

KOTHARI INTERNATIONAL SCHOOL, NOIDA
ANNUAL EXAMINATION, SESSION: 2025-26
GRADE: 11 SUBJECT: ENTREPRENEURSHIP (066)
SET B

MARKING SCHEME

Section A		
Q1	<p><u>ASSERTION- REASON</u> Assertion (A): Startup cost is the cost which is incurred initially when a business is started. Reason (R): It consists of expenses for acquiring assets as well as for acquiring initial raw material.</p> <p>a. Both A & R are true and R is correct explanation of A. b. Both A & R are true but R is not the correct explanation of A. c. A is true, R is false. d. Both A & R are false.</p>	1
Ans.	a. Both A & R are true and R is correct explanation of A.	
Q2	<p>Mr. Patel is a creator of 'Shine washing powder' who worked as a factory chemist in Gujarat Mineral Development Corporation. He started making detergent powder in his kitchen for poor rural women of Gujarat. After sometime of struggle, he has become biggest detergent powder manufacturer.</p> <p>Mr. Patel performs the promotional function of _____.</p> <p>a. Discovery of an idea b. Detailed investigation c. Assembling the Requirements d. Financing the Proposition</p>	1
Ans.	a. discovery of an idea	
Q3	<p>Mr. X become an entrepreneur because of government support provided in terms of financial assistance, incentives, concessions and other facilities. He is included in which category of entrepreneurs?</p> <p>a. Motivated entrepreneur b. Spontaneous entrepreneur c. Induced entrepreneur d. Technical entrepreneur</p>	1
Ans.	c. Induced entrepreneur	
Q4	<p>'Care and Clean' manufactures shampoos and hair oils and they are packed in 200 ml and 500 ml bottles. Faced with fall in demand, they decided to pack them in sachets of 10 ml and 20 ml. This represents the core value of</p> <p>a. innovation and creativity</p>	1

	b. respect for work c. quest for outstanding performance d. All of the above	
Ans.	a. innovation and creativity	
Q5	Which amongst the following is/are the source(s) of attitude? a. Direct personal experience b. Group associations c. Influential others d. All of the above	1
Ans.	d. All of the above	
Q6	Mamta Singh is working in her self-established organization, dedicated to offer education to the poor girls in India. Mamta Singh is an example of entrepreneur as she is working for a social cause. a. Social entrepreneur b. Agricultural entrepreneur c. Technical entrepreneur d. Fabian entrepreneur	1
Ans.	a. Social entrepreneur	
Q7	_____ means storing and accessing data and programs over the internet instead of computer's hard drive. a. Cloud computing b. Intrapreneur c. artificial intelligence d. business intelligence	1
Ans.	a. Cloud computing	
Q8	<u>ASSERTION-REASON</u> Assertion (A): Organizing is the basic managerial function of an entrepreneur. Reason (R): Organizing helps in determining the course of action to be followed to achieve various entrepreneurial objectives. a. Both Assertion (A) and Reason (R) are correct. b. Assertion (A) is correct, but Reason (R) is incorrect. c. Assertion (A) is incorrect, but Reason (R) is correct. d. Both Assertion (A) and Reason (R) are incorrect.	1
Ans.	a. Both Assertion (A) and Reason (R) are correct.	
Q9	Mishti is an entrepreneur who is ready to do something new. She does not live with 'Status-quo' and works to change the environment in accordance of her personal vision and value. So, Mishti is performing _____ function of entrepreneur. a. entrepreneurial	1

