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HS/XII/Com/En/26

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ENTREPRENEURSHIP

(Commerce)

Full Marks : 70

Time : 3 hours

The figures in the margin indicate full marks for the questions

General Instructions :

- (i) This question paper contains **34** questions. All questions are compulsory.
- (ii) The question paper is divided into four sections—Section A, B, C, and D.
- (iii) In Section—A, Question numbers **1** to **18** are multiple choice questions carrying 1 mark each.
- (iv) In Section—B, Question numbers **19** to **24** are short answer-type questions carrying 2 marks each.
- (v) In Section—C, Question numbers **25** to **29** are short answer-type-II questions carrying 3 marks each.
- (vi) In Section—D, Question numbers **30** to **34** are long answer-type questions carrying 5 marks each.
- (vii) There is no overall choice. However, an internal choice has been provided in sections B, C, and D of question paper.

(2)

SECTION—A

Choose the correct answer :

1×18=18

1. Entrepreneur is a person who
 - (a) conceives the idea to start a business
 - (b) earns for himself
 - (c) Both (a) and (b)
 - (d) None of the above

2. Aman wanted to open a café. He calculated start-up cost, designed a logo, researched competitors and identified his target customers, i.e., college students. Which component of a business plan does target customer identification belong to?
 - (a) Financial plan
 - (b) Operational plan
 - (c) Marketing plan
 - (d) Organizational plan

3. Franchising is an example of
 - (a) internal expansion
 - (b) external growth strategy
 - (c) conglomerate merger
 - (d) None of the above

(3)

4. 'Gold coin' inside a lux soap is an example of which technique of sales promotion?

(a) Premium and gifts

(b) Packaged premium

(c) Refund

(d) Quantity deal

5. A product costs ₹500 and is sold at ₹600. What is the profit percentage on the cost?

(a) 20%

(b) 10%

(c) 15%

(d) 25%

6. The main objective of an angel investor is to

(a) provide charity

(b) support social welfare projects

(c) earn high returns by taking calculated risks

(d) avoid all business risks

7. Tania noticed a lot of coconut shells being thrown away near temples. She started a small business making decorative lamps and bowls from discarded shells. Tania identified an opportunity through
- (a) market research report
 - (b) government scheme
 - (c) waste material utilisation
 - (d) employee feedback
8. Opportunity can be spotted by analysing the _____ that exist in the environment.
- (a) vision and creativity
 - (b) entrepreneurial intuitions
 - (c) creative solutions
 - (d) needs and problems
9. A company launched a spicy instant noodle variant in a region where people preferred mild flavours. Sales dropped quickly. The company failed in which step of the marketing process?
- (a) Product promotion
 - (b) Pricing strategy
 - (c) Packaging design
 - (d) Market research and consumer analysis

(5)

10. 'Just do it' is a tagline of

- (a) Adidas
- (b) Puma
- (c) Nike
- (d) Reebok

11. Venture capitalists usually invest in

- (a) established companies
- (b) start-ups with high growth potential
- (c) declining industries
- (d) non-profit organizations

12. Which of the following is not a type of inventory?

- (a) Raw materials
- (b) Work-in-progress
- (c) Finished goods
- (d) Fixed assets

13. Tata Steel Ltd. is which type of company?

- (a) Government company
- (b) Public company
- (c) Private company
- (d) None of the above

14. Human resource planning helps to avoid

- (a) overstaffing and understaffing
- (b) marketing competition
- (c) sales decline
- (d) financial losses only

15. When one company acquires another with mutual agreement, it is called

- (a) hostile takeover
- (b) friendly acquisition
- (c) forced merger
- (d) reverse merger

(7)

16. The total amount of current assets is ₹5,00,000 and current liabilities is ₹2,00,000. Then the gross working capital will be

- (a) ₹5,00,000
- (b) ₹2,00,000
- (c) ₹1,00,000
- (d) None of the above

17. Idea fields help an entrepreneur to

- (a) generate new ideas systematically
- (b) avoid all risks
- (c) copy competitors only
- (d) reduce competition

18. Avira plans to start a small bakery called 'Sweet Delights'. She decides where to purchase raw materials like flour and sugar, hires two bakers, fixes working hours and plans daily production based on customer orders. The above decisions are part of which plan?

- (a) Marketing plan
- (b) Organizational plan
- (c) Operational plan
- (d) Financial plan

SECTION—B

- 19.** Ananya started her boutique business near an industrial area and she was not getting clients as she had expected. State any two factors which have been ignored by her before starting the boutique. 2

- 20.** Draw a flow diagram to show the process of setting-up an enterprise. 2

Or

What are the two steps involved in the process of sensing entrepreneurial opportunities?

- 21.** A new company launched bottled water with the name 'Crystal Drop'. The name suggests purity and freshness, helping customers identify its use and quality. Why is the choice of brand name important? 2

- 22.** State any two reasons for failure of merger and acquisition. 2

Or

What are product extension mergers? Give example.

- 23.** An entrepreneur started a business with a capital of ₹1,50,000. At the end of the year, his capital balance amounted to ₹1,80,000. Find his return on investment. 2

- 24.** "Innovation is the key to business survival." Justify this statement. 2

Or

Explain the first two stages of the creative process.

SECTION—C

- 25.** Varun decided to start his own venture and was looking into various ideas. Explain the various sources from where he can get some good business ideas. 3

- 26.** Why is it important for an entrepreneur to select the right business opportunity? 3

Or

How does social environment affect the business? Explain with an example.

- 27.** When Amul was first launched, it wanted to create a logo that represented India and its dairy culture. The company chose a simple design with the word 'Amul' in bold red letters and later introduced the famous Amul Girl cartoon for its advertisements.

(a) What is the importance of a logo for a brand like Amul?

(b) What message does Amul's logo convey? 2+1=3

- 28.** Explain any three methods of pricing. 3

Or

Explain the factors kept in mind while deciding the channels of distributions.

- 29.** A bookshop sells pens—30000 units 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 shopkeeper? 3

(10)

SECTION—D

- 30.** What is a business plan? Who prepares it? Explain any three importances of a business plan. 1+1+3=5

Or

Explain the essential areas to be covered while creating a business plan.

5

- 31.** Arjun, a student, observed daily traffic jams near school during morning hours. He found that each school had separate buses, leading to congestion. He came up with the idea of a shared 'school transport app' that connects schools in the same area to share buses and routes.

(a) Identify the problem.

(b) What innovative ideas did Arjun create from this problem?

(c) Which stage of entrepreneurial process does this represent?

5

- 32.** Domino's provides its franchisees with strong operational support including supply chain system, technology and advertising. Franchisees must follow strict quality control and maintain brand standards. In return, they pay royalty fees and share a portion of profits with the company.

(a) What are the obligations of Domino's franchisees?

(b) Explain two advantages and two disadvantages for a franchisee in such a system.

1+2+2=5

(11)

- 33.** What are Inter-Corporate Deposits? Explain briefly the three types of ICD. 5

Or

Explain the factors affecting working capital.

- 34.** A toy-making company produces Toy Cars and Barbie Dolls. Fixed cost is ₹12,90,000 per annum.
Sales revenue, variable cost per unit and sales mix ratio are as follows :

	<i>Toy Cars</i>	<i>Barbie Dolls</i>
<i>Sales Price</i>	₹20	₹25
<i>Variable Cost</i>	₹8	₹10
<i>Sales Mix Ratio</i>	70%	30%

Calculate BEP in units for each product and total BEP in sales (Rupees). 5

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