



Date: 4 .12.23
GRADE: XII

MODEL 1 EXAMINATION (2023-24)
ENTREPRENEURSHIP (066)

Max marks: 70
Time: 3 hours

General Instructions:

1. This question paper contains 34 questions
2. The question paper contains 4 sections - A, B, C and D
3. Section A contains Multiple choice questions
4. Section B - 2 marks; Answers to these questions may be from 30-40 words
5. Section C - 3 marks ; Answers to these questions may be from 50-70 words
6. Section D - 5 marks; Answers to these questions may be from 120-150 words
7. Internal choice is given in the paper, there is no overall choice.

S.No.	Question	Marks
Section A		
1	Environmental analysis is required by every firm to determine the opportunities and threats in an organization. What is required to process and analyses the so obtained data? a) Quantitative analysis b) Qualitative analysis c) PESTEL analysis d) Both Quantitative and Qualitative analysis	1
2	'Shiny Teeth' have been in the field of manufacturing toothpastes since 2010. They decided to foray into the field of other specialised products in oral hygiene. Initially they decided to promote their specialised products to a large audience in the same manner as how they have been promoting their toothpastes. Within a few months they realised that their promotion technique is not working. The marketing team analysed and came to the conclusion that the specialised products should be promoted to a specific target audience. This idea worked very well and the promotion was a success. Identify all the promotion strategies used by them?	1

	<p>i) Above the line ii) Below the line iii)Through the line a) i only b) ii only c) i and ii d) i, ii, iii</p>	
3	<p>Mr.Dhambani is the CFO of Cherico Industries. He has to present the analysis of the financial health of the company during the last financial year, 2022-2023. He is making a presentation for the Annual Board Meet. To clearly explain the position, he needs to work on:</p> <p>i. Financial Plan ii. Economic order quantity iii. Return on Investment iv. Break Even Analysis v. Return on Equity a)i and ii b)ii and iii c)iii and v d)iv and v</p>	1
4	<p>Aarnav industries started manufacturing ice-creams under the brand name 'Tasty' .The company decided to use 3D animation techniques which will be projected on buildings. They choose several high raise buildings all over major metropolitan cities and started their advertising campaign. What form of media is the company using?</p> <p>a) Television b) Point of sale c) Ambient d) Cinema</p>	1
5	<p>Identify the various factors which will help the entrepreneur as well as the potential investor from the organizational plan.</p> <p>i. Long-term effectiveness of the enterprise ii.Profitability iii.Specifying the types of skills needed and the roles that must be filled by the members iv.The attitudes, behaviours, dress, communication styles etc., thus chalking out informal organisation.</p>	1

	<p>a) i and ii only b) i, iii and iv only c) i, ii, iii and iv d) i, ii, iii</p>													
6	<p>This promotional technique is deliberately planned and sustained effort to establish and maintain mutual understanding between an organisation and public. This industry grew 12% to touch 1600 crore in Financial Year 2019, according to the fourth 'State of the Industry Survey 2019' report by the Public Relations Consultants Association of India (PRCAI). While media relations continue to be the largest service, non-media relations services now contribute 53 per cent of the industry's revenue. Identify the technique</p> <p>a) Advertising b) Sales Promotion c) Personal Selling d) Public Relations</p>	1												
7	<p>What will be the Net Working Capital of Sukhom Ltd. from the given data?</p> <table border="1"> <tr> <td>Cash</td> <td>Rs. 2,00,000</td> </tr> <tr> <td>Account Receivables</td> <td>Rs. 1,50,000</td> </tr> <tr> <td>Account Payables</td> <td>Rs. 65,000</td> </tr> <tr> <td>Inventory</td> <td>Rs. 3,00,000</td> </tr> <tr> <td>Short term borrowings</td> <td>Rs. 1,00,000</td> </tr> <tr> <td>Outstanding Salaries</td> <td>Rs. 50,000</td> </tr> </table> <p>a) Rs. 6, 50,000 b) Rs. 2,15,000 c) Rs. 8,65,000 d) Rs. 4,35,000</p>	Cash	Rs. 2,00,000	Account Receivables	Rs. 1,50,000	Account Payables	Rs. 65,000	Inventory	Rs. 3,00,000	Short term borrowings	Rs. 1,00,000	Outstanding Salaries	Rs. 50,000	1
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8	<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. Which type of branding is adopted by Ratnanjali Ayurveda?</p>	1												

