. Identify the stage of 'Creative process' discussed above. 1
5. What are the key aspects of financial decision making? 1
6. Show the SWOT analysis with the help of a diagram. 2
7. An individual wants to start an enterprise that manufactures steam iron which can be imported from Germany. The material available in Germany is a little better quality. However, there are no safety issues with the one available in India. Which material would you go for and why? 2
8. Sandeep had started his business of dairy products in 2013.he wanted to expand his business but did not have necessary funds.one of his friends suggested that he should approach Mr.Goel, a venture capitalist for future funds. When Sandeep approached Mr.Goel, he was given three minutes for explaining his business proposition.
Identify and explain the format of business plan referred to in the above paragraph. 2
9. How does advertising help an enterprise? 2
10. Explain in brief inadequate due diligence result in failure of merger and acquisition? 2

11. A young man, Vipul wants to start a business. He is not sure of the type of business he should start. He started looking for the required information and reports on different websites regularly. He also interacted with people for the type of products they would like to use in future. In addition to this he visits trade fairs, malls, exhibitions etc. to assess the ongoing trend. Identify and state the way Vipul is using for spotting the trend. Also state two more ways which help Vipul in starting his business. 3
12. Ms. Rosy is a readymade garments manufacturer. Her annual usage rate is 225 Pcs. The cost of placing each order is ₹8 and the carrying cost is ₹4 per unit. Calculate the Economic Order Quantity. How does calculating EOQ facilitate budgeting? 3
13. Why is packaging considered as an important ingredient in the product mix? 3
14. Explain the following terms: 3
- a) Patents
 - b) Copyright
 - c) Trade Mark
15. Keerthi Company Ltd. was earlier producing pencils, now they have decided to further venture into the field of notebooks and paper. What do you think is the company attempting to do? Identify and explain the concept. 3
16. Hema enterprises is dealing in Health Drinks. The enterprise 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 fortified health drink with vitamin B-12, iron and minerals to increase immunity. She believed that by modifying the product she will be able to create a new product. Identify the concept and explain it. 3
17. Distinguish between budget and budgeting. 3
18. Vipin after completing his XII from his village school joined the course of electrician in an ITI in a town near his village. On completion of his course he tried for government job but could not get the same. Therefore he decided to work as a helper to a local electrician in his village. After working with him for two years, he decided to start his own electrician shop in the village. He hired a shop at a monthly rent of ₹ 2000 and purchased equipments of ₹15,000 for this. He himself managed the shop. a) Identify the kind of business organization set up by Vipin.

b) State the formalities (legal) involved in setting up this kind of business organization. 4

19. Explain any four factors to be taken into consideration for selecting channels of distribution related to a market. 4

20. 'Jagriti Ltd.' are the manufacturers of cars for the last 15 years and was earning good profits. Recently due to irregular supply of parts by the suppliers the company could not make timely delivery of cars to its customers. The customers cancelled their bookings and there were very few new bookings. As a result the sale of the cars declined and also the profit. The management of the company analyzed the problems and decided to take over those firms because of whom the problems arose. One of them was supplying engines and the other tyres. The company also launched new discount schemes for its customers. It also decided to employ 200 unemployed young boys and girls to take up the cleaning operations using imported machines inside the factories as well as the surrounding areas.

a) Identify and state the concept of 'Enterprise marketing and growth strategies' discussed in the above para.

b) Identify any one value which Jagriti Ltd wanted to communicate to the society. 4

21. Which are the suggested policy guidelines for A, B & C classes of items in inventory control? 4

22. Raghav after doing his B.Pharm degree from a reputed government college started two chemist shops in two different localities of his home town. Encouraged with the success of these shops, he started six more shops in different cities of the state. His strategy was to cut price, focus on lower and middle class patients and open shops near hospitals. He operated on very thin margins. But he was not able to meet the day to day expenses of the business. The staff of the shops did not give much attention to the customers and there was very poor system of control. Because of this mismanagement he started incurring huge losses and his business failed.

Based on the above paragraph identify and explain any six causes of business failure of Raghav. 6

23. Raj Singh has started a restaurant on a national highway in the name of 'Desi Dhaba' by spending ₹25,00,000. He invested ₹10,00,000 of his own and took a loan of ₹15,00,000 from Dena bank @6% p.a. His monthly sales revenue is ₹17,00,000 and cost of goods sold is ₹9,00,000. He pays monthly salary of ₹3,00,000. The tax rate is 25%.

You are required to calculate:

a) Return on investment

b) Return on equity for Raj Singh

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24. Naveen has just completed his B.Tech and wants to start his own business. He knew that the demand for electricity in India was increasing day by day, whereas its generation was not sufficient .Naveen shared his views with some of his friends and they all decided to start the business of electricity generation. They experimented various methods and ultimately succeeded in electricity generation through garbage. They all were happy as India is also facing the problem of garbage disposal.

- a) Identify and explain the source of idea-field from where the idea had been generated by Naveen and his friends.
- b) Also explain two other sources of idea fields with the help of examples: