



# B.K. BIRLA CENTRE FOR EDUCATION

SARALA BIRLA GROUP OF SCHOOLS  
A CBSE DAY-CUM-BOYS' RESIDENTIAL SCHOOL

## ANNUAL EXAMINATION (2025-26) ENTREPRENEURSHIP (066) (SET -B)

### Marking Scheme

Class: **XI**  
Date: 23/02/2026  
Admission No: \_\_\_\_\_

Duration: **3Hrs**  
Max. Marks: **70**  
Roll No.: \_\_\_\_\_

A1	Enterprise	1
A2	b) Fabian	1
A3	d) Attitude	1
A4	b) Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation	1
A5	a) Varghese Kurien	1
A6	Reduces	1
A7	Consumers	1
A8.	1) a- 3, b-1, c-2	1
A9.	b) Public relation	1
A10.	b) Marketing research	1
A11.	c) Depreciation	1
A12.	a) Unit cost	1
A13.	d) Unit sales – Unit cost	1
A14.	b) Time	1

- A15. a) Both the statements are true 1
- A16. c) Managerial Staff 1
- A17. d) All of them 1
- A18. d) Intellectual Property 2
- A19.
  - Entrepreneur will be able to produce goods and services and able to earn maximum profit.
  - Entrepreneur provides goods and services and creates employment opportunities benefiting to society.
  - He contributes to national income, leads to growth of other sectors, more exports by that increase in the foreign exchange and also responsible for over-all economic development.

**OR**

Entrepreneur	Entrepreneurship
An entrepreneur is a person who bears the risks, combines various factors of production and brings new ideas and carries out creative innovations.	Entrepreneurship is the set of activities performed by an entrepreneur.
An entrepreneur is an individual, responsible for identifying a business opportunity and taking it from idea to implementation <i>i.e.</i> , one man activity.	It is a process involving various actions to be undertaken to establish enterprise. It involves multi-pronged activities.
Entrepreneurs are tangible people.	Entrepreneurship is an abstraction.
He/she is an individual or one of a group of individuals who try to create something new.	In entrepreneurship process an entrepreneur identify opportunities, organise all resources and find new market to foothold in the market and attain for long term gains. It is the attempt to create value.

- A20. C. Danhof has broadly classified entrepreneurs into four types. These are: 2  
 (a) Innovative Entrepreneur (b) Imitative Entrepreneur  
 (c) Fabian Entrepreneur (d) Drone Entrepreneur.
- A21. : i) Creativity. ii) Brainstorming: 2  
 A group of persons sit together and generate a number of business ideas by innovating alternative ways of meeting the needs and solving problems. It is usually an unstructured discussion in which one idea leads to another. This is a very productive method for generating as many ideas as possible.
- A22. Product • Place • Promotion • Price 2  
 (a) Product: If various features and characteristics of the product are of the liking of majority of the potential customers, the sales is automatically going to be higher. Effective after sale service, efficient utilization of know-how, hill capacity production will create good rapport of the product. Consequently sales will be enhanced.  
 (b) Price: Favourable and adequate pricing depending on the paying

capacity of the customers always appeal the customers. The loyalty towards the product is also enhanced which ensures minimum sales and also attracts new customers. Various pricing methods are available at the disposal of the entrepreneur. Selection of appropriate method can be used as a tool for raising sales.

(c) Promotion: Publicity plays a leading role in promoting sales. Depending on the nature of the product the advertisement mode can be selected. Door to door selling, newspaper, radio, pamphlet, etc. are the various methods, which can be used for increasing the number of customers.

(d) Place : Place refers to the point of sale, supplier, or provider where the product is obtained . and is also referred as to where the behaviour is practised. Physical distribution is the task of moving the goods and services from the place of production to the place of their consumption.

### OR

There is Direct Channels and Zero-level : Here, the producers supply the products direct to the consumers. Producer —> Consumer

Producer-Retailer-Consumer (One level channel): Producer sells the product to retailer, who in turn sells to the consumer. For example; producers of refrigerators, washing machines, etc.

Producer j Retailer j Consumer

- A23.
- Telephone bill is generally a fixed expense, but if the expenses are related to a Call Center then it will be considered as a variable cost.
  - Paper bill in an office or shop would be fixed but in a printing business it would be variable cost (like raw material).
  - Water in the office is fixed, water used in a soft drink factory is variable.
  - Stationary in a coaching class is variable, because more students mean more but stationary in an office is fixed.

