General instructions:

- The Question Paper is divided into 5 parts. There is no overall choice, though internal choice is given.
- 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. Answers may be about 100 words.
- Section D has 3 questions carrying 4 marks each. Answers may be about 150 words.
- Section E has 2 questions carrying 6 marks each. Answers may be about 200 words.

<table>
<thead>
<tr>
<th>Section A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fill in the blank:</td>
</tr>
<tr>
<td>Q1. Prabhav is a budding entrepreneur who is about to pitch in his idea to a group of investors. For presenting his business plan he has made a teaser of about three minutes to awaken the interest of the potential investors. Prabhav is using ____________ format of presenting a business plan.</td>
</tr>
<tr>
<td>Q2. The only reward the Initial Public Offer investors seek is ________________ of their investment.</td>
</tr>
<tr>
<td>Q3. North west Airlines started their operations from India to various parts of the country in the year 2015. The company had been successful in it’s operations as more people preferred to travel by air due to change in the lifestyle and attitude towards work and leisure. It is ________________ factor as per PESTEL model.</td>
</tr>
<tr>
<td>Q4. In April, 1998 the ____________ was constituted as the regulator of capital markets in India under a resolution of the Government of India.</td>
</tr>
<tr>
<td>Q5. ________________ is the first stage in the process of innovation.</td>
</tr>
<tr>
<td>Q6. After assuming the future demand, every company needs to determine when to place an order for stock and how much to order. This can be calculated by using the ________________formula.</td>
</tr>
<tr>
<td>Or</td>
</tr>
<tr>
<td>Gross profit per unit is calculated by using the formula______________________</td>
</tr>
<tr>
<td>Question</td>
</tr>
<tr>
<td>----------</td>
</tr>
<tr>
<td>Q7.</td>
</tr>
<tr>
<td>Q8.</td>
</tr>
<tr>
<td>Q9.</td>
</tr>
<tr>
<td>Q10.</td>
</tr>
<tr>
<td>Q11.</td>
</tr>
<tr>
<td>Q12.</td>
</tr>
<tr>
<td>Q13.</td>
</tr>
<tr>
<td>Q14.</td>
</tr>
</tbody>
</table>
d. It entails all aspects of interaction that a company has with its customer, whether it is sales or service-related.

Q15. Priya joined a Publication Company that publishes a monthly magazine “Lifestylye”. It covers articles related to fitness, clothing, gadgets, cooking etc. Priya had joined the clothing division of the magazine. Her divisional head explained her nature of work of the division. She also informed Priya that in addition to visits to local malls she would have to attend ‘Power lunches’ on the first Monday of every month. Out of the following identify the way of spotting trend, the divisional head is talking about?

a. Talk trends  
b. Read trends  
c. Watch trends  
d. Think trends

Q16. Varun, a student of class XII, observed that a large number of students of the school were using mobile phones. He also observed that many parents of such students were worried about the content being viewed by their children on mobile phones and were not able to control them. Being a talented and an intelligent student he decided to develop an app that may help the parents to watch and control children regarding the content being viewed. From the following identify the “idea field” used by Varun to develop the app?

a. Creative efforts  
b. Trading related ideas  
c. Market driven idea  
d. Natural resources

Q17. ABC Ltd., decided to raise funds by issuing shares. The finance department felt that the company should offer the shares to existing shareholders on a pro-rata basis. Out of the following, identify the method of raising the funds being suggested by the finance department?

a. Public Issue  
b. Rights Issue  
c. Private Placement  
d. Offer to Employees

### Section B

Q.18. From the following information obtained from the financial statements of Bites Ltd., calculate Return on Equity.
Net Income earned - ₹ 10,00,000  
Equity- ₹ 5,00,000

Q.19. Raghav is a very creative person and has always been working on innovating products and services that can make living healthy and hygienic. He developed a design of an air conditioner with an inbuilt air purifier as well. Since he did not get any financial support from any bank, he approached Nirvana Vent (VC), a venture
capitalist firm. Though VC liked the idea but it refused to help Raghav at the
seeding stage and asked him to come again if needed during second round
financing. Why was seed capital not given by VC when it was ready to fund the second round
financing?

Q.20. Why are copyrights and patent important for an entrepreneur?

OR

Differentiate between the two types of sales strategy.

