



Date:
GRADE: XII

TERM 1 EXAMINATION (2024)
ENTREPRENEURSHIP [066]

Max marks: 70
Time: 3

MARKING SCHEME

Qn. No	SECTION A	Marks
1	C-Skills ,knowelege and competencies	1
2	D-(A) And (B)	1
3	B-Physical characteristics	1
4	D-Sole -proprietorship	1
5	A-Peter F.Drucker	1
6	B-Innovation	1
7	B-Production Plan	1
8	D-All of the above	1
9	C-Packaging	1
10	B-Vision	1
11	E-Preparation	1
12	E-Political,Economic,Social,Technological,Legal and Ecological	1
13	A-Read Trends	1
14	D-Think Trends	1
15	B-Talk Trends	1
16	C-Watch Trends	1
17	D-Think Trends	1
18	B-Routing	1

19.	<p>i)He should be innovative ii)He should be willing to take risks iii)Motivator iv)Decision Maker v)Creativity vi)Passionate</p> <p style="text-align: center;">OR</p>	(1+1)
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	<p>i)Only two members are required to form a private company ii)Only two directors are required to constitute the quorum to validate the proceedings of the meetings. iii)Such companies can file a statement in lieu of a prospectus with registrar of companies. iv)It can commence its business immediately after incorporation. v)Holding of a statutory meeting or filing of a statutory report is required by a private company. vi)A non-member cannot inspect the copies of the profit and loss a/c filed with the registrar. (any two points in detail)</p>	
20	<p>Creative Efforts (Idea Field) There are basically five ways in which creative ideas can be generated:</p> <ol style="list-style-type: none"> 1. Develop a new product or service. 2. Improve an existing product or service 3. Find a new process or resource for manufacturing a product. 4. Find new markets for existing products or services. 5. Find a new use of an existing product or service. <p>(any two points in detail)</p>	(1+1)
21	<p>i) Idea fields (ii) The various sources of idea fields are</p> <p>(a) Natural resources (b) Existing products or services (c) Creative efforts (d) Trading related (e) Market or demand driven (any two points in detail)</p>	(1+1)

