# ISC

# INDIAN SCHOOL CERTIFICATE EXAMINATION

## YEAR 2028




# ENTREPRENEURSHIP (859)

Developed by:
Research, Development and Curriculum Division (RDCD)
CISCE

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# Council for the Indian School Certificate Examinations (CISCE)

## MISSION STATEMENT

***The Council for the Indian School Certificate Examinations is committed to serving the nation's children, through high quality educational endeavours, empowering them to contribute towards a humane, just and pluralistic society, promoting introspective living, by creating exciting learning opportunities, with a commitment to excellence.***

## ETHOS OF CISCE

- Trust and fair play.
- Minimum monitoring.
- Allowing schools to evolve their own niche.
- Catering to the needs of the children.
- Giving freedom to experiment with new ideas and practices.
- Diversity and plurality - the basic strength for evolution of ideas.
- Schools to motivate pupils towards the cultivation of:
  **Excellence** - The Indian and Global experience.
  **Values** - Spiritual and cultural - to be the bedrock of the educational experience.
- Schools to have an 'Indian Ethos', strong roots in the national psyche and be sensitive to national aspirations.

# CLASS XII

*There will be **two** papers in the subject:*

***Paper I -** Theory: 3 hours ……70 marks*

***Paper II-** Project Work ……30 marks*

## PAPER I (THEORY) : 70 Marks

| S.No. | UNIT | WEIGHTAGE |
|---|---|---|
| 1. | Enterprise Formation and Business Set-up | 15 Marks |
| 2. | Entrepreneurial Ecosystem | 15 Marks |
| 3. | Finance and Business Arithmetic | 10 Marks |
| 4. | Entrepreneurial Marketing | 15 Marks |
| 5. | Enterprise Growth Strategies | 10 Marks |
| 6. | Enterprise Exit Strategies | 5 Marks |
| **TOTAL** | | **70 Marks** |

### 1. Enterprise Formation and Business Set-up

Forms of business organisations; The Entrepreneurial Life Cycle

(i) Forms of business organisations in the private sector: *Meaning, features and distinction between Sole Proprietorships, Partnership, Limited Liability Partnership (LLP), One Person Company (OPC), Private Limited Company, Public Limited Company, Company limited by shares, Company limited by guarantee, Hindu Undivided Family (HUF), Family Managed Businesses*.

(ii) The Entrepreneurial Life Cycle: *Purpose and characteristics of the four stages (Idea, Launch, Growth, and Exit.)*

### 2. Entrepreneurial Ecosystem

Entrepreneurship Opportunities; Bottom of Pyramid; Opportunities and challenges for entrepreneurs in the impoverished socio-economic group; Entrepreneurial Environment; Current Entrepreneurship Trends; Indian Startup Ecosystem

(i) Entrepreneurship Opportunities: *Opportunity sensing, environment scanning, problem identification, idea fields, trend identification, creativity and innovation, and choosing the best opportunity*.

(ii) Bottom of Pyramid (BOP): *Meaning and assumptions of BOP.*

(iii) Opportunities for entrepreneurs in the impoverished socio-economic group: *Affordable products and services, product redesign and innovation - frugal/jugaad solutions, new market creation, inclusive business models, and access to technology*.

(iv) Challenges for entrepreneurs in the impoverished socio-economic group: *Distribution in remote or underdeveloped areas, adapting to local cultures and literacy levels, thin profit margins, and risk of exploitation if not handled ethically*.

(v) Entrepreneurial Environment: *Political, economic, social, technological, legal, and environmental (PESTLE).*

(vi) Current Entrepreneurship Trends

(a) *Niche Market*
(b) *The Gig Economy*

(c) *Subscription-based Business*
(d) *Social Commerce*.
*(A basic understanding of the above concepts.)*

(vii) Indian Startup Ecosystem: *A basic understanding of the ecosystem comprising high innovation in frugal and scalable solutions, focus on tier 2 and tier 3 cities for inclusive growth, strong presence in B2B and B2C models, integration of social entrepreneurship, impact-driven startups, startup incubators, and accelerators).*

## 3. Finance and Business Arithmetic

Financial Literacy; Common Terminology in Finance; Sources of Finance: Business Arithmetic

(i) Financial Literacy: *Meaning and importance of financial literacy to entrepreneurs - reducing financial errors, achieving entrepreneurial goals, and enhancing financial health.*

(ii) Common terminology in finance: *Budgeting, cash flow management, return on investment, risk management, credit management, break-even point, collateral, bootstrapping, unit economics, burn rate, runway and zero balance account.*
*(A basic understanding of the above terminology).*