A24. The main resources used in a school are:

2

S.No.	Resources	Expert Professional Assistance
(i)	Land and Building	Land and building-Lease basis/ Third Party (bank)
(ii)	School teachers	Regular basis
(iii)	Highly skilled professional teachers/seniors	Part time arrangement
(iv)	Transport services (bus facilities)	Contractual basis/Lease basis
(v)	Unskilled staff (sweepers, cleaners)	Contractual arrangement
(vi)	Other benefits – Provident fund/medical benefits/ insurance	Contractual basis

OR

- (1) Capital Cost
- (2) Access to other resources
- (3) Transport and Communication Cost
- (4) Availability of manpower and its cost (wages, salaries)
- (5) Cost of production
- (6) Availability of other utilities like water, gas, fuel, etc.
- (7) Access to market for both raw material and finished goods

A25. Yes, this statement is justified as he first identified the opportunity and took the risk of starting organic farming, arranged finance for venture and worked hard. his organic vegetables were hit. This indicates that his entrepreneurial venture had been successful and that his hard work has paid off.

3

A26.

$$(i) \text{ Break-even point} = \text{B.E.P} = \frac{\text{Fixed cost}}{\text{Contribution per unit}}$$

3

Fixed Cost	4,00,000
Variable cost per unit	Direct labour per unit + Direct materials per unit + Variable overheads per unit ₹ 22 + ₹ 12 + ₹ 6 = ₹ 40 per unit.
Selling Price per unit :	₹ 60 per unit
Break-even Point (in Units )	$= \frac{4,00,000}{60 - 40} = \frac{4,00,000}{20} = 20,000 \text{ units}$
Break-even Point (in ₹)	₹ 20,000 × 60 = ₹ 12,00,000.

OR

1. Telephone bill is generally a fixed expense, but if the expenses are related to a Call Center then it will be considered as a variable cost.
2. Paper bill in an office or shop would be fixed but in a printing business it would be variable cost (like raw material).
3. Water in the office is fixed, water used in a soft drink factory is variable.
4. Stationary in a coaching class is variable, because more students mean more but stationary in an office is fixed.

A27. Following are the examples: 3

Bigger boats were used for carrying more fishes.  
Installation of freezers on the big boats for storing the fishes.  
Installation of fish tanks for providing fresh fish in the market.  
To improve taste of the fresh fish in the tank shark were kept along with the fishes.

A28. Customers refer to a person(s) or firms who buy/s goods or services from a shop, 3  
enterprise or business. They are the ultimate consumers of the product.

Consumer is the King because of the following reasons:

- (a) Consumer's willingness is involved in the purchase of products.
- (b) Consumer is smart and want full return for its money.
- (c) Useful creativity is always appreciated and accepted by the consumer.
- (d) Consumer satisfaction is the foundation stone of a successful business.

A29. Feasibility studies: 3

- 1. Marketing feasibility
- 2. Technical feasibility
- 3. Financial feasibility
- 4. Organisational feasibility

OR

There is a growing need for Social Entrepreneurs because of following reasons:

- 1. Social problems: In the current economic crisis, financial pressures are becoming a reason for the increase of intensity of social problems such as poverty and unemployment.
- 2. Financial repercussions: According to J. Gregory Dees, social entrepreneurship is essential to reduce the financial consequences among vulnerable.
- 3. Creativity and Innovation: With pay-cuts and job losses a common phenomenon all over the world, the need of the present is new ideas, innovations, creative solutions and fresh perspectives. These new ideas, etc. have potential to deal with the changing market demands, emerging economies and a new world, economic order

A30. A feasibility study can be defined as a controlled process for identifying problems and opportunities, determining objectives, describing situations, defining successful outcomes, and assessing the range of costs and benefits associated with several alternatives for solving a problem. On the other hand, a Business Plan is a written summary of various elements involved in starting a new enterprise like arrangement of resources, mobilizing resources, etc. 5

b) The feasibility study can be completed prior to the business plan.

(c) The feasibility study helps determine whether an idea or business is a viable or not, whereas the business plan is developed after the business opportunity is created.

(d) A feasibility study is carried out to know if the business venture is worth the time, effort and resources while a business plan is made up of mostly tactics and strategies to be implemented in order to grow the business.

(e) A feasibility study can be converted to a business plan.

(f) The business plan is studied in terms of growth and sustainability whereas the feasibility study studied in terms of idea viability.

