



INDIAN SCHOOL AL WADI AL KABIR

DEPARTMENT OF COMMERCE

ASSESSMENT I -2024-25

ENTREPRENEURSHIP (066)

CLASS: XII

MARKS: 70

DATE: 01/10/2024

TIME: 3 HOURS


General Instructions:

1. This question paper contains 34 questions.
2. The question paper contains 4 sections - A, B, C and D
 - 1.1. Section A contains multiple choice questions
 - 1.2. Section B - 2 marks; Answers to these questions may be from 30-40 words.
 - 1.3. Section C - 3 marks; Answers to these questions may be from 50-75 words.
 - 1.4. Section D - 5 marks; Answers to these questions may be from 120-150

PART A		
Q. No.		Marks
1	<p>During the rainy season, Subir observed that a large quantity of natural and free water was being wasted. Being a mechanical engineer, Subir started to work on a device that was to be installed in underground water tanks, collecting the rain water, freezing it and creating a surplus water resource. He prepared a prototype and started the trials on this device. He was happy that he succeeded in converting his idea into reality.</p> <p>Identify the idea field that provided him an insight for developing the product:</p> <ol style="list-style-type: none">a. Market driven ideab. Natural resourcesc. Service-related idead. Creative efforts	1
2	<p>Aditi successfully completed her studies at a famous institute of fashion designing. She is now eager to establish a manufacturing unit specializing in designer clothes for the youth in India. To achieve this, she started going to locations frequently visited by her target customers.</p> <p>Additionally, she has begun exploring local markets and actively participating in fashion shows. These efforts aimed at gaining a deeper understanding of the market and ensuring that the manufactured designer clothes are in sync with the prevailing fashion trends</p> <p>Identify the way in which Aditi is spotting trends:</p> <ol style="list-style-type: none">a. Read Trendsb. Talk Trendsc. Watch Trendsd. Think Trends	1

3	<p>Read the following statements: Assertion (A) and Reason(R). Choose the correct alternative from those given below:</p> <p>Assertion (A): It is important for an entrepreneur to evaluate ideas received from different sources.</p> <p>Reasoning (R): Evaluating the ideas will help in finding a creative solution.</p> <p>Alternatives:</p> <ol style="list-style-type: none"> Assertion (A) is correct but Reason (R) is wrong Both Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A). Both Assertion (A) and Reason (R) are correct and Reason (R) is not the correct explanation of Assertion (A) Assertion (A) is wrong and Reason (R) is also wrong 	1
4	<p>Financial plan is a projection of key financial data about:</p> <ol style="list-style-type: none"> Economic feasibility of the enterprise Orderly movement of goods Market opportunities and threats The potential investment commitment needed for the new venture <p>Choose the correct option from the following:</p> <ol style="list-style-type: none"> I only I and IV only I, II and IV II, III and IV 	1
5	<p>Air Puro Ltd. is engaged in manufacturing and distribution of air-purifiers. The company has four departments – Production, Marketing, Finance and Human Resource. The quality of the air-purifiers is very good and these are handy also. Due to this, the demand of air-purifiers started growing. To meet the growing demand, the Production Head informed the Chief Executive Officer to recruit more employees.</p> <p>The component of Business Plan which will help in deciding the number of people required is:</p> <ol style="list-style-type: none"> Marketing plan Production plan Organizational plan Manpower plan 	1
6	<p>Manoj, Ankit and Nikhil are good friends and doing interior designing business at a small scale. Their business is taking off in a big way. Now there is a need to change their small-scale business into a large-scale business. The trio needs more capital to invest, to hire more employees and for other expenses. Due to the growing need they decided to re-organize their form of business. Now they wanted to have an organization in which members have a limited liability and minimum paid up capital is Rs. 1 lakh</p> <p>The type of organization the trio wanted to form is:</p> <ol style="list-style-type: none"> Partnership Public company Private company Sole proprietorship 	1