(iii) Sources of Finance:
(a) *Internal sources of finance/Owned Capital: Equity shares, preference shares, and retained profit.*
(b) *External sources of finance/Borrowed Capital: Financial institutions, commercial banks, family and friends, overdrafts, venture capitalists, angel investors, crowdfunding, trade credit, factoring, public deposits, debentures, government grants*
(c) *Non-banking financial companies (NBFCs)*
(d) *International Financing: Global Depository Receipts (GDRs) and American Depository Receipts (ADRs)*
*(A basic understanding of the above sources of finance)*

(iv) Business Arithmetic
(a) *Working Capital*
(b) *Inventory Control and EOQ*
(c) *Return on Investment*
(d) *Return on Equity*
(e) *Inventory Turnover Ratio*
*(Simple arithmetical computation of the above financial metrics and ratios.)*

## 4. Entrepreneurial Marketing

Entrepreneurial Marketing; Market Sizing; Market Positioning Tools; Marketing Strategies; Forms of Entrepreneurial Marketing; Types of Digital Marketing; Marketing Promotional Tools.

(i) Entrepreneurial Marketing: *Meaning only.*

(ii) Market Sizing: *Market potential, Total Addressable Market (TAM), Serviceable Available Market (SAM), and Serviceable Obtainable Market (SOM).*

(iii) Market Positioning Tools: *Unique Selling Proposition (USP), Points of Parity (PoP), and Points of Difference (PoD).*

(iv) Marketing Strategies: *Differentiation strategies, Blue Ocean, and Red Ocean.*

(v) Forms of Entrepreneurial Marketing: *Guerrilla Marketing, Buzz Marketing, and Viral Marketing.*

(vi) Types of Digital Marketing: *Email, Social media, Short Message Service (SMS), Search Engine Optimisation (SEO), and Pay-per-click.*

(vii) Marketing Promotional Tools: *Branding, Advertising, Sales Promotion, Public Relations, Direct Marketing, and Customer Relationship Management (CRM).*

## 5. Enterprise Growth Strategies

Franchising; Mergers and Acquisitions; Change Management

(i) Franchising:

(a) *Concept of franchising; the franchisee and franchisor relationship; advantages and disadvantages of franchising to the franchisee and the franchisor.*

(b) Types of franchise models: *Company Owned Company Operated (COCO), Company Owned Franchise Operated (COFO), Franchise Owned Company Operated (FOCO), Franchise Owned Franchise Operated (FOFO).*

(*A basic understanding of the above types of franchise models*).

(ii) Mergers and Acquisitions:

*(a) Mergers and Acquisitions: Meaning and distinction between mergers and acquisitions.*

*(b) Types of Mergers and Acquisitions: Horizontal, Vertical and Conglomerate.*

*(c) Motives for Mergers and Acquisitions: Unlocking synergies, higher growth, stronger market, power diversification, and tax benefits.*

*(d) Advantages of Mergers and Acquisitions: Expanding market reach, diversification, economies of scale, enhanced financial capacity, and access to new technologies and innovation.*

*(e) Disadvantages of Mergers and Acquisitions: Potential for culture clash, management issues, regulatory hurdles, financial risks, loss of brand identity, and employee turnover.*

(iii) Change Management

*(a) Meaning of Change Management*

*(b) Reasons for resistance to change:*

- *Organisational reasons: fear of the unknown, costs involved, management's lack of faith in change, and constraints of organisational structure.*
- *Individual reasons: habits and conventions, fear of the unknown, zero tolerance to change, fear of economic loss, redundancy of skills, egoistic attitude, peer pressure, and social displacement.*

*(c) Overcoming resistance to change: Brief explanation of Kurt Lewin's model of change, ADKAR model for change and Kotter's Eight Step Process.*

## 6. Enterprise Exit Strategies

Family succession, Management buyout (MBO), Initial Public Offering (IPO), and Liquidation.

*(A basic understanding of the above exit strategies).*

## PAPER II (PROJECT WORK) : 30 MARKS

Candidates are expected to complete **any two** of the given three assignments.

