

# Model Lesson Plan

Subject - Entrepreneurship

Period – 40 Minutes

Class – XI

Topic – Cost

Unit- Business Finance and Arithmetic.

## Learning –Outcomes-

After completion of the topic, the students will-

- ❖ Understand the concept of cost. They will also evaluate the cost of different goods and services available in market.
- ❖ Analyse and apply different type of cost in their surroundings.
- ❖ Determine the cost of any product and differentiate different types of costs.

## Learning-Objectives-

### 1. Cognitive Domain:-

Knowledge - The students will be able to recall the concept of cost.

Comprehension – The students will be able to describe the types of cost.

Application – The students will be able to apply the concept of cost in their daily life situations.

### 2. Affective Domain :-

Interest - The students will be able to take interest in concept of cost show curiosity in determining cost of various goods and services.

Attitude –The students will be able to show the positive attitude towards implementation of various types of cost.

### 3. Psychomotor Domain:-

Skill –The students will be able to determine the cost of various goods and services in their surroundings to differentiate start up cost, fixed cost and variable costs.

## Learning Resources :-

- ❖ NCERT book of Entrepreneurship.
- ❖ Charts.
- ❖ Internet.
- ❖ Digital Board.
- ❖ Goods available in classroom such as Benches, Tables, Chairs, School Bags etc.
- ❖ Market.

## **Methods to facilitate Learning :-**

- ❖ Question – Answer Method.
- ❖ Explanation Method.
- ❖ Inductive Method.
- ❖ Demonstration Method.
- ❖ Interaction Method.

## **Previous Knowledge Assumed :-**

Students may have knowledge of expenses, profit, market.

## **Previous Knowledge Test :-**

Sr. No.	Teacher's Activity	Student Response
1.	What do you mean by Expenses?	Expenses are the amount of money used to be spent to make a sellable product.
2.	What is Profit?	Profit is the amount gained by selling a product above expenses.
3.	What is Market?	Market is the place where goods and services are bought and sold.

## **Introduction of the Topic:-**

Today, we will discuss in detail about cost and its types.

## **Presentation:-**

Teaching Point	Teacher's Activity	Student's Response Activity	Writing Board Summary
<b>Engage</b>	Teacher asks – “Tell me the price of your school – bags.”  What is the price of your water Bottle?  What is the price of your school dress?	Student – price of my school bag is Rs.500.  Student-price of water bottle is Rs200.  Student – price of my School dress is Rs600.	School Bag – Rs500.  Water Bottle –Rs 200.  School Dress - Rs 600.

<p><b>Elaborate Cost</b></p>	<p>What is the price of your Note book and pens.</p> <p>Teacher again asks-“School Furniture, Chalk, Duster or Almira, etc. also have a price or Not.”</p> <p>Well done, dear student Tell me one more thing –“Is the price of these products same as the expenses of making these.”</p> <p>Teacher says –“Yes, You are absolutely right.” Price = Expenses +Profit.</p> <p>”What is cost?”</p> <p>If we talk about your school bag, notebook, pens, chalk etc, then the expenses of manufacturing these items are called cost,  <math>Cost = Price - Profit</math>  <u>Cost-</u>  “A cost is a derived value of money consumed to produce a current or future outcome.”</p> <p>Teacher asks - Are the Cost and Expenses Same or not</p> <p>No, Dear students, there is a little difference between cost and expenses. But we use cost and expenses</p>	<p>Student –price of Notebook is Rs50 and Pen is Rs20.</p> <p>Student – all these items also have some price. Every product have some price on which it is sold.</p> <p>No, Expenses of making a product are always less than price.</p> <p>Yes, Both of these are same.</p>	<p>Notebook –Rs 50  Pen –Rs 20</p> <p>Price=Expenses + Profit</p> <p>Cost= Price-Profit  Cost- cost is a derived value of money consumed to produce a current or future outcome.</p>
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<p><b>Explain</b> Types of Cost.</p>	<p>interchangeably. <u>Example-</u> A business pays Rs 1,20,000 at beginning of year as insurance- premium. This is an Expense. Every month Rs 10,000 is charged as insurance premium before arriving at business- profitability. This is cost of insurance per month.</p> <p>Now, we will discuss the different types of cost, We have mainly two types of cost-</p> <ul style="list-style-type: none"> <li>1- Start up cost</li> <li>2- Operational Cost</li> </ul> <p>Teacher asks- What is Start-up cost?</p> <p><u>Start up Cost</u> – is the cost which is incurred initially a business is started, it consists of expenses for (a) acquiring assets as well as (b) for acquiring initial raw-material and other related items for initial expenses.</p> <p>Teacher asks – Can you give examples of Start up cost?</p> <p>Example – Land, Building, Machine, Furniture, Vehicles etc.</p> <p>Teacher asks- What is Operational Cost? Operational Cost are the cost</p>	<p>Students Listen Carefully.</p> <p>Start up costs is the cost of starting something.</p> <p>Land, Machine, Building etc,</p>	
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<p><b>Explore</b></p>	<p>for carrying out day to day operations of business or enterprise, operational costs are of two types-</p> <ul style="list-style-type: none"> <li>1- Fixed cost</li> <li>2- Variable Cost</li> </ul> <p>Teacher asks- What is fixed cost?</p> <p>Yes, dear students, you are right,</p> <p><u>Fixed cost</u> is referred to as the cost that does not register a change with an increase or decrease in the quantity of goods produced by firm” Example – Salary, Rent, etc.</p> <p>“What is variable cost”</p> <p>Variable Cost is the cost which shows variations as per changes in the level of production. Example- labour cost, cost of Raw material, etc.</p>	<p>Students listen very carefully</p> <p>Fixed cost is a cost which does not charge.</p> <p>Variable cost is a cost which varies according to level of production.</p>	<p>Fixed cost is referred as the cost that does not register a change with level of production.</p> <p>Variable cost in the cost which shows variations as per changes in the level of production.</p>
<p><b>Evaluate</b></p>	<p>Teacher asks questions from</p>		

	<p>the topic which has been taught.</p> <p>1- What is cost?</p> <p>2- What are the types of cost?</p> <p>3- Is cost and expenses same?</p> <p>4- What is start up cost?</p> <p>5- What is operational cost?</p>	<p>Cost is the derived value of money consumed to produce a product.</p> <p>Cost has two types-</p> <p>a) Start up cost b) Operational cost</p> <p>No, these are different but can be used interchangeably.</p> <p>Students answer all the questions.</p>	<p>1- What is cost?</p> <p>2- What are the types of cost?</p> <p>3- Is cost and expenses same?</p> <p>4- What is start up cost?</p> <p>5- What is operational cost?</p>
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### **Recapitulation-**

1. Cost is a derived value of money consumed to produce a current of future outcome.
2. Costs are of two types- Start up cost and operational cost  
There are also two types of           Operational Cost

Fixed Cost

Variable Cost

### **Home work/ Follow up Activity-**

1. Write the meaning of following terms:-
  - a) Cost           b) Expenses           c) Start up Cost
  - d) Operational Cost           e) Fixed Cost           f) Variable Cost

2. Make a chart showing difference between fixed cost and variable cost
3. Prepare a list of your daily routine items and also write the cost and price of each items.