22	<p>Environment scanning means careful monitoring of an organization's internal and external environment for detecting early signs of opportunities and threats that may influence its current and future plans.</p> <p>To scan the business environment, entrepreneurs receive and harness ideas from different sources. Then they convert these ideas into viable projects.</p> <p>Need for Environment Scanning</p> <p>1. Identification of Opportunities to Get First Mover</p> <p>Advantage By keeping in touch with the changes in the external environment, an enterprise can identify (opportunities and find strategies to capitalize on the opportunities at the earliest. e.g. LPG rationing led the manufacturers to come out with induction cooker.</p> <p>2. Formulation of Strategies and policies It helps in identifying threats and opportunity in the market. These can serve as the basis of formulation of strategies to counter threats and capitalize on opportunities in the market</p> <p>e.g. the depleting reserves of petrol a threat for car manufacturers E-cars or solar pored engines are the outcome of such threats, which fed them to look for alternate sources of energy</p> <p>3 Tapping Useful Resources: If company has a thorough knowledge of environment. the enterprise can tap resources like financial resource, human resources, physical resources, etc., from the market at economical prices at the right time.</p> <p>Eg: Pasco Ltd should buy wheat r its wide variety of biscuits when the new crop comes in the market, as it is available at cheap prices</p> <p>4. Better Performance It can be increased with the timely action in dealing with threats and ailing opportunities for the purpose of improvement in the performance of the firm. e.g. the 'Make in India' scheme declared by the government (a part of political environment) opens new avenues for entrepreneurs to diversify.</p> <p>(any two points in detail)</p>	(1+1)
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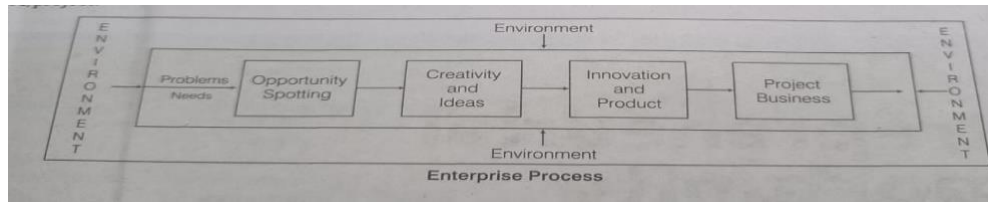
23	<p>i) Elevator pitch</p> <p>a) A hopeful, entertaining slide show and oral narrative that is meant to trigger discussion and interest potential investors in reading the written presentation, i.e. the executive summary and a few key graphs showing financial trends and key decision making benchmark.</p> <p>a) pitch deck with oral narrative</p> <p>b) A written presentation for external stakeholders: A detailed, well written, and pleasingly formatted plan targeted at external stakeholders.</p> <p>c) written presentation for external stakeholders</p> <p>d) An internal operational plan: A detailed plan describing planning details that are needed by management but may not be of interest to external stakeholders. An internal operational plan.</p> <p>(any two points in detail)</p> <p style="text-align: center;">Or</p> <p>1. Curiosity</p> <p>Successful entrepreneurs have a distinct personality trait that sets them apart from other organizational leaders: a sense of curiosity. An entrepreneur's ability to remain curious allows them to continuously seek new opportunities. Rather than settling for what they think they know, entrepreneurs ask challenging questions and explore different avenues.</p> <p>This is validated in the online course Entrepreneurship Essentials, where entrepreneurship is described as a "process of discovery." Without curiosity, entrepreneurs can't achieve their main objective: discovering new opportunities.</p> <p>The drive they have to continuously ask questions and challenge the status quo can lead them to valuable discoveries easily overlooked by other business professionals.</p> <p>2. Willingness to Experiment</p> <p>Along with curiosity, entrepreneurs require an understanding of structured experimentation, such as design thinking. With each new opportunity, an entrepreneur must run tests to determine if it's worthwhile to pursue.</p> <p>3. Adaptability</p> <p>Entrepreneurship is an iterative process, and new challenges and opportunities present themselves at every turn. It's nearly impossible to be prepared for every scenario, but successful business leaders must be moving forward, no matter what unexpected changes occur.</p> <p>(any two points in detail)</p>	(1+1)
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24.

- a) Manpower planning
 b) 1) What kind of people are required? 2) How many people are required?
 3) How will they be selected?

(1+1)

(any two points in detail)



OR

stages of Enterprise Building Process

As depicted in the above diagram, the following stages take place in enterprise building

- Spotting an opportunity by analysing the needs and problems of the society.
- Evaluating the ideas received from different sources to find a creative solution.
- Identifying a product or service through innovation.
- Setting up a project and nurturing it to success.

Thus, sensing entrepreneurial opportunities is a process of converting an idea into an opportunity and then into an enterprise.
 (any two points in detail)

25

(1+1+1)

Market Assessment

Once the entrepreneur has assessed the opportunities, he has to assess the market. Selection of product will depend upon market assessment. The following factors require careful evaluation while assessing the market.

1. Demand The demand of the product should be assessed on the basis of the market being targeted, viz. local markets, or markets at state, national or international level. Also, a study should be conducted on target consumers to assess their tastes and preferences.
2. Supply and Nature of Competition The present supply schedule of the competitors should be assessed. Not only this, future supplies by possible new entrants have to be gauged too.
3. Cost and Price of Product The price of the product should be competitively set with regard to existing competitors of the product. Cost reduction in variable costs should be strived to be achieved. (any two points in detail)

