



INDIAN SCHOOL AL WADI AL KABIR

Class: XII	Department: Commerce	Date of submission: 22/04/2020
Worksheet No: 2	Topic: Enterprise Planning	

MCQ's

1. What is an entrepreneur?
 - A. Someone who invests time and money to start a business.
 - B. Someone who makes a lot of money.
 - C. Someone who takes a risk to make a profit.
 - D. Both A & C.
2. Capital is:
 - A. Money available to invest.
 - B. Prohibitive cost of entry.
 - C. A guarantee that a company will be successful.
 - D. A & B.
3. The following are included in a business plan
 - A. Financial information, production plans, personnel policies.
 - B. Goals of the business and how they will be achieved.
 - C. A step by step plan for the success of your business.
 - D. All of the above.
4. Quality Control is defined as:
 - A. How many & what types of people are shopping at a store.
 - B. Tells you what the customer will buy
 - C. Tells you how much the customer will pay for the product.
 - D. All of the above.
5. A market survey is important because it tells you:
 - A. How many & what types of people are shopping at a store.
 - B. Tells you what the customer will buy.
 - C. Tells you how much the customer will pay for the product.
 - D. All of the above.
6. A partnership deed usually contain the particulars relating to _____
 - (a) Name of firm and partners.
 - (b) Nature of business and duration of firm.
 - (c) Capital contribution, profit/loss sharing ration and other agreed terms.
 - (d) All of these.
7. A business unit whose ownership and management are vested in one person.

- a) Partnership
- b) JHUF
- c) Co- operative society
- d) Sole proprietorship

8. A tax levied on imports by the customs authorities of a country is known as?

- a) VAT
- b) CST
- c) Custom duty
- d) Excise duty

9. All those persons who are required to deduct tax at source or collect tax at source on behalf of Income Tax Department are required to apply for and obtain _____

- a) TIN
- b) TAN
- c) PAN
- d) None of the above

10. Minimum paid up capital required for the establishment of private company is _____

- a) 10 lacks rupees
- b) 5 lacks rupees
- c) 1 lakh rupees
- d) 7 lakhs rupees

11. As per the Co-operative Societies Act, 1912 the rate of dividends paid to the members is restricted to _____

- a) 15 %
- b) 7 %
- c) 9%
- d) 10%

12. Under this plan the transformation of raw material into finished product takes place with the help of energy, capital, manpower and machinery.

- a) Operational plan
- b) Production plan
- c) Financial plan
- d) Organisational plan

LONG ANSWER TYPE BOARD QUESTIONS

1. "One-time transaction or dealing in goods and services is not business, even if one earns profit in return". Identify the essential characteristics of a business from the given details.

2. Tom Monaghan, the founder of Domino's Pizza, had a tough childhood, was raised in orphanages and foster homes. In 1960, Monaghan and his brother Jim BORROWED \$ 900 and bought a foundering Pizzeria in Ypsilanti, Michigan. Jim left within the year, but Tom hung on, surviving two near – bankruptcies and a fire. Monaghan worked eighteen hours a day seven days a week, whole heartedly making Domino's Pizza – A GIANT MNC world over a household name. Started as sole and today a MNC – a long successful journey of 'one big man'.

- a) Identify the form of organization from the details given above.

b) Explain the legal formalities involved in the above identified form of organization. [2015-16]

3. These types enterprise falls in the category of either being a small or a medium scale enterprise and have direct contact with the customers. Their capital and managerial requirements are higher as compared to that of sole proprietorship.

- a) Identify the form of organization based on the information relating to suitability.
- b) What are the consequences of non-registration of this type of organization?
- c) What is the procedure for registration of this form of organization?

4. Discuss the reasons why private companies are more desirable.

5. It is a ten-digit alphanumeric number, issued by the Income Tax Department. It enables the department to link all transactions of the —person with the department.

- a) Name the concept discussed above.
- b) Who are the people who should possess the above identified concept?

6. Explain the following:

- a) VAT [2014-15 sample paper]
- b) Sales tax
- c) Excise duty
- d) Customs duty.

