



**INDIAN SCHOOL SOHAR
PRE-BOARD EXAMINATION
SUBJECT: ENTREPRENEURSHIP (066)**

**CLASS: XII
DATE: 15/01/2020**

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

General Instructions: -

- The question paper is divided into 5 parts and all questions are compulsory.
- Section **A** has 17 objective questions carrying 1 mark each.
- Section **B** has 7 questions carrying 2 marks each. Answer may be within 50 to 75 words.
- Section **C** has 5 questions carrying 3 marks each. Answer may be about 100 words.
- Section **D** has 3 questions carrying 4 marks each. Answer may be about 150 words.
- Section **E** has 2 questions carrying 6 marks each. Answer may be about 200 words.

SECTION A

Fill in blanks:

- _____ is a ten-digit alphanumeric number, issued by the Income Tax Department. 1
- _____ Type of negotiation is commonly referred to as "win-win" negotiation. 1
- The _____ planning is a process by which an entrepreneur ensures that he/she has the right number of people, and the right kind of people with appropriate skills, at the right place and the right time to do work for which they are economically most suitable. 1
- In a rapidly changing environment, _____ rule of thumb applies. 1
- As quoted by Alford and Beathy, " Picturing ahead every step in a long series of separate operations, each step to be taken in the right place of the right degree, and at the right time and each operation to be done at maximum efficiency" is the objective of a _____ plan. 1
- _____ means identification of new trends. This will help the entrepreneur to understand the market and produce goods or provide services in sync with the market trends. 1

SECTION B

States whether the following statements are 'true' or 'false' give reasons in support your answer.

- Sales budget is an estimate of the funds needed for promotion, advertising, and public relations in order to market the product or service. 1
- One cycle of buying and selling of stocks is called One Transaction. 1

9. Penetration pricing is a pricing strategy where the price of a product is initially set at a price lower than the eventual market price to attract new customers. 1
10. A conglomerate merger takes place between two business organizations that deal in products that are related to each other and operates in the same market. 1
11. The marketing plan is a guideline regarding the marketing objectives, strategies and activities to be followed by any enterprise. 1
12. The cash conversion cycle is the length of time between a firm's purchase of inventory and the receipt of cash from accounts receivable. 1

Multiple choice Questions.

13. Nike's "Just do it" is an example of _____
- a) Logo
 - b) A brand
 - c) Trademark
 - d) A tagline 1
14. Quality Control is defined as:
- a) How many & what types of people are shopping at a store.
 - b) Tells you what the customer will buy.
 - c) Tells you how much the customer will pay for the product.
 - d) All of the above. 1
15. As per the Co-operative Societies Act, 1912 the rate of dividends paid to the members is restricted to _____
- a) 15 %
 - b) 7 %
 - c) 9%
 - d) 10% 1
16. Synonym of inventiveness is _____
- a) Creativity
 - b) Invention
 - c) Innovation
 - d) Improvise 1

17. The ability to plan the future with wisdom/imagination.
- a) Preplan
 - b) Vision
 - c) Optimism
 - d) Policy formation 1

SECTION B

18. One of the keys to business success is to anticipate what the market will want or need before the entrepreneurs are aware of it themselves. Since it's unlikely for an entrepreneur to see into the future, there is a 'best way' to anticipate what the market will want or need.
- a) Identify the "best way" an entrepreneur will undertake to understand the market.
 - b) What are the different ways of doing it? 2
19. Explain any two ways of flotation. 2
20. Explain EPF and ESI. 2
21. Name the factor which affects an operational plan. 2
22. A company uses 300 units of an item per day and the order lead time in 5 days. What should be the level of inventory when a new order is being placed? 2
23. What is patenting. Explain the inventions are patentable. 2
24. It refers to business combination where two or more concerns combine and expand their business activities. In the process of combination, two or more units engage in similar business or related process or stages. The combination may be among competing units or units engaged in different processes.
- a) Identify the growth strategy discussed and name the forms included in this strategy. 2

