



BK BIRLA CENTRE FOR EDUCATION
SARALA BIRLA GROUP OF SCHOOLS
SENIOR SECONDARY CO-ED DAY CUM BOYS' RESIDENTIAL SCHOOL



POST MID TERM EXAM (2024-25)

ENTREPRENEURSHIP (066)

MARKING SCHEME

Class : **XI Commerce**

Date : **6/Jan/2025**

Duration: **1Hr**

Max. Marks: **25**

1.	(A) Both Statements are true	(1)						
2.	(B) Unique Business Produce	(1)						
3.	(C) Assertion (A) is correct, but Reason (R) is incorrect.	(1)						
4.	(A) Both Assertion (A) and Reason (R) are correct and Reason (R) is the correct explanation of Assertion (A).	(1)						
5.	(C) Per square feet	(1)						
6.	(C) Start-up Cost	(1)						
7.	There are four types of manufacturing industries. (i) Analytical industry : Petroleum, Diesel, Kerosene oil, Gasoline (ii) Synthetic industry : Soap, Paints, Cosmetics (iii) Processing industry : Iron and Steel, Sugar, Textile (iv) Assembly industries : Cars, Televisions, Computers, Mobile phones, Watches	(2)						
8.	Price Skimming is a pricing strategy. In this strategy a high price is charged whenever a new (innovated) product is launched in the market. This is does so as the product is unique and there are no competitors producing the same type of product. This strategy is used till others enter the market with a similar product. (i) The product must be highly distinctive and demand for that product is inelastic (ii) The uniqueness must be maintained for some time. (iii) Presence of class market segment.	(2)						
9.	Cash inflow: Sale receipts, Loans received, Interest earned, Sale of assets, Sale of scrap, Rent received, Subsidy from the government. Cash outflow: Purchase of goods, Purchase of assets, Purchase of tools and equipment, Salary and wages paid, Interest on loan paid, Rent paid, Insurance premium, Advertising	(2)						
10.	<table border="1"> <thead> <tr> <th>Fixed Cost</th> <th>Variable Cost</th> </tr> </thead> <tbody> <tr> <td>Fixed cost remains fixed at all levels of output, it does not change with change in output.</td> <td>Variable cost changes with the output.</td> </tr> <tr> <td>Fixed cost is incurred even if the output is zero</td> <td>At zero level of output there is no variable cost</td> </tr> </tbody> </table>	Fixed Cost	Variable Cost	Fixed cost remains fixed at all levels of output, it does not change with change in output.	Variable cost changes with the output.	Fixed cost is incurred even if the output is zero	At zero level of output there is no variable cost	(2)
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11.	Personal selling means selling personally, it involves face to face interaction between buyer and seller. Features of personal selling are (i) Personal interaction: Buyers and sellers have face to face interaction and this helps to observe each other and understand their requirements. (ii) Two way communication: The sellers give important information about their products and the buyers have the chance to clear their doubts before buying. (iii) Better response: The customer pays attention when the seller is explaining about the use of the product. This generally helps in increasing the sale. (iv) Relationship: Coming close to each other helps both the seller and buyers and increases the volume of sale.	(3)						

	(v) Better convincing: The sales person can interact with the buyer and can convince the buyer to purchase the product. So this is regarded as the most effective form of promotion.																																																					
12.	(i) Total fixed expenses : $(1,000 + 100 + 250 + 500 + 200 + 350) = 2,400$ (ii) Break even volume (per day) = Fixed expenses (daily) / Gross Margin per unit $2,400/150 = 16$ units per day	(3)																																																				
13.	Three months Cash Flow Projections	(5)																																																				
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