7. Explain the term TAN. Who must apply for TAN?

8. What are the legal formalities involved in the creation of HUF?

9. It is a comprehensively written down document prepared by the entrepreneur describing formally all the relevant external and internal elements involved in starting a new venture. It's a formal statement of a set of business goals, the reasons they are believed attainable and the plan for reaching those goals along with the background information about the organization or/and team attempting to reach those goals.

- a) Identify the concept
- b) Who should prepare the above mentioned concept?
- c) Explain its significance.

10. Identify the format of business plan

It is a three minute summary of the business plan's executive summary. This is often used as a teaser to awaken the interest of potential funders, customers, or strategic partners.

11. It is a system whereby there is achieved a smooth and coordinated flow of work within the factory so that, by planning and control of all the productive operations in all the stages of manufacture, the final product is completed in accordance with the plans.

- a) Identify the type of business plan from the given details.
- b) Explain its elements.
- c)

12. Explain the components of financial plan.

13. "The people working in a firm make it what it is."

- a) Which element of business plan is referred from the above given details?
- b) Explain its content.

14. What are the steps involved in preparing a marketing plan?

15. Differentiate between public company and private company. [Sample paer-2014-15]

16. Although not mandatory, some entrepreneurs may file part I entrepreneur's memorandum District Industries Centre. Why? [2014-15]

17. Distinguish between 'Sales Tax' and 'Excise Duty'. [2015-16]

18. Gaurav started a factory for manufacturing bags for the students of nursery and primary classes. He invested Rs2, 00,000/- of his own and obtained a loan of Rs10, 00,000/-from bank. He made the instruction plan describing the details that were needed for the operation of machines by the workers. Identify and explain the format of 'business plan' described in the above Para [.2015-16]

19. Name and define the form of business organization in which the liability of its members is limited. State one more feature of this form of business organization. [2015-16]

20. It restricts the right of its members to transfer shares and prohibits an invitation to the public to subscribe for any shares or debentures of the company, or accept any deposits from persons other than its directors, members or relatives.

- a) Name the type of organization.
- b) Why is the identified organization more desirable? Give any three reasons. [SP 2018]

21. Bharghavi started a School bag business with her 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. [SP 2018]

22. Sandeep had started his business of dairy products in 2013. He wanted to expand his business but did not have the necessary funds. One of his friends suggested that he should approach Mr. Goel, a venture capitalist for further funds. When Sandeep approached Mr.Goel, he was given three minutes for explaining his business proposition.

- a) Identify and explain the format of business plan referred in the above para.
- 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.
- b) A written presentation for external stakeholders: A detailed, well written, and pleasingly formatted plan targeted at external stakeholders.
- c) An internal operational plan: A detailed plan describing planning details that are needed by management but may not be of interest to external stakeholders. [sample 2014-15]

CASE STUDY TYPE QUESTIONS

23. Deepika wanted to pitch in to reduce the financial crisis prevailing in her house and thought of working as a cook. She started working in three different households, one Punjabi, one Gujrati and one South Indian family. She soon realised that all the three households have different cuisine. All the families greatly appreciated the time frame within which she had mastered the local cuisine. After working for them for a year, she decides to open a small eating joint of her own along with two of her friends named Apna Bhoj. They decided to share profits equally and that each one of them will be liable for acts performed by the other two. Soon the eatery became a hotspot because of the fusion platter which was being offered.

- (i) Identify the kind of business organization which was set up by Deepika and her friends.
 - (ii) Quoting the lines from the paragraph, state the features of this form of business organization.
- [Sample paper 2014-15]

24. Ramsaran, an auto-mechanic, was working in a city. But due to ill health of his parents he was compelled to shift to his village. The village was approximately 2 km away from the nearest highway. He noticed that vehicles which broke down had no repair facility in that area. This gave him an idea to open an Auto-service Centre for earning his livelihood. He motivated some young boys of his village to join him for providing this service. He trained them and employed them in his workshop.

- (i) Identify the source from which Ramsaran's idea emerged.
- (ii) State any other source of idea and one value mentioned in the above para.