7	<p>It 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.</p> <p>Identify the concept</p>	1
8	<p>Bharghavi started a school bag business with her brother. Both were very excited about the new venture. With meticulous planning and a lot of hard work they were able to sell 1,000 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.</p> <p>Identify the component of financial plan discussed above.</p>	1
9	<p>Sara had established a homemade papad business in Pune. Papads made by her were very popular in her locality but being the sole owner and manager of the business, she could not introduce many flavours because of limited financial resources.</p> <p>Which of the following characteristic of her business, does this situation imply?</p> <ol style="list-style-type: none"> Individual management and control Easy formation and closure Limited area of operation Unlimited liability 	1
10	<p>Read the following statements: Assertion (A) and Reason(R). Choose the correct alternative from those given below:</p> <p>Assertion (A): In spite of certain restrictions imposed on a private company, it enjoys certain privileges under the Companies Act.</p> <p>Reasoning (R): Only two members are required to form a public company.</p> <p>Alternatives:</p> <ol style="list-style-type: none"> Both assertion and reason are true and reason is correct explanation of the assertion. Both assertion and reason are false Both assertion and reason are true and reason is not a correct explanation of the assertion. Assertion is true. Reason is false. 	1
11	<p>"One-man control is best in the world if that man is big enough to manage everything."</p> <p>This statement holds true for which form of business organization?</p>	1
12	<p>Ratnanjali Ayurveda introduced a new range of products on the basis of the tri doshas. The marketing department is brainstorming on the branding of the new range where the customers can identify the new range easily and at the same time it creates awareness about the type of products this range has. The name 'AyurPrakriti', was adopted by the company and it would be used for all the products under this range.</p> <p>Which type of branding is adopted by Ratnanjali Ayurveda?</p> <ol style="list-style-type: none"> Individual branding corporate branding Umbrella branding Alpha numeric branding 	1

13	 <p>The image given above is an example of:</p> <ol style="list-style-type: none"> Brand Trade mark Brand name Brand mark 	1
14	<p>A company has incurred expenses of Rs.1000 and they want to earn profit margin of 10 % than the company will sell the product at Rs. 1100.</p> <p>Identify the pricing method in the above given scenario.</p> <ol style="list-style-type: none"> Cost plus pricing Penetration pricing Creaming or Skimming pricing One variable pricing 	1
15	<p>An organisation with several products lines has which one of the following mixes that consists of all the product lines and items which a particular seller offers for sale?</p> <ol style="list-style-type: none"> Product mix Brand mix Consumer mix Packaging mix 	1
16	<p>'Shiny Teeth' have been in the field of manufacturing toothpastes since 2010. They decided to foray into the field of other specialized products in oral hygiene. Initially they decided to promote their specialized products to a large audience in the same manner as how they have been promoting their toothpastes.</p> <p>Within a few months they realised that their promotion technique is not working. The marketing team analyzed and came to a conclusion that the specialized products should be promoted to a specific target audience. This idea worked very well and the promotion was a success.</p> <p>Identify all the promotion strategies used by them?</p> <ol style="list-style-type: none"> Above the line Below the line Through the line <ol style="list-style-type: none"> i only ii only i and ii i, ii, iii 	1
17	<p>At BEP, which of the condition is to be fulfilled:</p> <ol style="list-style-type: none"> Total Revenue = Total Profit Total Profit = Total Cost Total revenue = Total cost Total Revenue = fixed cost. 	1
18	<p>If the purchase price is 80% of selling price, and the selling Price is Rs,2,000. Then the gross profit per unit earned by the business is:</p> <ol style="list-style-type: none"> Rs.1,000 Rs.500 Rs.1,600 Rs.400 	1

