



**Std. 12**  
**05-01-2018**

**Max. Marks : 70**  
**Time : 3 hrs.**

**General instructions:**

- i) All questions are compulsory.
- ii) There are total 24 questions in all.
- iii) Marks for questions are indicated against each.
- iv) Questions 1 to 5 are Very Short Answer type carrying 1 mark each.
- v) Questions 6 to 10 are Short Answer Type-I questions carrying 2 marks each.
- vi) Questions 11 to 17 are Long Answer Type-I questions carrying 3 marks each.
- vii) Questions 18 to 21 are Long Answer Type-II questions carrying 4 marks each.
- viii) Questions 22 to 24 are Essay Answer Type questions carrying 6 marks each.
- ix) Short Answers should be brief and to the point.
- x) Attempt all parts of a particular question at one place.

1. Define a 'Co-operative Organisation" (1)
2. Vishal was working with Abhinav, a new entrepreneur, as a Production Manager. For smooth and co-ordinated flow of work he had to pay attention towards various elements. To ensure predetermined quality of products he had to compare the performance with established standards. Identify and state the element being discussed above which is related to one of the components of a business plan. (1)
3. What is meant by innovation? (1)
4. How is 'Unit sale' determined in a restaurant providing dinner? (1)
5. Name the method which enables employees to become shareholders and share the profits of the company? (1)
6. Deepanshu wants to do a business which is very innovative, profitable and unique but he is not getting an idea about what business to start. Suggest him different sources to obtain ideas. (2)
7. "Human life is built around works". Identify the form of business organisation being talked about in the following sentences:
  - a) "The one-man control is the best in the world if that man is big enough to manage everything."
  - b) "Two heads being better than one."
  - c) "Self help as well as mutual help system"
  - d) The birth of this legal person is by law and can be put to death by law only. (2)
8. What are Intellectual Property (IP) Rights? (2)
9. Hema Enterprises is dealing in health drinks. The enterprise has been manufacturing "Mother's Choice" a malt based health drink. Adapting to the latest market trends she decided to bring out an improved form of fortified health drink with Vitamin B-12, iron and minerals to increase immunity. She believed that by modifying the product she will be able to create a new product. Identify the concept and define it. (2)
10. Apoorva wants to start a business near to her locality for which she requires capital. State different types of two National level and two State level financial institutions. (2)
11. An organisation has done plantation around its factory premises and only after purifying wastes, it throws it into the drains. Write any three values following by the organisation. (3)

12. How do changes in the market influence an entrepreneur's business concept? (3)
13. Radhika Chadurvedi 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 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.  
a) Identify the component of financial plan discussed above.  
b) By giving any four points, state how this component is useful for the entrepreneur? (3)
14. Rohit after completing MBA from IIM Kolkata has joined a multinational company in the capacity of Marketing Manager. The company deals in the diversified range of products. It deals with electronic items (like LED bulbs, Electronic chokes, blenders etc) engineering goods along with heavy machinery to be used in chemical industries. He has to decide the channels of distribution best suited for the company's product. Therefore, Rohit decided to use wholesalers and retailers for electronic goods and engineering goods and direct selling for heavy machinery.  
a) Identify the element of marketing mix discussed above.  
b) Specify the component of identified marketing mix element stated above.  
c) Name the types of the identified components used by Rohit. (3)
15. 'Healthy juice India Ltd' and 'Asli Juice Ltd' are engaged in the production of fruit juice. Both the companies sell the juice in 1,000 ml tetra packs and are in direct competition. To avoid competition, the management of both the companies decided to merge and form a new company 'Asli Health juice India Ltd'. The new company decided to sell the fruit juice through the company owned outlets throughout the country.  
a) Name and explain the Enterprise Growth Strategy.  
b) Identify the channel of distribution decided by the new company and give any one reason for the selection of this channel of distribution? (3)
16. 'The Shop' a readymade garments retail shop sold 5,000 shirts at Rs. 200 per shirt during the year ended 31<sup>st</sup> March 2017. Cost of placing the order and receiving goods is Rs. 1,000 per order. Inventory holding cost is Rs. 250 per year. Calculate EOQ. (3)
17. "For the smooth and orderly functioning of the corporate sector in a free market economy, stock exchanges are indispensable because of different roles played by them for different groups." Explain the importance of stock exchanges to investors in the light of this statement. (3)
18. Aman an entrepreneur is operating his business without PAN and TAN. Give the values violated here and how it will affect the entrepreneur? (4)
19. Manish wants to start a small toy manufacturing factory. As a part of his business plan, he prepared an entertaining slide show and oral narrative to trigger discussion and create interest in potential investors for reading the written presentation. Identify and explain the formats available to design a successful business plan. (4)
20. Harish a graduate of IIT Delhi, has opened his enterprise designing the product, tools as per the orders. He gave advertisement in the newspaper and got good response within a year, his business progressed and now he have two more branches in other states. To maintain the quality of work he organised a workshop for his employees about the precautions to be taken in product designing. Enlist the important precautions to be taken in a product design which Harish must tell his team members. (4)

21. You propose to set up an automated plant to process and export potato chips. The estimated financial outlay is Rs. 12 crores (not including the cost of land and building) and the working capital estimates Rs. 30 lakhs per month. Explain why you would resort SFC and give the reason for opting for that source. (4)
22. Sheila has a degree in robotics and she loves to design products. She started her career in 'Robotech' which uses high end technology in all their products. Her job profile included travelling a lot also. Whenever she travelled she noticed that disabled people have difficulty in manoeuvring their wheelchair from one place to another because in some places ramp is not provided and there is no way they can walk up the stairs. She came up with an idea of a wheelchair which can be used on stairs easily. She decided to quit her job and start her own company. She realized that her idea was the first stage in the process of innovation. Identify the concept and explain the steps in its process. (6)
23. Best Electronics Ltd., are the manufacturers of 'Air Conditioners' and 'Air Purifiers'. Their fixed costs are Rs. 32,00,000 per year. The sales price and variable cost per unit of 'Air conditioners' and 'Air purifiers' are given below:

Product/ Price	Air Conditioners	Air Purifiers
Sales Price	20,000	5,000
Variable cost	15,000	3,000

- During the year the company could sell 1000 Air conditioners and 1500 Air purifiers and could not break even. The Air conditioners and Air purifiers were sold in the proportion of 2:3 throughout the year. Calculate break even in units as well as in rupees. (6)
24. Explain in detail Porter's Generic Value Chain with the help of diagram. (6)

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