

General Instructions:

- i) The question paper contains 4 sections- A, B, C, and D.
Section A contains Multiple Choice questions.
Section B - 2 marks.
Section C - 3 marks.
Section D - 5 marks.1
- ii) Internal Choice is given in the paper, there is no overall choice.

Section – A

1. 'Entrepreneurs introduce something new to any branch of economic activity.' Out of the following, identify the entrepreneurial function stated in the above line:

a) Risk Taking	b) Organisation Building
c) Invention	d) Management
2. Which of the following is not an advantage of entrepreneurship?

a) Excitement	b) Originality
c) Independence	d) Scheduled work hours
3. KFC was started in Corby, Kentucky, USA by Sanders. He was operating a gas service station. He noticed that the travelers visiting the service station were hungry and looking for some eatables. Sanders knew a secret blend of eleven herbs and spices with which he can prepare tasteful chicken recipe. He started to serve this recipe to the travellers. This recipe became a bit hit and to cope up with the demand he started a restaurant. This led to the inception of "KFC- Kentucky Fried Chicken". Identify the entrepreneurial function stated in the above line.

a) Planning	b) Discovery of an idea
c) Accounting	d) Assembling the requirements
4. Sanjay Gandhi, the founder of Maruti Suzuki India Ltd., which is in the business of car manufacturing and offering car related services, is an example:

a) Industrial Entrepreneurs	b) Corporate Entrepreneurs
c) Business Entrepreneurs	d) Trading Entrepreneurs
5. What is the name given to such entrepreneurs who are not ready to make changes in their existing production methods even if they suffer losses?

a) Imitative Entrepreneur	b) Innovative Entrepreneur
c) Drone Entrepreneur	d) Fabian Entrepreneur
6. A person who adopts or copy an idea or strategy which is used by the most successful entrepreneurs is called?

a) Imitative Entrepreneur	b) Innovative Entrepreneur
c) Drone Entrepreneur	d) Fabian Entrepreneur
7. No one knew, they needed a tablet, or a smartphone, or a better way to listen to music until Steve Jobs changed the rules with his innovative vision. By daring to envision what was possible and then acting on it, he brought his dream to life and offered it to the masses. Somehow, he knew what consumers wanted before they did. According to the above para, the personality type of Steve Jobs is:

a) Trailblazer	b) Go Getter
c) Manger	d) Motivator
8. Out of the following, identify the reason why evaluating an idea is important for researching the venture's feasibility:
 - a) To minimise risks while maximising return.
 - b) To identify strengths and weaknesses of the idea.
 - c) To make the best use of limited resources.
 - d) All of the above.
9. Out of the following, which one is not an element of Business Plan?

a) Business Venture	b) Production Plan
c) Appendix	d) Environment Scanning

10. Assertion (A): Social Entrepreneurship mostly follow cooperative and collaborative strategy.
Reason (R): Social Entrepreneurship focuses on social well being, people who have poor working capital and less market orientation.
Choose the correct answer out of the following choices.
- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 - Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
 - Assertion (A) is true but Reason (R) is false.
 - Assertion (A) is false but Reason (R) is true.
11. Business Risk means chances of loss in the business or decrease in the profit due to the unfavourable environment. It may be due to the:
- Change in taste and preferences of the customers.
 - Change in technology.
 - Change in law and change in market trends.
 - All of the above.
12. While appreciating the efforts of Suraj, an upcoming entrepreneur, his childhood friend Varun told him that I always knew that you have qualities of being a social entrepreneur because you always had your out of the box and ready to apply ideas to new solutions. Which of the following characteristics of social entrepreneurs is discussed in the above case?
- Opportunity Seeking
 - Accountable
 - Resourceful
 - Innovative
13. Market Research is a process involving various steps. First five steps are given below. Arrange the steps in correct order.
- Defining the marketing problem.
 - Specifying the information requirements.
 - Developing the research design.
 - Collecting information.
 - Analysing the information and interpreting it.
- (i), (ii), (iii), (iv), (v)
 - (i), (ii), (iv), (iii), (v)
 - (i), (iii), (ii), (iv), (v)
 - (i), (iii), (iv), (ii), (v)
14. Through _____ an entrepreneur comes to know about the tastes and preferences of the people and their needs.
- Business Planning
 - Market Research
 - Idea Generation
 - Problem Identification
15. Arrange the following needs in the order of their hierarchy as per Maslow's Need Hierarchy theory of Motivation
- Safety needs
 - Esteem needs
 - Basic Physiological needs
 - Belonging needs
- (i), (ii), (iii), (iv)
 - (iii), (i), (iv), (ii)
 - (iv), (iii), (ii), (i)
 - (iii), (iv), (i), (ii)
16. Assertion (A): Customer Relationships are intangible resources.
Reason (R): Customer Relationships involve customer engagement in the form of personalised messages, suggestions or feedback.
Choose the correct answer out of the following choices:
- Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).
 - Both Assertion (A) and Reason (R) are true but Reason (R) is not the correct explanation of Assertion (A).
 - Assertion (A) is true but Reason (R) is false.
 - Assertion (A) is false but Reason (R) is true.
17. Which of the following Entrepreneur is associated with "MITTICOOL"?
- Mukesh Ambani
 - Mansukh Bhai Prajapati
 - Nandita Bijur
 - Harish Handa
18. Unit Price is Rs. 5 per ounce of Soup. Unit Cost per ounce of soup is Rs. 3. Gross Profit per unit (one cup) would be:
- Rs. 1
 - Rs. 3
 - Rs. 2
 - Rs. 4