Q.21. Vector Ltd., is in the Fast Moving Consumer Goods industry. They introduced a
new variety of biscuits in the market. It has high fibre content with different new
flavours incorporating various multigrains. Create a tagline for the product and
state which promotion strategy should be used by Vector Ltd.,

Q.22. Vishnu started his factory for manufacturing plastic items in Daman. As per the
advise of his Manager, he appointed ‘Bizmadeeasy’ company to formulate a
business plan for his manufacturing unit. The company in it’s business plan
mentioned the cost of installing a water waste treatment plant within the premises
of the manufacturing unit. Interpret any two socio-economic benefits expected to
acquire from the proposed investment.

Q.23. Rani finished her graduation from Bangalore University. Along with her friends
she decided to travel the European countries for 20 days. She faced a lot of
problems before and during her visit. While applying for visa, she found the
process to be too tedious so she approached a travel agent who helped her but still
it turned out to be expensive. After that she visited various websites to book hotels
and transportation. It was a long process. After leaving India, she found that
language in every European country was different even though English was spoken
widely. She could not find a single app which would cover everything from
obtaining a visa, places to stay, eat and visit in every city. This roadblock inspired
her to come up with a solution.

When she came back to India, she developed an app that can be downloaded on
any phone. The app acts as a virtual guide for every traveller who wants to visit
European countries.

State the objectives of developing this app.

Q.24. List the two things that an entrepreneur has to ensure before selecting an
opportunity

OR

List any two elements of a business opportunity
| Q.25. | Rajesh was a chemical engineer working for a company selling insect killer spray. He was aware how this product could harm the health of the users and was constantly looking for ways to improve the product. Filled with innovative zeal, he worked hard and developed a mosquito repellent which produces sonic waves to drive away mosquitoes. It is non-smoky and does not emit any kind of fragrance or odour. It was safe to use as the sonic waves do not affect human beings or plants. He decided to name his product as ‘Dengularia Free’. The product was to be packed in a corrugated box with an extension cord as free gift. Its price was fixed at Rs. 260 per unit. A replacement warranty for one year will be given as an introductory offer. He decided to sell this product through agents who will sell to both, the wholesalers and retailers depending upon the market to be catered. Quoting the lines from the above para, identify any three elements of marketing mix used by Rajesh. | 3 |
| Q.26. | Pink & Blue Stores sells 1000 insulated water bottles annually. Demand for the product is uniform. Purchase Cost per bottle is Rs.50. Holding cost per annum is 10% of purchase cost. Ordering cost is Rs. 100 per order. Calculate the Economic Ordering Quantity for bottles? | 3 |
| Q.27. | State any six drawbacks of “Public Issue”.
OR
State six points of importance of Stock Exchange from the Investors point of view. | 3 |
| Q.28. | Karan finished his graduation from Polytechnic college in the year 2018. He had specialised in repairing of electronic goods. After few months of his graduation, he met his uncle who has a small factory manufacturing electronic circuits used in Television. His uncle informed Karan that he could no longer run the unit so Karan decided to take over the factory. His uncle had two workers. Karan was able to get a huge order of supplying 10,000 units of electronic circuits every month from a popular TV manufacturing company in India. He knew that to meet the orders timely he has to employ more people. In order to do so he decided to formulate Manpower planning. Describe the factors that Karan has to keep in mind while formulating manpower plan. | 3 |
| Q.29. | Explain the various factors involved in sensing opportunities?
OR
An organisation will have to look into three situations while framing the production plan. Explain these three situations. | 3 |
Section D

Q.30. CleAir Pvt. Ltd. started a business of making three varieties of portable air purifiers for vehicles - Vincent, Banish, Exclusive. From the following information calculate Breakeven point in units for the company and suggest which variety is most revenue generating. Fixed costs are Rs. 15,20,000.

<table>
<thead>
<tr>
<th></th>
<th>Vincent</th>
<th>Banish</th>
<th>Exclusive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Price</td>
<td>800</td>
<td>450</td>
<td>600</td>
</tr>
<tr>
<td>Variable Cost</td>
<td>400</td>
<td>150</td>
<td>200</td>
</tr>
<tr>
<td>Sales mix</td>
<td>50%</td>
<td>20%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Q.31. Why is it important for a business to have an effective sales strategy?

OR

Differentiate between internal expansion and external expansion.

Q.32. Explain the various factors involved in assessing the market while selecting a product or service?

Section E

Q.33. Why is ‘place mix’ regarded as an important element of marketing mix? How does the considerations related to market have an impact on the selection of a distribution channel?

Q.34. Explain the various steps involved in preparing a marketing plan?

OR

Explain are the various elements of an Operational plan?