	b. promotional c. organizational d.	
Ans.	a. entrepreneurial	
Q10	The entrepreneur stands at the center of the whole process of economic development by indulging himself/herself in the process of _____. a. innovation b. c. d.	1
Ans.	a. innovation	
Q11	Ranjeet is 18 years old. He works as a courier boy to earn his living. He saves a part of his earning to provide for his education. Which need (s) is/are being fulfilled by him, according to Maslow's Theory? a. Physiological needs b. Safety needs c. Self-actualization needs d. Both a. and b.	1
Ans.	d. Both a. and b.	
Q12	Manan's company is organizing a group meeting where everyone is encouraged to speak freely and build on each other's ideas to find innovative solutions for market challenges. Which technique is being used here? a. Environment Scanning b. Brainstorming c. Market Research d. Creativity and Creative Problem Solving	1
Ans.	b. Brainstorming	
Q13	Vaibhav wants to know the details related to products or services to be offered in the business in which he is planning to invest. Which part of business plan should he look into? a. General introduction b. Business venture c. Organizational plan d. Production plan	1
Ans.	b. Business venture	
Q14	According to McClelland's Theory of Needs, are characterized by a drive to control and influence others. a. achievement needs b. affiliation needs	1

	c. power needs d. Self-actualization needs	
Ans.	c. power needs	
Q15	_____ is a survey chart or inventory for scheduling manpower requirements in an industrial plant. a. Resource mobilization b. Manning table c. Job chart d. All of the above	1
Ans.	b. Manning table	
Q16	<u>ASSERTION-REASON</u> Assertion (A): A business reputation is an intangible resource of business. Reason (R): It helps business to gather necessary support from employers and suppliers. a. Both Assertion (A) and Reason (R) are correct. b. Assertion (A) is correct, but Reason (R) is incorrect. c. Assertion (A) is incorrect, but Reason (R) is correct. d. Both Assertion (A) and Reason (R) are incorrect.	1
Ans.	a. Both Assertion (A) and Reason (R) are correct.	
Q17	Which of the following is not an example of fixed cost? a. Salary b. Rent c. Raw material d. All of these	1
Ans.	c. Raw material	
Q18	The cost incurred by a company to produce, store and sell one unit of a particular product is referred to as _____. a. unit price b. unit of sale c. unit cost d. gross profit	1
Ans.	c. unit cost	
Section B		
Q19	Attitude can be acquired from a number of sources. State any two such sources.	1
Ans.	Two sources from which attitude can be acquired are given below- (i) Direct personal experience. (ii) Group associations.	

Q20	<p>a. 'These are those entrepreneurs who refuse to embrace opportunities that come their way. They are generally traditional and conventional in their approach'. The given lines are indicative of which entrepreneurs?</p> <p>b. 'They are commonly found in developed countries where opportunities and resources are in abundance and contribute towards building a modern capitalist economy'. Which type of entrepreneur is being discussed in the above lines?</p>	1
Ans.	<p>a. Drone entrepreneurs are ones who refuse to embrace opportunities that come their way.</p> <p>b. Innovative entrepreneurs are commonly found in developed countries where opportunities and resources are in abundance.</p>	
Q21	<p>Release of the Bollywood movie 'Billu Barber' was opposed by certain segments of society, as they thought that the name aims to derogate a specific community.</p> <p>(i) Which aspect of business environment is being discussed above?</p> <p>(ii) Why is it important for a business to systematically analyze and diagnose this environment?</p> <p style="text-align: center;">OR</p> <p>Due to the enforcement of Euro-IV emission norms, Maruti Limited had to phase out the production of 'Esteem' model of cars. Identify and state the dimension of environment highlighted in the given statement.</p>	1
Ans.	<p>(i) Cultural environment.</p> <p>(ii) It is necessary for a business to analyze cultural environment as it helps to determine the products, services and standards of conduct that are acceptable to society.</p> <p style="text-align: center;">OR</p> <p>'Legal environment' is highlighted in the given statement. This environment refers to the framework of laws and various legislations within which business transactions take place.</p>	
Q22	<p>Meenakshi has just launched an e-portal to sell the handicrafts of the tribal people of Bastar.</p> <p>(i) Which form of business has Meenakshi launched?</p> <p>(ii) Explain its meaning.</p>	1
Ans.	<p>(i) Meenakshi has just ventured into e-business.</p> <p>(ii) E-business refers to carrying on business activities, both industrial and commercial through computer network, i.e. the internet.</p>	
Q23	<p>What is operational cost? Give its classification.</p>	1
Ans.	<p>Operational costs are incurred for carrying out the day-to-day operations of the business. They are further classified as-</p> <p>(i) Fixed Costs These costs are not dependent upon the level of output. These costs an entrepreneur has to incur for starting a business and also as various administrative expenses.</p> <p>(ii) Variable Costs These costs are those which vary with the total cost of the organization when output varies. These are related with the production of the product.</p>	