PART B																				
19	What is meant by environmental scanning? Explain any one advantage of environmental scanning.	2																		
20	Government banned the use of polythene bags and single use plastic material in order to curb the increasing pollution level by dumping of plastics. Sharayu took this as an opportunity and is planning to manufacture biodegradable bags of different sizes by processing the sugarcane bagasse. Create a logo and a tagline for the bags manufactured by Sharayu.	2																		
21	Mahesh, an entrepreneur is planning to enter into a new business of manufacturing laptop bags with an inbuilt lock facility. Being highly complex and tedious, its manufacturing operations need to be well planned. He decides that the complete bag will be manufactured at his own factory i.e., no part of its manufacturing process will be outsourced. a. Identify the important component of business plan that is discussed above. b. Also, explain the situation for which Mahesh may have to prepare the component of business plan identified in (a)	2																		
22	A grocery owner has an equity stake of Rs. 40,000 in the business. He has borrowed Rs. 60,000 at the interest rate of 10% per annum. He made a net profit of Rs. 20,000 in one year. Calculate the Return on Equity for the grocery owner.	2																		
23	Successful launch of a product depends upon various factors. Entrepreneurs have to keep in mind the various ways of reaching the costumers and persuade them to buy their products. In light of the above statement, suggest any two methods to be used by an entrepreneur in attracting the customer to buy the product	2																		
24	Arpit an entrepreneur, was short of capital. He was worried about the fact as to how he will reach out to his customers. He met his friend who is at present working in a start-up firm. He explained to Arpit a way to reach his customers without any middlemen which will help him overcome the shortage of cash. So, Arpit decided to keep his channel of distribution simple as advised by his friend. From the above case: a. Identify the level of the channel of distribution adopted by Arpit b. Explain the channel of distribution mentioned above.	2																		
PART C																				
25	Rohit is working on designing of a unique face mask which would not only filter the air inhaled but also send alert messages on the registered mobile number if the user is in a zone of high pollution. This idea is germinated because of the interest and curiosity of Rohit as he is always interested in finding out the specific current problems and their solutions. Before launching his idea, he also analyzed the pros and cons of the product. Now he has to complete two more steps of an important process. Identify the process. Explain the two steps to be completed by Rohit in the process identified.	3																		
26	A Spa had a varying number of customers during five weeks. The information regarding the number of guests and the average weekly billing is presented in the following table: <table border="1" data-bbox="272 1654 1383 1906"> <thead> <tr> <th>Weeks</th><th>Number of Customers</th><th>Average Amount Billed per customer (in Rs.)</th></tr> </thead> <tbody> <tr> <td>1</td><td>20</td><td>200</td></tr> <tr> <td>2</td><td>34</td><td>170</td></tr> <tr> <td>3</td><td>26</td><td>142</td></tr> <tr> <td>4</td><td>44</td><td>462</td></tr> <tr> <td>5</td><td>36</td><td>350</td></tr> </tbody> </table>	Weeks	Number of Customers	Average Amount Billed per customer (in Rs.)	1	20	200	2	34	170	3	26	142	4	44	462	5	36	350	3
Weeks	Number of Customers	Average Amount Billed per customer (in Rs.)																		
1	20	200																		
2	34	170																		
3	26	142																		
4	44	462																		
5	36	350																		

