



**INDIAN SCHOOL SOHAR**  
**TERM I EXAMINATION (2018-19)**  
**SUBJECT: ENTREPRENEURSHIP (066)**

**CLASS: XII**  
**DATE: 20/09/2018**

**MAX. MARKS: 70**  
**DURATION: 3 HOURS**

**General Instructions: -**

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

1. In this stage, entrepreneur comes out with a viable plan to give practical shape by arranging funds and raw material, policy making etc. Identify the stage of 'creative process' discussed here. 1
2. What is abatement cost? 1
3. Give the meaning of tagline with the help of an example. 1
4. Mr. Hemant is involved in production and sale of 'Masala Mix Powder' within his own state. Now he wants to expand his business by introducing his product in the neighboring states also. Name the necessary tax registration required for this interstate transfer of goods. 1
5. Enlist and draw the various stages in enterprise process diagram. 1
6. What is PESTAL model? 2
7. Differentiate between marketing mix and marketing strategy. 2
8. Although not mandatory, some entrepreneurs may file part I of entrepreneur's memorandum in District Industries Centre. Why? 2
9. Fizz and Lime are established beverage company which started bottling Wheat grass juice, Bitter gourd with jamun and Amla with Aloe Vera. It is planning to expand externally without compromising the unique taste of these drinks.  
 Frooti juices got exclusive rights to manufacture and sell wheat grass and Amla Aloe under the name Fizz and Lime. Frooti juice had to use only ingredients supplied by Fizz and Lime to produce, bottle and distribute the two drinks.
  - (i) Identify and explain the form of external expansion adopted by Fizz and Lime.
  - (ii) State any one feature of this form of expansion 2
10. "Innovation is the process of entrepreneurship". With reference to this statement explain the meaning of innovation and its elements. 2
11. Differentiate between basic ideas and post scanning ideas on the bases of meaning, activity, process. 3
12. Explain the following terms: 3
  - a) Patents b) Industrial design c) Copyright d) Trade mark e) Trade secret f) Price

13. Neetu who has done LLB from renowned law college wanted to open her own legal consultancy firm with her friend who has completed LLM recently. Neetu discussed the different informations of the business plan with her friend stating the authority-responsibility of each member, management team, salary to be given, dress code etc.
- Identify and explain the type of business plan mentioned above.
  - State the other contents of such part of business plan. 3
14. Rajeev has just completed his B. Tech and wants to start his business. He knew that the demand of electricity in India was increasing day-by-day, whereas its generation was not sufficient. Rajeev 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 very happy as India is also facing the problem of garbage disposal.
- Identify and explain the sources of Idea-field of Rajeev and his friends.
  - Explain two other sources of Idea-Fields with example. 3
15. 'Quick Rasoi' is a fast food chain selling Indian items like Kathi Roll, Samosa, Idly, Dhoklas etc., Now, they want to sell Kulfi in their outlets. Kulfi had been an item in their menu earlier which was withdrawn due to higher price compared to the price of established brands in the market. With an objective to increasing the market share, the management of Quick Rasoi decided to charge less price for Kulfi presently. They were of view that once their Kulfi is established in the market they will increase the price to a level that will help them earning reasonable profit on their product.
- Identify and explain the pricing strategies adopted by Quick Rasoi at present.
  - Explain two advantages and disadvantages of this concept. 3
16. Gopi, in order to promote local craftsmen of Gujarat, formed an organization where in the persons voluntarily associate themselves to promote common economic interest. The basic purpose of this organization was to help these craftsmen to find market for their products. It had a managing committee that was elected on the basis of 'one member one vote'.
- Identify the form of business organization set up by Gopi.
  - Quoting the lines form the above para, state any two features of this form of organization.
17. Give advantages and disadvantages of Cost Plus Pricing Method. 3
18. PATA Group as part of its Corporate Social Responsibility activity decided to invest in sports. They established an 'Archery Training Academy' at Jharkhand for tribal students . They also provided free boarding and lodging facilities to the selected students. Besides this, the company also decided to organize computer literacy program for these candidates.

- (a) Identify the type of value added by PATA group.
- (b) Explain any other three value added.
- (c) Give one value communicated by PATA group. 4
19. Bhagirathi Chaturvedi started a school bag business with his brother. Both were very excited about the new venture. With meticulous planning and a lot of hard work they were able to sell 1000 bags in the first year. But they did not earn any profit. Both were happy because they were not at loss and revenue generated was equal to the cost. Now they were moving towards earning profit in the second year.
- a. Identify the components of financial plan discussed above.
- b. State any four points, how this component is useful for the entrepreneur. 4
20. Explain four types of acquisitions 4
21. X Ltd has decided to merge with Y Ltd to form Z Ltd. In the process of merger, the companies have agreed upon an overall strategy and plan to discuss smaller details in later negotiations.
- a. Identify and explain the form of negotiation the companies is opting for.
- b. Explain other three negotiation also. 4
22. Mohan Steel Ltd merged with Surya Iron Ltd to Surya Mohan Ltd. But only after 3 years, Surya Mohan Ltd Company failed. Is this an exceptional case?
- a. Explain any five reason for this failure?
- b. What value violated by this failure? 6
23. Sameer had started his business one year back and deals in artificial women jewellery. Being aware about the importance of goal-setting, he has set the following goals for his business:
- a. Sales should be enough.
- b. Profit per month from first year of operation should be 2,50,000.
- c. In the backdrop of recession in the economy, his goal was to open 5 retail outlets throughout the city.
- Are the goals of Sameer appropriate? Which factors should be considered by him while establishing achievable and relevant goals? 6
24. Kiano Mobile Solutions (KMS) has been a leader in the mobile handset industry for years. After technological advancement, many players entered the market and started to take up the sales share. KMS failed to understand the changing trends in the mobile phone and lost its market share majorly whereas Hanhung Mobitech could understand the sensitivity to the environment factors which is crucial for an entrepreneur. How has the understanding of environment helped Hanhung Mobitech? Explain. 6