	<p>a) Individual branding b) Corporate branding c) Umbrella branding d) Alpha numeric branding</p>	
9	<p>Identify the place where transaction happens in shares or debentures subsequent to its primary offering.</p> <p>a) Primary market b) Secondary market c) Capital market d) Securities and Exchange Board of India</p>	1
10	<p>Assertion (A): The basic test of a successful entrepreneur is the identification of business opportunity in the environment. Reason (R): In order to be successful an entrepreneur needs to initiate steps to produce and sell goods and services to make the best use of that opportunity.</p> <p>a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A) c) Assertion (A) is true but Reason (R) is false d) Assertion (A) is false but Reason (R) is true.</p>	1
11	<p>Which among the following is NOT a method of raising the required capital in the primary market?</p> <p>a) Xma Ltd. raised additional finance from existing shareholders by offering securities to them in proportion to the shares they are holding b) Prabhat Luminous Ltd. raised funds by selling its shares mainly to the General Insurance Corporation of India and Army Group Insurance c) To increase the efficiency of the employees and reduce the labour turnover, the management of CVK Ltd. Made employees the shareholders and enabled them to share the profits of the company d) Sujata AI Ltd. raised funds from Mr. Bansal, an affluent individual in exchange for ownership equity.</p>	1
12	<p>Assertion (A): Advertising is a paid form of communication. Reason (R): Successful advertising makes the products or services positively known by that section of the public most likely to purchase them.</p>	1

	<p>a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)</p> <p>b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)</p> <p>c) Assertion (A) is true but Reason (R) is false</p> <p>d) Assertion (A) is false but Reason (R) is true</p>	
13	<p>Assertion (A): The Angel Investors were given the acronym FFF – i.e. FRIENDS, FAMILY, AND FOOLS.</p> <p>Reason (R): Angel investors are high net-worth individuals who have the knowledge, expertise, and funds that help start-ups without due diligence.</p> <p>a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)</p> <p>b) Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A)</p> <p>c) Assertion (A) is true but Reason (R) is false</p> <p>d) Assertion (A) is false but Reason (R) is true</p>	1
14	<p>The United Nations has declared 2023 as the International Year of Millets. Many startup firms were influenced with this news and have started to create their own version using millets. One such company was 'Young You'; they created a new variety of product using millets which was targeted at the young generation. Which of the following stage of enterprise process has the company followed in the above case?</p> <p>a) Opportunity spotting by analyzing the needs and problems that exist in the environment</p> <p>b) Evaluating the ideas received from different sources to find a creative solution</p> <p>c) Identifying a product or service through innovation</p> <p>d) Setting up a project and nurturing it to success</p>	1
15	<p>Farheen, also known online as Fairu, has become a well-known figure on social media. This social media phenom has a staggering 28M Instagram followers, and they support her wholeheartedly. Millions of social media users enjoy her videos and photographs because she understands how to connect with the viewers. Fairu frequently uploads photos and videos to her Instagram account to keep her followers entertained. The fact that this social media celebrity will soon appear in India's most popular reality show marks a significant turning point in her career.</p> <p>Raja an entrepreneur has been following Farheen to spot the</p>	1

	<p>latest trend. Which of the following trend is it?</p> <p>a) Read Trend b) Talk trend c) Watch trend d) Think trend</p>	
16	<p>As a chemistry enthusiast, Athavan was always very innovative and wanted to try out new things. He had an idea of making a new stain remover which will help in removing stains very fast from clothes. He did a market research to find out the various stain removers available in the market to foresee the future of the product in the market.</p> <p>Which of the following step of creative process is he following?</p> <p>a) Idea germination b) Preparation c) Incubation d) Illumination</p>	1
17	<p>The finance minister of India announced in the 2023 budget that the Government has allocated Rs.16,459 crore to the IT ministry, 40% higher than last year to improve various facilities.</p> <p>Which of the following PESTEL factor does the above news article indicate?</p> <p>a) Political b) Economic c) Legal d) Ecological</p>	1
18	<p>Carpet weaving has been a major industry in Kashmir. Barren wanted that this cottage industry to be known worldwide and that it gets its due importance. She along with her friends and help from the government decided to market and sell the same. She organized the required raw material and human resource for carpet weaving. Identify the element of innovation process that Barren is performing.</p> <p>a) Analytical planning b) Organizing resources c) Implementation d) Commercial Application</p>	1

	Part B	
19	State any two objectives of problem identification OR Enlist any two ways in which creative ideas can be generated.	2
20	Jai Prakash Ltd., was running into losses for the past few years. The company appointed a consultant to look into the reasons for the loss. The consultant after analysing everything framed a sales strategy which helped the sales force spend time targeting the correct customer at the right time. This helped the company to revive their profits within a few months. Explain the types involved in this strategy	2
21	Pooja after finishing her catering course wanted to start her pastry shop in her home town - Jaipur. She knew that there were a lot of national and international tourists who visit the place whom she considered as her target customers. She also planned to have a centralized kitchen to make the pastries and then use vans to transport to various shops all around Jaipur. For the same, she also decided to rent a warehouse near to her centralized kitchen. From the above case study, identify and explain the factors which Pooja has paid attention whilst doing market assessment.	2
22	How is franchising a better option for external expansion in case of start-ups? OR How is the channel of distribution influenced by the type of buyer?	2
23	An entrepreneur perceives opportunities, synthesizes the available information and analysis emerging patterns so that it can be shared and supported by all customers, partners, employees and suppliers. Comment on any two factors involved.	2
24	The quantity of jeans sold by a shop is 1,200 per month @ of ₹1100/-. The cost of placing an order and receiving goods is ₹1500/- per order. The inventory holding cost is ₹30/- per annum. What is the economic order quantity for the shopkeeper? OR Given below is the data from the cost sheet of 'Shiv Dhaba'. Calculate the unit price per customer from the information provided.	2