Q24	Give any two points of difference between the Traditional Market and Modern Markets.	1								
Ans.	<table border="1"> <thead> <tr> <th>Traditional Market</th> <th>Modern Market</th> </tr> </thead> <tbody> <tr> <td>1. It referred to the market as a place.</td> <td>1. It referred the market as whole region where buyers and sellers are in contact with each other.</td> </tr> <tr> <td>2. In traditional marketing, more importance is given on selling the product.</td> <td>2. Its main motive is customer satisfaction.</td> </tr> <tr> <td>3. Here, existing products are imposed on the market through aggressive selling and promotional pressures.</td> <td>3. It understands the needs and desires of the customer and product is designed accordingly.</td> </tr> </tbody> </table>	Traditional Market	Modern Market	1. It referred to the market as a place.	1. It referred the market as whole region where buyers and sellers are in contact with each other.	2. In traditional marketing, more importance is given on selling the product.	2. Its main motive is customer satisfaction.	3. Here, existing products are imposed on the market through aggressive selling and promotional pressures.	3. It understands the needs and desires of the customer and product is designed accordingly.	
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Section C										
Q25	Briefly explain why social entrepreneurs are the need of hour?	3								
Ans.	<p>Social entrepreneurs are needed in a society because of the below mentioned reasons-</p> <p>(i) They lead to Employment Development The first major advantage of a social entrepreneur is that he/she creates jobs and employment opportunities in a society.</p> <p>(ii) They Develop New Goods and Services Social entrepreneurs develop an environment conducive for the growth of innovation, thereby, leading to the development of new goods and services. e.g. Brazilian social entrepreneur Veronica Khosa developed a new home based care model for AIDS patients which later changed the government's health policy.</p> <p>(iii) They provide Social Capital Social entrepreneurs provide the much needed capital for the development of society by channelizing the savings of the unorganized section of society.</p> <p>(iv) They promote Equity Social entrepreneurs promote an equitable society by addressing social issues and trying to achieve ongoing sustainable impact through their social mission.</p>	1+1+1								
Q26	<p>Mr. Vikram Singhal is a highly successful businessman, ranking among the top 10 industrialists of India. His company 'Singhal Group of Industries operates in the fields of fertilizers, power generation and 3G network. His son Virat Singhal, after completing his management degree from Oxford, decides to join the family business.</p> <p>Which type of entrepreneur is Virat? Explain other two types of entrepreneurs covered in this category.</p>	3								
Ans.	<p>Virat is a second generation entrepreneur. These entrepreneurs do not start an enterprise on their own. Rather they join their family business which has already been started by their father. Other two entrepreneurs covered in this category are-</p> <p>First Generation Entrepreneurs These entrepreneurs start their own business with their innovative skills and expertise. They usually combine different technologies to produce some goods or services. e.g. Infosys started by Narayan Murthy.</p> <p>Third Generation Entrepreneurs These are those types of entrepreneurs wherein their grandparents have been original entrepreneurs (first generation), which has been passed onto their fathers (second generation) and then to themselves. e.g. Tata Industries.</p>	1+1+1								