**The project work/report will be assessed by the teacher and a Visiting Examiner appointed locally and approved by CISCE.**

**ASSIGNMENT -1**

**Written Project Work**

**The hard copy of the project work should be submitted by the candidate to the subject teacher.**

**Marks allocation for the project [15 marks]:**

| | |
|---|---|
| Overall format | 2 marks |
| Content | 4 marks |
| Data Analysis and Interpretation | 3 marks |
| Findings and Recommendations | 3 marks |
| Viva-voce based on the Project | 3 marks |

**A list of suggested Projects is given below:**

1. Conduct a survey in the current market to identify consumer problems or unmet consumer needs. Propose a new business idea that fills this gap by creating an entrepreneurial opportunity.
2. Conduct a comparative study of digital marketing platforms commonly used by small businesses or startups.
3. Research any two companies that have been classified as Unicorns/Indicorns. Prepare a report on the strategies they adopted to achieve their exceptional goals.
4. Study the impact of the business environment on any two startups that failed. Research the factors that led to their failure despite being considered “overnight stars” in the market.
5. Prepare a comparative study of any two entrepreneurial ventures with reference to their inventory ratios, profitability ratios and return on investment.

## ASSIGNMENT 2

### Report on a Field Visit / Study Tour

**Marks allocation for the project [15 marks]:**

| | |
|---|---|
| Presentation of the Report | 2 marks |
| Contents of the Report | 5 marks |
| Findings and Recommendations | 5 marks |
| Viva-voce based on the Project | 3 marks |

**A list of suggested visits is given below:**

1. Organise a campaign in a secondary school to raise awareness about business opportunities available in the region/sector and to encourage aspiring entrepreneurs.
2. Visit a social entrepreneur/NGO and conduct an interview to learn about their journey from ideation to launch. After the interview, students must present their observations to their peers in the presence of the subject teacher. Photographs or a video clip of the interview must also be presented as evidence.
3. Visit any two popular franchises of companies and classify them as COCO, COFO, FOCO, FOFO. Evaluate the characteristics of these forms of franchising along with their merits and demerits for both the franchisor and franchisee.
4. Explore the local supermarket in the local area. Conduct market research on the following food categories:
   - Ready-to-eat food
   - Ready-to-cook food

   Develop a business plan. Create a fictitious website and upload the brand name, slogan, logo, and the list of products *viz-a-viz* your business plan.
5. Visit a business that has been part of a merger or acquisition. Study the impact of the merger or acquisition on its leadership structure, growth, and customer experience.

## ASSIGNMENT 3

### Internship

Student are expected to complete internship in an organisation that does not belong to their family during the vacation period for a duration of 7 to 10 days.

They must follow the instructions given to them for any work assigned during that time and observe the working of the organisation.

Students have to prepare a report based on their observations about the organisation and its various departments. The feedback form that is provided in the annexure is to be certified an authorised representative of the Company/Firm and submitted to the subject teacher.

The school may also certify the successful completion of the internship. The students may include this experience in their CV.

### Internship Evaluation Form

**Name of Student:**

**Name of the Company/Firm:**

**Date of Internship From…… To……**

**Performance Evaluation of the Candidate:**

| Parameter | Excellent | Very good | Good | Fair |
|---|---|---|---|---|
| Punctuality and regularity | | | | |
| Communication Skills | | | | |
| Quality of Work | | | | |
| Adaptability to Task | | | | |
| Initiative and Proactivity | | | | |

Observations apart from the above _____

**Date:**

**Place:** **Seal of the Organisation** **Signature**

**Marks allocation for the Internship (15 marks)**

| | |
|---|---|
| Feedback from the Organisation | 4 marks |
| Contents of the Report | 4 marks |
| Findings and Recommendations | 4 marks |
| Viva-voce based on the Internship | 3 marks |

(This is a suggestive format. The school may modify it to suit its requirements)

**NOTE: No question paper for Project Work will be set by CISCE.**

## SAMPLE TABLE FOR PROJECT WORK

| S. No. | Unique Identification Number (Unique ID) of the candidate | PROJECT/ASSIGNMENT 1 | | | | | PROJECT /ASSIGNMENT 2 | | | | | TOTAL MARKS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | A | B | C | D | E | F | G | H | I | J | |
| | | Teacher | Visiting Examiner | Average Marks (A + B ÷ 2) | Viva-Voce by Visiting Examiner | Total Marks (C + D) | Teacher | Visiting Examiner | Average Marks (F + G ÷ 2) | Viva-Voce by Visiting Examiner | Total Marks (H + I) | (E + J) |
| | | 12 Marks* | 12 Marks* | 12 Marks | 3 Marks | 15 Marks | 12 Marks* | 12 Marks* | 12 Marks | 3 Marks | 15 Marks | 30 Marks |
| 1 | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| 10 | | | | | | | | | | | | |

*For breakup of the 12 Marks to be awarded separately by the Teacher and the Visiting Examiner, please refer to the table giving the criteria for mark allocation for *each* project/assignment.

**NOTE: VIVA-VOCE (3 Marks) for each Project/Assignment is to be conducted only by the Visiting Examiner, and should be based on the Project only.**