Section – B

19. "Entrepreneurs, in their drive and pursuit to create something new, at times, results in causing major loss to the Nation's natural resources". Shouldn't they be discouraged? Justify with your reasoning. 2
20. Maruti Vega Ltd. entered into the market with coloured television and have now introduced products like audio systems, air conditioners, washing machines etc. The company is not only offering the products but also handling complaints and offering after sales services. Whenever company is facing any problem they call a group of persons (management team) and they all sit together and generate a number of business ideas by innovating alternative ways of meeting the needs and solving problems. What method firm is using to generate the ideas? Explain the same. 2
21. How E- Businesses is helping the entrepreneurs?
(OR)
How a consumer's attitude can be formed and changed through personal contact with influential persons? Give an example. 2
22. An FMCG Company is offering a number of consumer products like packaged foods, beverages, toiletries, dry fruits, cosmetics, etc. Identify the element of Marketing Mix being discussed here and state its components. 2
23. A company makes a product with a selling price of Rs. 20 per unit and variable cost of Rs. 12 per unit. The fixed cost for the period are Rs. 40,000/. What is the required output level to Break Even?
(OR)
From the following information given below, calculate the total cost per unit
Direct labour: Rs. 20
Direct material: Rs. 50
Direct Overhead : 100% of Direct Labour
Fixed Expenses : Rs. 50,000
Total units produced: 250 2
24. Procurement of Physical Resources is not easy. Giving reasons, state what is required to be planned for its procurement?
(OR)
What do you understand by Start-up Costs? Explain by giving appropriate examples. 2

Section – C

25. Karsan Bhai Patel, the creator of Nirma Washing Powder, who was working as a factory chemist in Gujarat Mineral Development Corporation, started making detergent powder in his kitchen for poor rural women of Gujarat and selling his product by visiting different villages. His efforts culminated in the whitish yellow detergent powder named Nirma. The idea behind was need and the problem of the society that could not afford other brands of detergent powders because of their high cost. Today, Nirma is one of the world's biggest detergent powder manufacturer. The brand sells over 8 lakh tonnes annually. It holds 40% of the Indian market, with a turnover of more than Rs. 2500 crores. This is creative effort and risk taking ability of a person who turned out to be an entrepreneur. The strength of being capable is the plus point in an entrepreneur. Identify and explain which promotional function of an entrepreneur is discussed in the above paragraph. 3
26. "Entrepreneurs venture to take risks but some entrepreneurs are very shy and lazy by nature." Mention the name of such entrepreneurs and explain.
(OR)
"Competencies is a set of defined behaviours". Explain any three type of competencies required by an Entrepreneur. 3
27. Choice of channels of distribution depends on various factors. Briefly explain any three factors which affect the choice of the channels of distribution.
(OR)
Explain 'Price' as an element of Marketing Mix. Also explain any two factors which affect the fixation of price of a product. 3

28. Identify the following items as inflow/ outflow of cash or bank and also give reasons for your choice.
- | | | |
|------------------------------------|----------------------------|---|
| a) Machine purchased | b) Tax paid | |
| c) Loan from Bank | d) Debentures issued | |
| e) Interest received on investment | f) Profit on sale of asset | 3 |
29. The following information relates to a company, which produces plastic bottles.
- | | |
|------------------------------|------------|
| Direct labour per unit: | Rs. 10 |
| Direct Materials per unit: | Rs. 25 |
| Variable Overheads per unit: | Rs. 5 |
| Fixed Costs: | Rs. 30,000 |
| Selling Price per unit: | Rs. 100 |
- Calculate:
- | | |
|---|---|
| a) Variable Cost per unit. | |
| b) The minimum number of units that must be sold for the company to Break-Even. | |
| c) Show Break Even in terms of rupees. | 3 |

Section – D

30. Why are Feasibility Studies important? Explain these types of Feasibility studies:
- | | |
|--------------------------|--------------------------|
| a) Market Feasibility | b) Technical Feasibility |
| c) Financial Feasibility | d) Economic Feasibility |
- (OR)
- Differentiate between Micro Environment and Macro Environment on the basis of:
- | | | |
|--------------|-------------|------------|
| a) Meaning | b) Elements | c) Control |
| d) Influence | e) Examples | |
- 5
31. Enumerate the characteristics of Social Entrepreneurs. 5
32. Aareba Hotel in Agra was facing a problem of low demand for its rooms due to the off season. The Managing Director of the hotel, Mrs. Shambhavi was very worried. She called upon the Marketing Manager, Mr Shukla for his advice. He suggested that the hotel should announce an offer of '3 days and 2 nights hotel stay package with free breakfast and one day religious visit to Omkareshwar and Mahakaleshwar Temples.' The MD liked the suggestion very much. Identify the element of marketing mix being referred here and briefly explain its components. 5
33. Shradha wants to start an Agro based unit in Solan. She needs your guidance on the hiring of human resources for her business. Suggest what is that she is required to do to acquire a competent workforce for her proposed plant.
- (OR)
- Mandeep is a young entrepreneur starting his own business venture in the field of beauty and saloon services. He needs to understand the Financial Plan for his business so that he can make correct choices for his business to raise money. Explain what factors he should keep in mind that will help him decide to go for Borrowed funds or Owned funds. 5
34. Akshata has started selling readymade curtains from her own house. She purchased 100 curtains (same pattern but various colours and designs) from a wholesale dealer for Rs. 300 per curtain and selling for Rs. 400 per curtain. She spent Rs. 400 for advertisement (Pamphlets and Advertisement poster). She could sell 80 curtains. From the following information, prepare an Income Statement and find the net profit before tax/income. 5