Q27	Mr. Ranjan Sharma was working in MNC in Gujarat as a purchase manager and was fulfilling all the managerial activities in a company. At which level of management was he working? Mention other two managerial staff of the same level.	3										
Ans.	Mr. Ranjan Sharma was working at middle level management. Other two managerial staff of middle level management include- (i) Executive officer (ii) Sales manager											
Q28	Sahani, an engineering graduate from Coimbatore began a unit to produce submersible pumps. He started the enterprise with enthusiasm, but when he faced some difficulties in the execution of their plans, he lost confidence and finally gave up the business venture. Identify the disadvantages of entrepreneurship which are faced by Sahani in the above situation and explain them.	3										
Ans.	Disadvantages of entrepreneurship that Sahani may have faced are (i) Irregular Income Starting-up an enterprise means that the person must be willing to give up the security of a regular source of income. (ii) Fewer Benefits There will be undoubtedly fewer benefits, especially when a business has just been started. (iii) Work Schedule One cannot predict the work schedule of an entrepreneur, an emergency can come up in a matter of a second and late hours may become the norm. (iv) Administration In a business, all the decisions are required to be taken by the entrepreneur himself/ herself. There is no one ranked higher on the chain of command and the entrepreneur might feel himself/herself being burdened by the thought of making a wrong decision.											
Q29	<p>The following information relates to a company, which produces a single product.</p> <table border="1" data-bbox="245 1125 1021 1318"> <tr> <td>Direct labor per unit</td> <td>₹22</td> </tr> <tr> <td>Direct materials per unit</td> <td>₹12</td> </tr> <tr> <td>Variable overheads per unit</td> <td>₹6</td> </tr> <tr> <td>Fixed costs</td> <td>₹4,00,000</td> </tr> <tr> <td>Selling price per unit</td> <td>₹60</td> </tr> </table> <p>Use the above figures to show that minimum number of units that must be sold for the company to break-even.</p>	Direct labor per unit	₹22	Direct materials per unit	₹12	Variable overheads per unit	₹6	Fixed costs	₹4,00,000	Selling price per unit	₹60	3
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Selling price per unit	₹60											
Ans.	<p>Variable Cost per Unit = Direct Labor per Unit + Direct Material per Unit + Variable Overheads per Unit $= 22 + 12 + 6$ $= ₹40 \text{ per unit}$</p> <p>Selling price per unit = ₹60 $\therefore \text{Gross margin per unit} = 60 - 40 = 20$</p> <p>Fixed overheads = ₹4,00,000</p> <p>Break-even Point = Fixed Overheads/ Gross Margin per Unit $= 4,00,000 / 20$ $= 20,000 \text{ units}$</p>											

Section D		
Q30	Kanika wants to start a textile unit near Gurgaon. Discuss the commercial functions which she will require to plan and perform for the same.	5
Ans.	Commercial functions that Kanika should perform are as follows- (any four) (i) Production It refers to the creation of goods and services or it is the process of transforming raw materials into something useful. It consists of manufacturing, ancillary and advisory activities. (ii) Finance The second function that Mani has to perform is to arrange finance for the enterprise because any enterprise can go a long way only with appropriate availability of finance or money. So, she has to look for various opportunities to arrange for finance. (iii) Marketing It plays a major role in an enterprise as through this process, goods and services are provided to the ultimate consumers for direct satisfaction of wants. (iv) Personnel This is the function concerned with employment, development and compensation for the personnel and also the provision of working conditions and welfare measures. (v) Accounting An entrepreneur should look in the record keeping of the entries of all transactions which takes place in the organization, so that she is aware of her financial position.	
Q31	State the main steps involved in Marketing Research.	5
Ans.	Following are the main steps involved in Marketing Research: Step 1: Defining the marketing problem to be tackled and identifying the marketing research problem involved in the task. Step 2: Specifying the information requirement, i.e. preparing a list of the needed information. Step 3: Developing the research design and research produce, i.e. determining whether such information is already available, either in records of the company or in outside sources. Step 4: Information, i.e. select the research instrument to be used, select sample type and size. Step 5: Analyzing the information and interpreting it in terms of the problem being tackled. Step 6: Summarize the findings. Step 7: Preparing the research report.	
Q32	Discuss the various types of resources needed by a business.	5
Ans.	Following resources are required by a business (i) Physical Resources These resources are those that are made by humans through their abilities and skills. The category of physical resources covers a wide range of operational resources concerned with the physical capability of the enterprise. (ii) Human Resources Human resources may be thought of as "The total knowledge, skills, creative abilities, talents and aptitudes of an organization's workforce as well as, the values, attitudes and benefits of an individual involved".	