	<table border="1"> <thead> <tr> <th>Week</th> <th>Number of people taking meals</th> <th>Average amount billed (in Rs.)</th> </tr> </thead> <tbody> <tr> <td>Week 1</td> <td>120</td> <td>150</td> </tr> <tr> <td>Week 2</td> <td>60</td> <td>205</td> </tr> <tr> <td>Week 3</td> <td>70</td> <td>146</td> </tr> <tr> <td>Week 4</td> <td>80</td> <td>221</td> </tr> <tr> <td>Week 5</td> <td>90</td> <td>240</td> </tr> </tbody> </table>	Week	Number of people taking meals	Average amount billed (in Rs.)	Week 1	120	150	Week 2	60	205	Week 3	70	146	Week 4	80	221	Week 5	90	240	
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	Part C																			
25	This concept is an identifying symbol for any product or business. It can be any distinctive design, mark, sign which stands associated with the enterprise. Enlist any three purpose of this concept.	3																		
26	What are the three most likely situations which arise before any firm while preparing the production plan? OR Enlist any three points of importance in framing the business plan.	3																		
27	Mittal Industries is into manufacturing of television sets. The company decided to introduce a new range of smart television sets which can use any mobile phone as remote control. The finance department along with the R&D department brainstormed to arrive at an optimal price for the television sets. They decided that the price be fixed based on a manufacturing estimate. Enlist the advantages of fixing price in this manner.	3																		
28	The production plan aims at "plan your work", whereas operations plan ensures "work your plan". In the light of the given statement, examine the relevance of a operational plan for an entrepreneur.	3																		
29	'Finance is the elixir for any business'. Justify the given statement. OR In its vital role as a financial intermediary, capital markets satisfies the tastes of the savers and the need of the investors. Evaluate the given statement.	3																		
	Part D																			
30	What is the most essential component of mergers? Distinguish between the two forms of this component. How does this factor play a key role in deciding whether any	5																		

	<p>organization should go for a merger? OR Differentiate between 'merger' and 'acquisition' as forms of external expansion. Explain the ways in which one business can acquire another.</p>																	
31	<p>The role of a venture capitalist in an organization is dependent on the stage at which an organization is being funded by the venture capitalist. Evaluate</p>	5																
32	<p>Explain in detail the following sources of Idea Fields: a) Natural resources b) Existing products or services c) Market driven ideas d) Trading related ideas e) Service related ideas OR Explain the first five steps involved in idea and opportunity assessment.</p>	5																
33	<p>Karthik is in the business of manufacturing laptop components since 2010. They have been supplying their parts to all major manufacturers. His son Harsh took over the factory in 2022. He had done his Masters in Business Administration and wanted to expand the operations of the company. He planned to start manufacturing laptops to be sold in the Indian market. He discussed the idea with his financial team. They estimated the cost of the project to be around Rs. 65 crores. They decided to take the required funds from potential investors. The financial team of the company decided to make a plan which will explain to the potential investor the ways and means of how the entrepreneur plans to meet all financial obligations. Explain any five components of this plan</p>	5																
34	<p>Fast Rite Ltd. manufactures a variety of stationery but its most popular product is its pen. Three varieties of pens to suit the need of its users. The details of the pens are given in the table below.</p> <table border="1" data-bbox="300 1554 1250 1906"> <thead> <tr> <th>Variety</th> <th>Classic Gel Pen</th> <th>Executive Ball Pen</th> <th>Four-in-one Ball Pen</th> </tr> </thead> <tbody> <tr> <td>Selling Price per unit (in rupees)</td> <td>15</td> <td>21</td> <td>21</td> </tr> <tr> <td>Variable cost per unit (in Rupees)</td> <td>9</td> <td>14</td> <td>19</td> </tr> <tr> <td>Sales Mix</td> <td>20%</td> <td>20%</td> <td>60%</td> </tr> </tbody> </table>	Variety	Classic Gel Pen	Executive Ball Pen	Four-in-one Ball Pen	Selling Price per unit (in rupees)	15	21	21	Variable cost per unit (in Rupees)	9	14	19	Sales Mix	20%	20%	60%	5
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Sales Mix	20%	20%	60%															

	<p>The total fixed cost is Rs. 2,56,000. Calculate the following from the information given above.</p> <ul style="list-style-type: none">i) Total weighted average contribution marginii) Breakeven Quantity for each varietyiii) Break even (in Rupees) for Four-in-one Ball Pen	
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