



MARKING SCHEME
ENTREPRENEURSHIP (066)
CLASS 12 (2025-26)
SET II



Q.NO	VALUE POINTS	MARK SPLIT UP
1.	B. Environment scanning	1
2.	C. (i) and (iv)	1
3.	C. Further Issue	1
4.	A. Both Assertion (A) and Reason (R) are true, and Reason (R) is the correct explanation of Assertion (A).	1
5.	C. Vision	1
6.	B. Proforma Financing decision	1
7.	B. Dependence on government subsidy	1
8.	C. Variable pricing	1
9.	A. Statement 1 is true and Statement 2 is false	1
10.	C. Point of sale	1
11.	B. Separate legal entity	1
12.	B. Absorption	1
13.	D. It helps to recover the cost of Research and development activities	1
14.	B. Rs. 3,00,000	1
15.	C. Angel Investor	1
16.	C. Pareto's 80/20 principle.	1
17.	D. For a manufacturing firm, the operating cycle will be small.	1
18.	A. Primary market	1
19.	Reverse acquisition A private Ltd. Company acquires a public company	1+1
20.	Direct selling- Also known as zero level. No middlemen involved.	1+1

	Producer -----Consumer $EOQ = \sqrt{2 \times P \times D \div C}$ $EOQ = \sqrt{2 \times 100 \times 3200 \div 4}$ $EOQ = \sqrt{160,000} = 400 \text{ units}$	1+ ½ + ½
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OR

	Vanilla	Chocolate	
Selling price per unit (Rs.)	40	20	Contribution 1m
Variable cost per unit(Rs.)	10	10	
Sales Mix %	30 %	70 %	Weighted avg contribution 1m
Contribution	30	10	
Weighted Average	9	7= 15	

22.	It decides the time to place an order Reorder formula= Average daily usage rate X lead time in days	1+1
23.	Existing products or services- entrepreneurs improves the existing products in the	1+1

market.

It helps in

- a. keep up with competition
- b. increasing sales.

24. Identification of opportunities and get first mover advantage 1+1
Formulation of strategies and policies
Tapping useful resources
Better performances
Sensitization of entrepreneurs to cope up with rapid changes
Image building (any two points with explanation)
- OR
- Implementation: Applying the resources to accomplish the plans.
Commercial application: The provision of value to customers, reward employees and satisfy the stake holders (with explanation)
25. clearly state the problem, identify the target market facing the problem, find the market acceptability of the solution of the problem 1+1+1
26. A. ATL (Above the Line): 1+1+1
B. BTL (Below the Line):
C. TTL (Through the Line):
27. 1. Demand- Demand assessment will be based on market size- local, national/ international market. It is the study of consumers tastes and preferences. 1+1+1
2. Supply and nature of Competition-Supply position i.e the picture of quantities of product made available by the existing players are assessed.
3. Cost and price – Assess the cost of the product and compare with available products in the market.
4. Project innovation and change- Study of prevailing innovation and changes by existing entrepreneurs. (any three points with explanation)
- OR
- Application and use -Ideas should be examined for real life use. If it already exists, then modify it.
Level of operation -The entrepreneur will think of producing whether in a cottage industry, small scale or large scale industry.
Cost – The entrepreneur decides the per unit cost of the product. Compare it with its competitors and then decides its sales price.
28. 1. Routing- Determining the exact path a product has to follow from raw material till its transformation into finished product. 1+1+1
2. Scheduling- Fixation of time, day date when each operation is to be commenced and completed.
3. Dispatching- The process of initiating production in accordance with pre-conceived production plan. Issuing necessary orders or instructions to work.
29. Brand name- can be vocalized 1+1+1
Brand mark- can be identified
Trade mark - legal protect for a brand (with explanation)
30. a) Marketing plan 1 m 1+3+1

b) Steps: Establish goals-Realistic, quantifying, measurable standards

Define marketing strategy- Marketing strategy – Product-Price –Place –Promotion

Implementation and monitoring of the plan-Entrepreneur should make the plans flexible for making any adjustments if necessary 3m

c) Geographic, Demographic, Psychographic (any two) 1m

OR

1+1+1+1+1

Importance of business plan.

1. It provides a road map for starting a new venture.
2. It helps in determining the viability of the venture in the market.
3. It guides the entrepreneur in a) Identifying the resources required b) Enabling obtaining of licenses, if required c) Working out with legal requirements
4. It helps in satisfying the queries of people who are interested in the venture.
5. It provides a room for self-assessment and self-evaluation, requiring entrepreneurs to plan the ways to avoid obstacles.
6. It helps to identify the obstacles which cannot be avoided.
7. It serves as an important tool for procuring funds.

31. 1+1+1+1+1

Advantages of franchising to the franchisee

1. Product acceptance The franchisee usually enters into business that has an accepted name, product or service. The franchisee does not have to spend resources to establish the credibility of the business.
2. Management expertise The franchisor provides managerial assistance to the franchisee. They also provide training to the franchisee on all aspects of operating the franchise such as accounting, personnel management, marketing etc.
3. Capital requirements The franchisor supports the franchisee in saving franchisees time and capital by conducting location analyses and market research.
4. Knowledge of the market Franchise business offers the franchisee, years of experience and knowledge of the market. The knowledge is usually reflected in a plan offered to the franchisee that details the profile of the target customer and the strategies that should be implemented.
5. Operating and structural controls The franchisor in order to meet the quality standards, provides the required supplies. Standardisation in the supplies, products and services helps the franchisee to maintain quality standards.

32. 1+1+1+1+1

Public issue

Access to capital

Other advantages

Mergers and acquisition, Higher valuation, Benchmark trading price, Capital formation, Incentives, Reduced business opportunities, Less dilution, Liquidity and Prestige.

OR

Stages of financing:

Early stage financing includes:

Seed capital - used to test the idea and make a prototype

Start-up capital -for initial production and market entry

Second round financing- for early expansion and improvement

Last round financing: Raised for large-scale expansion, marketing, or going public.

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Income statement

Equity	5,00,000	
Debt	10,00,000	
Investment		15,00,000
Sales	20,00,000	
Cost of goods sold	10,00,000	
Gross profit		10,00,000
Fixed expenses	3,00,000	
Depreciation	2,00,000	
Interest on loan	1,00,000	6,00,000
Net profit before tax		4,00,000
Tax 30%		1,20,000
Net profit after tax		2,80,000

G/P 1

EBT 1

Interest on
loan and tax
calculation
½ + ½

Net profit
after tax 1
ROI ½ + ½

$ROI = \frac{\text{Total Investment}}{\text{Net Profit}} \times 100$

$ROI = \frac{2,80,000}{15,00,000} \times 100 = 18.67\%$

34.

Trend spotting

Ways of trend spotting:

Read trend

Talk trend

Watch trend

Think trend

1+1+1+1+1

(with explanation)