	<p>These are the most important assets that a firm must have and that the management must be most concerned with, because in the absence of these resources, other non-living resources are useless.</p> <p>(iii) Finance Resources Finance is one of the important pre-requisites to start an enterprise. It is the availability of finance that enables an entrepreneur to bring together personnel, machines, materials, methods, land and convert a dream into reality. It will not be incorrect to elucidate finance as 'lubricant to the process of production' or 'life blood of enterprise' or 'whoever has the gold makes the rule.'</p> <p>(iv) Material Resources Whether a business enterprise markets a product or a service, certain operations are essentially carried out combining raw material, processing and assembling machines, tools, power etc. A deep insight into the production is essential for effective utilization of resources.</p> <p>(v) Intangible Resources These resources are much ignored by the business enterprises. These resources are those which can neither be seen nor touched, but enables a business to continue to earn a profit that is in excess of the normal basic rate of profit earned by other business of similar type.</p>	
<p>Q33</p>	<p>Gaurav, a young and ambitious individual with a passion for technology, embarks on an entrepreneurial journey to establish his tech start-up, Gaurav's Tech Solutions.</p> <p>Gaurav, having a background in computer science, identified his passion for developing innovative tech solutions. Through self-reflection, he assessed his strengths in programming and problem-solving, aligning them with potential entrepreneurial opportunities in the technology sector.</p> <p>Recognizing the evolving tech landscape, Gaurav identified gaps and challenges in existing solutions. He observed a growing need for user-friendly cyber-security tools, presenting a promising opportunity for his venture.</p> <p>Drawing on his creativity and past experiences, he brainstormed ideas for a cutting-edge cyber-security tool. He evaluated each idea based on market needs, feasibility, and potential impact, ultimately selecting the most viable concept.</p> <p>To transform his idea into a viable venture, he conducted extensive research and identified strategies to position Gaurav's Tech Solutions in the competitive tech market.</p> <p>(i) Identify the concept in the above paragraph.</p> <p>(ii) List all the stages of the concept described in the above paragraph and discuss each one of them.</p>	<p>5</p>
<p>Ans.</p>	<p>(i) The concept described in the narrative is the "Process of Entrepreneurship". Gaurav's journey encompasses several key stages of entrepreneurial venture development, which can be broadly categorized and discussed as follows in the second pointer.</p> <p>(ii) Process of Entrepreneurship:</p> <p>(a) Self-Discovery: Gaurav began his entrepreneurial journey by identifying his passion for technology and assessing his strengths in programming and problem-solving. This self-awareness is crucial for entrepreneurs, as it helps them leverage their skills effectively and choose a venture that aligns with their interests and competencies.</p> <p>(b) Identifying opportunities: Recognizing the evolving landscape of technology and identifying gaps in existing solutions, Gaurav pinpointed a growing need for user-friendly cyber-security tools. Opportunity recognition involves observing market trends, understanding customer needs, and identifying areas where current solutions are lacking.</p> <p>(c) Idea Generation and Evaluation: Leveraging his creativity and past experiences,</p>	

Gaurav brainstormed various ideas for a cyber-security tool. He then evaluated these ideas based on market needs, feasibility, and potential impact, selecting the most viable concept. **(d) Research and Planning:** To transform his selected idea into a viable business, Gaurav conducted extensive research to identify necessary resources and outlined a detailed business plan. This plan included strategies for product development, market entry, financial management, and scaling the business.

Q34 Explain Maslow’s Theory of Hierarchy of Needs. **5**

Ans.

Self-actualization: achieving one's full potential, including creative activities

Esteem needs: prestige and feeling of accomplishment

Belongingness and love needs: intimate relationships, friends

Safety needs: security, safety

Physiological needs: food, water, warmth, rest

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