**OR**

**A business plan serves the following purposes:**

- **Blue print:** It provides a blueprint of actions to be taken by the firm in future.
- **Guidance:** It guides the entrepreneur in raising and mobilising the factors of production.
- **Organisation:** It serves as a guide to the entrepreneur in organizing and directing the activities of the entrepreneurial venture.
- **Progress:** It helps in measuring the progress of the venture at various stages.
- **Communication:** It communicates to investors, lenders, suppliers, etc. initiating the programmes of the business.

A31. **1. Digital Revolution:** The digital revolution has changed the working system and the working procedure. World is now more interconnected and the technology is now going for 100% interconnectivity worldwide. 5

**2. Consumer Choices:** Consumers' taste and preference have undergone tremendous changes. Consumers now demand more powerful devices and applications. Business world on the other hand prefer more cost-effective technology to face the complex challenges of the business world.

**3. Consequences:** Satisfying the demands of consumers and the firms will lead to an explosive growth in data and analytics, intense competition and realignment of many industries.

**4. Opportunities:** New and emerging markets are going to create plenty of opportunities related to smart technology, and they will not be limited to for-profit enterprises.

A32. The following are the challenges faced by a woman entrepreneur.

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**1. Male domination:** In India, the society is mainly male-dominated right from old days. This poses problem for the woman entrepreneur to deal with the gender discrimination.

**2. Limited Opportunities:** The percentage of educated women is very less. In some places women are facing problems due to illiteracy. This is a big challenge for a woman to become entrepreneur. They do not have enough knowledge to succeed as an entrepreneur though they have excellent skillset in one area or the other.

**3. Reachability to technology:** They lack of availability of enough information about the latest development in production, marketing and technologies is a set back for woman entrepreneurs.

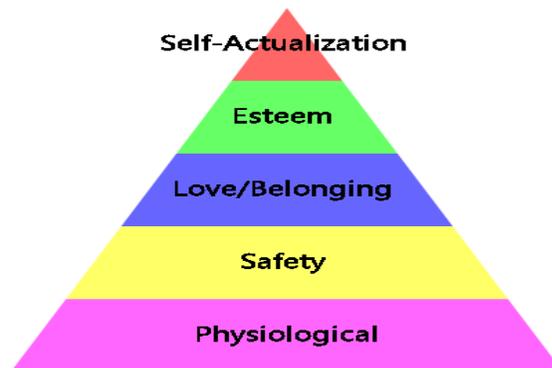
**4. Social limitations:** Some of the customs and traditions prevailing in the society stand in the way of they growth and prosperity. This problem is more severe in the rural areas. Lack of proper education increases this problem further.

**5. Lack of enough support from investors and financiers:** There is not enough support for the woman entrepreneurs when it comes to the funding for a specific business. Many investors and financiers are not supportive in this regard. Despite a very low rate of bad debts, they still face lack of support. Though women have proved to be successful through self-help group in micro finance, they still face problems in getting enough funding for their business.

**6. Lack of reachability to organized sector:** Though they are skilled, women are mostly confined to the unorganized sector. This is a major drawback for them. Lack of education and awareness is keeping them away from the organized sector and from reaping the benefits of the organized sector. Though they have leadership skills they are not able to fully utilize their potential.

OR

According to Maslow's theory of motivation or hierarchy of needs there are five elemental needs based on which every individual is motivated. The following pyramid shows these needs, in a hierarchy.



Moslow's theory of motivation and needs

**1. Physiological:** They are at the bottom of the hierarchy. Unsatisfied physiological needs like food, water sleep etc., create physiological and physical tension in a person and motivate the person towards satisfying these needs. Once

these needs are fulfilled, the person moves towards the next motivating need i.e., Safety.

**2. Safety:** The need for security and shelter becomes the second motivating factor. This includes the safety and security of family, employment, property etc. One would feel the need to live life that is free from fear, tension and they want to be under the protection of order and law. People will put all their efforts so that they get whatever is required to put them under security and protection. Once this need is satisfied the need for the next motivating factor i.e, Love/Belonging drives them.

**3. Love/Belonging:** The third motivating need is the need for love and belonging. Humans by nature are social loving. Getting connected with the relatives and family, making friends in the college or office or in their locality or community will exhibit the effort they put to make them socially belonging. Once these needs are satisfied the next motivating need i.e., Esteem becomes predominant.