SECTION C

25. Who manages SEBI? 3
26. Explain any three sources from which basic ideas emerge. 3
27. In the following cases, identify the types of mergers.
- a) A merger between firms that are involved in totally unrelated business activities.
 - b) A merger occurring between companies in the same industry.
 - c) It takes place between two companies that deal in the same product but in separate markets. 3

28. This method is used to spread the word about the product or service to customers, stakeholders and broader public. Identify the concept and also explain other various approaches that a company can use for its product. 3

29. Ananya started a beauty parlor business. She spend Rs.30, 00,000/- to open the parlor of which she invested 14, 00,000/- of her own money and borrowed a loan for 16, 00,000/-. Interest rate per annum is 14%. Sales revenue per month is 1, 60,000/-. Cost of goods sold is 60,000/- per month. Fixed expenses for that month is 60,000/- (salary 40,000/-, rent and utility 20,000/-), depreciation 30,000/- and tax @ 15%. Calculate ROI. 3

SECTION D

30. Quick Rasoi is a fast food chain selling Indian items like Kathi Roll, Samosa, Idli, Dhoklas Etc., Now, they want to sell Kulfi in their outlets. Kulfi has been an item in their menu earlier also but was withdrawn because of higher price as compared to the price of established brands. Therefore, this time they decided to initially price the Kulfi at cost. It was done with the objective of increasing market share. Management of Quick Rasoi is of view that once their Kulfi is established in the market they will increase the price to a level that will help them in earning reasonable profit on their product. Identify and explain the pricing strategies adopted by Quick Rasoi earlier and at present. 4

31. The business plan is a comprehensively written down document prepared by the entrepreneur describing formally all the relevant external and internal elements involved in starting a new venture. It's a formal statement of a set of business goals, the reasons they are believed attainable and the plan for reaching those goals along with the background information about the organization or/and team attempting to reach those goals. The depth and detail in the business plan depends on the size and scope of the proposed new venture. There is no fixed content for a business plan as it varies according to the entrepreneur's goals and audience. Thus, it is common for especially start-ups to have formats for the business plan. Explain any four types of formats available for the business plan. 4

32. This requirement is needed for all items will not be identical, neither will it have proportionated relationship with the cost of the items. There can be many bulky items with low value and high value items with low volume. Good inventory control system will have to take due note of this.

a) Identify the concept which is discuss in the above para.

b) Explain other three concept which is not identified in above para. 4

SECTION E

33. Explain the steps for the development of the tool of cash management that helps an entrepreneur in knowing how much cash generation and expenditure is anticipated over a period of time in future. 6

34. Goli Vada Pav, a quick serve food concept with authentic Indian touch, originated in Mumbai in 2004. The brand's founders, Venkateshlyer and Shiv Menon, realized the huge scope of business in tapping the adult and lower income customers by selling widely popular local street food 'Vada Pav' to them, in an organized way. Thus, the idea of Indian finger food Goli Vada Pav Pvt Ltd was born that retailed the humble mouthwatering spicy ethnic delicacy, which was pocket friendly as well as prepared and served in hygienic conditions. Indian QSR market is flooded with brands like McDonald's, Subway and Quiznos but the success of Brand – Goli Vada Pav No. 1 reaffirms the fact that a strong home grown concept can not only thrive but also compete with International Brands. The brand has opted for franchise business models to grab a quick bite into the Indian quick serve business. Today, Goli Vada Pav has extensive presence across 40 Indian cities in six states. Goli Vada Pav No. 1 outlets are spread across the length and breadth of the country. Its stores can be found in cities like Aurangabad, Ahmednagar, Bangaluru, Belgaum, Chandrapur, Chennai, Coimbatore, Dhulia, Hubli, Hyderabad, Jalgaon, Kolhapur, Mumbai, Pune and many more. It operates about 150 stores, of which over 140 are via franchise route.

a) Identify the nature of expansion.

b) Name the type of franchising is offered by the founders?

c) At the foundation step the franchise the agreement is made. Discuss the elements of such agreement. 6