	<p>From the above given data,</p> <ol style="list-style-type: none"> What is the 'Unit Price'? If the cost of goods sold or variable cost is 60% of the sales price, calculate the 'unit cost' and the 'gross profit' 	
27	<p>Identify and explain the Intellectual Property Rights that have been followed/ violated in the given situations:</p> <ol style="list-style-type: none"> Subir, a chemist at Beyond Health Ltd. developed a unique sulphate free soap base that can be used for making shampoos, face wash, gel, etc. Its formula has been kept confidential by Subir and this will give the enterprise a competitive edge. Pritam, a well-known Bollywood music director allegedly copied the music for his song "Pehli Nazar Mein" for the movie Race from a famous K-pop artist Kim Hyung-Sup's song 'Sarang hae yo'. 	3
28	<p>Satoru dreams of starting his own bakery where he can sell cream-stuffed mochi. However, he realizes that there are many competitors offering their own versions of mochi. Satoru's main goal is to attract as many customers as possible and become a bigger seller compared to his competitors.</p> <ol style="list-style-type: none"> Suggest a pricing strategy that will help Satoru achieve his goal. Mention any two advantages of the suggested pricing strategy. 	3
29	<p>Give the meaning of 'Partnership' form of business organization. Explain the following features of a Partnership:</p> <ol style="list-style-type: none"> Profit sharing Unlimited liability 	3
PART D		
30	What is meant by 'advertising?' State any four rules to be considered while planning any advertising activity.	5
31	You are the CEO of a high-end furniture company specializing in designer sofas. Discuss the factors that will influence your decision in choosing the most effective distribution channel to sell your premium sofas if market is to be focused.	5
32	<p>Surya and his friend Chander are into developing sustainable products that are environment friendly and at the same time carrying value for the customers. They want to develop vegan leather by using Aloe vera. They met the officials from Venture Angles company that promotes young entrepreneurs. Hopeful of a positive response they submitted a detailed, well written, and pleasingly formatted plan.</p> <ol style="list-style-type: none"> Identify and explain the format of business plan presentation used by Surya and his friend. Suggest any other three formats of business plan that Surya and Chander can use to present their business plan. 	5
33	<p>The macro-environment of a firm consists of major uncontrollable forces that affect its decision making and performance. The importance of these factors increases because of the fact that they are outside the firms' control and can have a positive or negative impact on their performance.</p> <p>Investing time in understanding the impact and its level helps managers build better strategies and improve business performance. Otherwise, an environmental change can have a strong adverse impact on its performance and bottom line. For example, if Apple is trying to sell iPhones in China, then it will consider consumer spending, purchasing power of individual</p>	5

	<p>consumers, level of inflation, unemployment and other related factors before it makes important decisions.</p> <p>Finding faster growth in a region can be easier by developing an understanding of the local society and culture. Businesses can accordingly form a business marketing and sales strategy for their products/services or create new products and services for the local market. The growth of mobile technology and the growing use of smartphones and tablets have also led to the emergence of new opportunities for businesses. Businesses that fail to understand how these changes affect their business will not be able to find faster growth.</p> <p>Natural resources are not just raw material but the impact of businesses on nature and the environment is also a critical factor that affects their image and performance. Society and the government are also focusing on how businesses affect nature and their overall size of environmental impact. Governments around the world have formed laws that protect the environment and focus upon preventing the exploitation of natural resources.</p> <p>Quoting the sentence, identify and explain two macro environmental factors from the above article.</p>																	
34	<p>‘Sunbae Ltd.’ manufactures liquid juice for children with minimal additives. They have three varieties of juices. The fixed cost for the production process is Rs. 2,49,000. Show the working.</p> <table><tr><td>Variety</td><td>Orange Juice</td><td>Mango Juice</td><td>Watermelon Juice</td></tr><tr><td>Selling Price per 100 ml in (Rs.)</td><td>155</td><td>175</td><td>195</td></tr><tr><td>Variable Cost per 100 ml in (Rs.)</td><td>75</td><td>95</td><td>105</td></tr><tr><td>Sales Mix</td><td>40%</td><td>30%</td><td>30%</td></tr></table> <p>From the above data, calculate the following:</p> <ol style="list-style-type: none">Total weighted average contribution marginBreak-even quantity for each variety of juiceBreak-even point in rupees for Orange Juice	Variety	Orange Juice	Mango Juice	Watermelon Juice	Selling Price per 100 ml in (Rs.)	155	175	195	Variable Cost per 100 ml in (Rs.)	75	95	105	Sales Mix	40%	30%	30%	5
Variety	Orange Juice	Mango Juice	Watermelon Juice															
Selling Price per 100 ml in (Rs.)	155	175	195															
Variable Cost per 100 ml in (Rs.)	75	95	105															
Sales Mix	40%	30%	30%															