26	<p style="text-align: center;">Or</p> <p>Environmental analysis It is the process of monitoring the economic and non-economic environment, to determine the opportunities and threats to an organization.</p> <p>Such an analysis involves data collection, information processing and forecasting to provide a rational basis for developing goals and strategies for business survival and growth.</p> <p>It helps entrepreneurs to form their policies and strategies to grab opportunities and overcome threats.</p> <p>Information for environmental scanning can be collected from several sources.</p> <p>Sources of data collection Verbal information from customers, wholesalers, retailers, distributors, consultants, etc.</p> <ul style="list-style-type: none"> •Records of companies. • Government publications • Publications by financial institutions. ● Formal studies conducted by strategic planners. The data collected is analysed using quantitative and <p>qualitative techniques. The information received is tested for its economic viability against important environmental parameters to arrive at a sound business choice. (any four points)</p>	<p>(1+1/ 2+1/2 +1/2+ 1/2+1 /2)</p>
	<p>Understanding the business environment is relevant to an enterprise because of the below stated benefits (i) Identification of Opportunities to Get First Mover Advantage By being always vigilant (careful) and aware, an enterprise can identify the opportunities at the earliest. e.g. LPG rationing led the manufacturers to come out with induction cooker.</p> <p>(ii) Formulation of Strategies and Policies The threats are always present from the competitors, for which counter strategies have to be formulated to combat (tackle) competition. Also, opportunities can only be capitalised by suitable strategies and policies. e.g. the depleting reserves of petrol is a threat for car manufacturers. Ecars or solar powered engines are the outcome of such threats, which forced them to look for alternate sources of energy.</p> <p>(iii) Tapping Useful Resources If a company has a thorough knowledge of environment, the enterprise can tap resources like financial resources, human resources, physical resources etc, from the market at economical prices at the right time. e.g. Parle should buy wheat for its wide variety of biscuits when the new crop comes in the market, as</p>	<p>(1/2+ 1/2+1 /2+1/ 2+1/2 +1/2)</p>

	<p>iv) Better Performance It can be increased with the timely action in dealing with threats and availing opportunities for the purpose of improvement in the performance of the firm. e.g. the 'Make in India' scheme declared by the government (a part of political environment) opens new avenues for entrepreneurs. (any four points)</p>	
27.	<p>Break Even Analysis. Calculation of BEP is quite useful for the entrepreneur as it helps in assessing: 1) The minimum level of output to be produced. 2) The effect of change in quantity of output upon the profits. 3) The selling price of the product. 4) The profitable options in line of production.</p>	<p>(1+1/ 2+1/2 +1/2+ 1/2+1 /2+1/ 2)</p>
28	<p>Market assessment is important as it helps the entrepreneur in (1) Demand Analysis of potential customers. This refers to the assessment of the willingness and ability of the customers buy products or services. It analyses the economic status and expenditure pattern of the customers, their needs and numb (ii) Understanding Supply and Competition in the Market It tells about the number of enterprises with their name and share in the market. It also tells about strengths and weaknesses of the product, the credit terms and trade practices followed by enterprises. (iii) Determining Cost and Price of Product The entrepreneur should consider the cost of material labour, overheads and other expenses to determine the price. Pricing is a process of fixing a monetary value to the product or service against its utility. It main depends on cost of products, already in market. (iv) Understanding the Existing Trade Practices The enterprise may involve intermediaries to understand the existing trade practices in the market. This study would indicate the distribution pattern. (v) Project Innovation and Changes Technologica advancements in the field have to be analysed because they may change the quality and influence the cost and price. (any three points)</p>	<p>(1+1+ 1)</p>
	<p>Or</p> <p>1 Individual Brand Name</p>	

	<p>2. Family Brand Name 3. Corporate Names 4. Alpha-Numeric Names</p> <p>(four points in detail)</p>	<p>(1/2+ 1/2+1 /2+1/ 2+1/2 +1/2)</p>
29	<p>Various sources which lead to the emergence of basic ideas are as follows</p> <p>(i) Problem Often a problem leads to the emergence of an idea, e.g. solar lamps due to problem of irregular electricity supplies in suburbs and villages..</p> <p>(ii) Change in the environment in social, legal, technological aspects, lead to new opportunities.</p> <p>(iii) Invention Development of new products or services, etc., are sources of ideas.</p> <p>(iv) Competition It leads to emergence of ideas as the firms are always thinking in terms of beating the competition.</p> <p>(v) Innovation Value addition to existing products and services through creative processes leads to an inovated product/service.</p> <p style="text-align: center;">Or</p> <p>SWOT stands for Strengths, Weaknesses, Opportunities and Threats. SWOT analysis helps to monitor the environment, both internal and external, therefore, it is also referred to as internal and external analysis.</p> <p>Environmental Scan</p> <p>External Analysis</p> <p>Internal Analysis</p> <p>Threats</p> <p>Strengths</p> <p>Weaknesses</p> <p>Opportunities</p> <p>SWOT Matrix</p> <p>SWOT Analysis Framework</p>	<p>(1/2+ 1/2+1 /2+1/ 2+1/2 +1/2)</p>