**4. Esteem:** Esteem is a typical human desire to be accepted and valued by others. To achieve this they often engage themselves in a hobby or profession that could bring them reputation.

Internally all people will have

a.self-respect

b.self-esteem

c.desire for esteem from others

Self-esteem is critical for survival. It contributes majorly to the normal and healthy development of a person. Lack of esteem results from imbalance and could lead to inferiority complex.

In addition to inner esteem factors, people also have a need for external esteem factors like

Appreciation

Attention

Dominance

Fame

Glory

Prestige

Recognition

Reputation

Thus esteem plays a vital role, both internally and externally on human beings. It has a huge impact on their personal growth.

**5. Self-Actualization:** This is the highest need of a person. To achieve this they put constant effort to develop themselves. This need motivate them to learn, create, understand and experience their potential.

A33. Following are the factors that are the main players in the Macro environment: 5

1. **Demographic Forces:** Demographic forces refer to features of populations with reference to size, density, location, age, gender, race, and occupation. These features help to divide the population into market

segments and target markets. Each classification has its unique and different characteristics and causes.

2. **Economic Factors:** These refer to the purchasing power of potential customers and also the patterns in which people spend their money. Expenditure pattern of customers is different in different economic situations of the economy.

3. **Technological Forces:** The technological environment is perhaps one of the fastest changing factors in the macro environment. This includes all developments from antibiotics and surgery to nuclear missiles and chemical weapons to automobiles and credit cards. Advances in technology have provided opportunities to new products, new ways of selling, new markets and new trends.

4. **Political Forces:** The political environment covers all laws, government agencies, and groups that influence or limit other organizations and individuals within a territory. Market is run and regulated by these laws or restrictions. These are different for various places and varies from time to time. The fate of enterprises and markets depend upon the political conditions of the areas in which they are situated.

5. **Natural Factors:** These include the natural resources that a company uses as inputs and affects their marketing activities. The concern in this area is the increased pollution, shortages of raw materials and increased governmental intervention. As raw materials become increasingly scarcer, the ability to create a company's product gets much harder. Also, pollution can go as far as negatively affecting a company's reputation if they are known for damaging the environment. The last concern, government intervention can make it increasingly harder for a company to fulfil their goals as requirements get more stringent.

6. **Cultural Forces:** The cultural environment, which consists of institutions and basic values and beliefs of a group of people. The values can also be further categorized into core beliefs, which passed on from generation to generation and very difficult to change, and secondary beliefs, which tend to be easier to influence. Market reflects the values of a target audience.

A34. Efficient utilization of human resources means fuller utilization of resources. In 5

an organization, human resources are the most important element and the effective utilization of other resources depends upon the quality of human resources. It also helps an entrepreneur in exploitation of natural, physical, financial resources in a better way. It is the foremost responsibility of an entrepreneur/human resource to:

- (a) Finding out the total amount of works to be done and then dividing it into different sets of activities.
- (b) The total number of tasks and jobs required to be accomplished under different activities.
- (c) How much work can an average person do in a specified period of time?

Secondly: An entrepreneur make a manning table/organisation chart to determine: How many people, at what level, in what positions and what kind of experience and training would be required to provide organizational environment and to meet its objectives.

Thirdly: Other ways by which human resources can be developed and led to performance depending upon the total structure, local climate and motivational factor like providing scope for participation, rewards and scope for performance and the futuristic needs of the organisation with the help of all the workforce involved in the operation of the business like:

1. **Managerial Staff:** Framing policies, objectives goals, etc. for the enterprise, ensuring their implementation and finally getting the work done from workers is the field area of this category.

2. **Non-managerial staff:** The real group which effectively converts the raw material into finished goods is 'workers'. Nature of job decides the quality and quantity of workers to be assigned.

3. **Trained Technical Manpower:** This constitutes of people who have technological expertise and are frequently required for machinery selection, installation, supervision and operation.

4. **Administrative Manpower:** These are a group of staff which gives support services to managerial, professional and trained staff. They are not involved in production directly but only provide assisting services in the maintenance of the enterprise.

5. **Professional Manpower:** Chartered accountants, auditors, bankers, lawyers, who are professional experts can be outsourced by the entrepreneur if required. Small enterprises cannot afford them on their regular payrolls.

Thus, efficient utilization of human resources is only possible if the entrepreneur is able to decide:

- (a) The total work to be done.
- (b) The right type of people who can do the work.
- (c) Employing right man at right job.

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