

CHOITHRAM SCHOOL MANIKBAGH INDORE
CLASS XII Session: 2017-18

SUBJECT- ENTREPRENEURSHIP
 Scheduled Date:25/08/2017

ASSIGNMENT No.III
 Submission Date. 29/08/2017

Q.no	Questions	Mark														
Very Short Answer																
1.	What do you mean by capital? Why does a business needs capital?	1														
2.	Which costs are directly proportional to the level of output?	1														
3.	<p>‘Janata Foods Ltd.’ is a restaurant situated on a national highway near Hyderabad. The following figures have been extracted from the books of Janata Foods Ltd. :</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Stock of Raw Material</td> <td style="text-align: right;">1,50,000</td> </tr> <tr> <td>Short-Term Loans</td> <td style="text-align: right;">1,83,000</td> </tr> <tr> <td>Trade Creditors</td> <td style="text-align: right;">96,000</td> </tr> <tr> <td>Trade Debtors</td> <td style="text-align: right;">2,25,000</td> </tr> <tr> <td>Dividend Payable</td> <td style="text-align: right;">1,50,000</td> </tr> <tr> <td>Tax Payable</td> <td style="text-align: right;">1,32,000</td> </tr> <tr> <td>Short-Term Investments</td> <td style="text-align: right;">2,28,000</td> </tr> </table> <p>From the above information, calculate the following :</p> <p>(a) Gross Working Capital (b) Net Working Capital</p>	Stock of Raw Material	1,50,000	Short-Term Loans	1,83,000	Trade Creditors	96,000	Trade Debtors	2,25,000	Dividend Payable	1,50,000	Tax Payable	1,32,000	Short-Term Investments	2,28,000	1
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Very Short Answer																
4.	The Fancy Store’ a readymade garments retail shop sold 8,000 shirts at Rs.400 per shirt during the year ended 31st March, 2014. Cost of placing an order and receiving goods is Rs.2000 per order. Inventory holding cost is Rs.500 per year. Calculate the ‘Economic Order Quantity’ for ‘The Fancy Store’.	2														
5.	A book shop sells pens 30,000 qty per year. Demand is uniform. Purchase cost is 6/- per pen. Holding cost per annum is 20% of purchase cost. Ordering cost is 500/- per order. What should be the EOQ for the shop keeper?	2														
6.	Find out Economic Order Quantity from the following particulars: (i) Annual usage: 6000 units (ii) Cost of material per unit: Rs. 20/- (iii) Cost of placing and receiving one order: Rs. 60/- (iv) Annual carrying cost of one unit: 10% of inventory value	2														
7.	ABC Ltd. is engaged in sale of footballs. Its cost per order is Rs. 400 and its carrying cost unit is Rs.10 per unit per annum. The company has a demand for	2														

	20,000 units per year. Calculate economic order Quantity.																					
	Short Answer																					
8.	<p>Following information is related to sales-mix of registers having 100 pages, 200 pages and 300 pages :</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Register</th> <th>100 pages</th> <th>200 pages</th> <th>300 pages</th> </tr> </thead> <tbody> <tr> <td>Sales price per unit</td> <td style="text-align: center;">30</td> <td style="text-align: center;">42</td> <td style="text-align: center;">72</td> </tr> <tr> <td>Variable cost per unit</td> <td style="text-align: center;">18</td> <td style="text-align: center;">28</td> <td style="text-align: center;">38</td> </tr> <tr> <td>Sales mix percentage</td> <td style="text-align: center;">20%</td> <td style="text-align: center;">20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td>Total fixed cost</td> <td colspan="3" style="text-align: center;">Rs. 80,000</td> </tr> </tbody> </table> <p>Calculate:</p> <p>a. Weighted-average-contribution per unit for the sales-mix. b. BEP in units</p>	Register	100 pages	200 pages	300 pages	Sales price per unit	30	42	72	Variable cost per unit	18	28	38	Sales mix percentage	20%	20%	60%	Total fixed cost	Rs. 80,000			3
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9.	Name and explain the concept which states that a particular volume of production, a firm neither makes a profit nor a loss.	3																				
10.	The computation of EOQ is based on certain assumptions. What are they?	3																				
	Long answer																					
11.	<p>You have started a beauty parlor business. You spent 5,00,000 to open the parlor of which you invested 3,00,000/- of your own money and borrowed a loan for 2,00,000. Interest rate per annum is 4%. Sales revenue per month is 35,000. Cost of goods sold is 10,000 per month.</p> <p>Fixed expenses per month is 15,000 (salary 7,000, rent and utility 8,000), yearly depreciation 1,000/- and tax @ 8%. Calculate the Return on Equity.</p>	5																				
12.	<p>Harsha started her herbal beauty products shop in Chandigarh with a capital of Rs. 9,00,000. She took loan of Rs.5,00,000 from the State Bank of India at 9% p.a. interest. During the year ended 31st March, 2016 her sales were Rs.20,90,000 and the cost of goods sold was Rs.15,30,000. She paid monthly rent of the shop Rs.11,000 and a monthly salary of Rs.25,000 to the employees. The tax rate is 30%.</p> <p>Calculate :</p> <p>a. Return on equity b. Return on investment.</p>	5																				

Choithram School, Manik Bagh, Indore