30	<p>(a) Natural Resources</p> <p>(b) Existing products or service: Improved packaging in chips to retain freshness</p> <ul style="list-style-type: none"> • Market driven ideas: Need for smart phones or need for online tutoring services • Trade related ideas: Flipkart • Service sector ideas: Haldiram or any hotel or restaurant • Creative Efforts: Netflix or Amazon Prime. <p style="text-align: center;">Or</p> <p>Idea and opportunity assessment</p> <ul style="list-style-type: none"> • Product identification • Application and use • Level of operation • Cost • Competition • Technical complexity • Annual turnover and profit margin 	(1+1+1+1+1)
31	<p>A problem is a road block in a situation which sets up a conflict and forces you to find a solution. When one identifies this road block, it is called as problem identification. Objectives of Problem Identification</p> <p>The objectives of problem identification are given below It should clearly state the problem.</p> <p>To identify target group facing the problem. To find the market acceptability of the solution to the problem.</p> <p>Uses of Problem Identification</p> <p>Identification of problem helps the entrepreneur in the following ways -To understand the needs and problems of the market.</p> <ul style="list-style-type: none"> -To bring out new products in the market. -To become creative. -To increase employment generation. -To increase national income of the country. <p>Problems are generally identified by the entrepreneur themselves and sometimes, the problems are present for which the consumers want instant solutions. Here the entrepreneur finds out the solution to their problems by bringing out new products and services.</p> <p>cg most of ready to cook meals are the result of problems faced by youths living by themselves to pursue their careers and studies and also due to the demand generated by nuclear families where females are also working</p>	(1+1+1+1+1)

32	<p>Creativity</p> <p>It is the first stage in the process of innovation which leads to discovery of opportunity and new venture creation. One of the important tasks demanded from entrepreneurs is to manifest creative ability by conceiving a new product market opportunity and unique value proposition.</p> <p>It is seen that the new entrants often start their beginning by giving the reason of novelty, usefulness and appropriateness, which are nothing but an of creativity. extension The entrepreneur must try to get first mover advantage by trying new. The Creative Process</p> <p>Creativity is important to entrepreneurs. The process of creativity involves the following steps</p> <p>Idea</p> <p>germination</p> <p>Preparation</p> <p>Incubation</p> <p>Illumination</p> <p>Verification</p> <p style="text-align: center;">Or</p> <p>Importance of business plan . Various formats in presenting a business plan to prospective investors</p> <ol style="list-style-type: none"> 1.Elevator Pitch 2.A pitch deck with oral narrative 3.Written presentation for external stakeholders 4.An internal operational plan 	(1+1+ 1+1+ 1)
33	<p>Financial plan and its 6 components</p> <ol style="list-style-type: none"> 1.Proforma investment decisions 2.Proforma financing decisions 3.Proforma income statement 4.Proforma cash flow 5.Proforma balance sheet 6.Break even point <p style="text-align: center;">Or</p> <p>Characteristics of company</p> <ol style="list-style-type: none"> 1.Voluntary Association 2.Aritifical person 3.Separate legal entity 4.Common seal 	(1+1+ 1+1+ 1)

34	<p>5.Limited liability 6.Transferability of shares</p> <p>It is the first stage in the process of innovation which leads to discovery of opportunity and new venture creation. One of the important tasks demanded from entrepreneurs is to manifest creative ability by conceiving a new product market opportunity and unique value proposition.</p> <p>It is seen that the new entrants often start their beginning by giving the reason of novelty, usefulness and appropriateness, which are nothing but an of creativity. extension The entrepreneur must try to get first mover advantage by trying new. The Creative Process</p> <p>Creativity is important to entrepreneurs. The process of creativity involves the following steps</p> <p>Idea germination Preparation Incubation Illumination Verification</p> <p>Or i)Idea fields ii)Natural resources,existing product or services,creative efforts,trading related and market or demand driven</p>	(1+1+1+1+1)
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