



BK BIRLA CENTRE FOR EDUCATION
SARALA BIRLA GROUP OF SCHOOLS
SENIOR SECONDARY CO-ED DAY CUM BOYS' RESIDENTIAL SCHOOL



MID TERM EXAM (2024-25)

ENTREPRENEURSHIP (066)

MARKING SCHEME

Class : **XI Commerce**

Date : **14/09/2024**

Duration: **3 Hrs**

Max. Marks: **80**

1.	(D) Both ii) and iii)	(1)
2.	(A) opportunity OR (D) Entrepreneurs are gamblers	(1)
3.	(C) Entrepreneur OR (B) An innovator	(1)
4.	(B) Risk taking	(1)
5.	(B) Safety security need	(1)
6.	(C) An entrepreneur must be rich	(1)
7.	(A) Three motives	(1)
8.	(D) Self-actualisation need	(1)
9.	(B) Depression and feeling dejected	(1)
10.	(D) Akash, Parul and Alka	(1)
11.	(A) Generate Ideas OR (A) The size of the market	(1)
12.	(A) Bhavish Aggarwal OR (D) Ela Bhatt	(1)
13.	(D) Financial Plan	(1)
14.	(A) Networking	(1)
15.	(C) Social barrier	(1)
16.	(B) Suppliers	(1)
17.	(C) Innovation lead to successful venture	(1)
18.	(D) Dot industries	(1)
19.	The function involves making appointments for the positions created by the organisational process. It is concerned with the human resources of an enterprise. It consists of human resources, manpower planning, recruitment, selection and placement of manpower, human resource development, promotion, transfer, appraisal and determination of employee's remuneration. OR	(2)

	As an entrepreneur its very important to decide about i) Capital Structure ii) Long term and short term finance iii) Sources of finance iv) Amount of fixed capital v) Amount of working capital	
20.	The entrepreneur must do the following to persuade or influence others. i) They must high light the special features of their products, which differentiate them from their competitor’s products. ii) They must explain the technology used in their products and mention the quality standards they follow. iii) They must explain the social and personal objectives practiced by their firm. iv) They must explain to the consumer that they are concerned about them, that is why they are maintaining quality standard. 1 mark each for any two points	(2)
21.	Entrepreneur has the following responsibilities towards consumers. i) Production of safe items by maintaining quality standards. ii) To ensure regular supply of goods and services. iii) Educate consumer about the use and content of product. iv) Being truthful in advertising v) To follow fair trade practices vi) To handle consumer complaints and grievances quickly .5 mark each for any 4 points	(2)
22.	Generation of ideas refer to a systematic process to collect ideas from different sources for the purpose of finding a creative answer to a need or a problem. We can get ideas from anyone friends, relatives, customers, specialists, even from the prevailing market condition and news. Two misconceptions are i) Great ideas just appear from nowhere ii) Great ideas are not a problem but implementing them is	(2)
23.	Traditional Women 3K – Kitchen, Kids and Knitting Development of Small Scale industries 3P – Pickle, Pappad and Powder Education and Awareness 3E – Engineering, Electronics and Energy OR Upasana Taku is the founder of the digital payments platform MobiKwik . This has transformed how we make financial transactions in India. This successful woman entrepreneur in India co-founded the startup in 2009 and it’s now a fintech unicorn, valued at over \$1 billion! Ritesh Agarwal is the founder of OYO Rooms he started his career at the age of 17 and become the CEO at 23 ,his story is an inspiring story of determination and vision. His venture has transformed the budget hotel industry in India.	(2)
24.	i) Ans: A. Both A and R are true, and R is the correct explanation for A. Explanation: Innovation is indeed a major factor in entrepreneurial success because it allows entrepreneurs to offer new solutions to market problems, directly linking to the assertion that innovation drives success. ii) Ans: B. Both A and R are true, but R is not the correct explanation for A. Explanation: Entrepreneurs can solve problems both by improving existing products and by creating entirely new ones. While enhancing existing products is often a less risky approach, it does not exclusively define the entrepreneurial problem-solving process.	(2)
25.	Entrepreneurship is a boon for a country like India. The article very clearly states what entrepreneurship does. It plays a vital part in creating jobs, growth and innovation i) Creating jobs : Entrepreneurship create job opportunities and a country like India with massive population needs a lot of job creation. Entrepreneurship not only leads to self-employment but it is also very important for job creation. Growth of entrepreneurship will lead to more jobs. ii) Growth of economy: Entrepreneurship help in developing market competition, benefiting communities and society. By using latest technology entrepreneur help is reduction of cost. iii) Innovation: Entrepreneurship help in innovation as an entrepreneur is an innovator who tries to use new technology or method for production. This helps the economy is a great way	(3)

26.	<p>Based on motivation entrepreneurs are classified as follows</p> <p>i) Spontaneous entrepreneurs: Entrepreneurs who are self-motivated and take up the venture to achieve their personal satisfaction. They work for their ambition, status and ego and don't need any external motivation.</p> <p>ii) Induced entrepreneurs: They become entrepreneurs due to the financial and technical support, incentives and concessions provided by the government or others. They are guided by the present situation which may be a job loss or inability to find a suitable job.</p> <p>iii) Motivated entrepreneurs: They have self-confidence and very highly ambitious and are not satisfied by slow growth which their job may offer. They want to do something new and market their product. Once accepted in the market they motivated to work hard and earn more profits from them.</p> <p>1 mark for each point with proper explanation</p>	(3)												
27.	<p>Intrapreneur is an innovator who brings any new problem solving idea to use. Generally an employee with better ideas within an organisation is called an intrapreneur.</p> <table border="1" data-bbox="146 555 1449 779"> <thead> <tr> <th>Basis</th> <th>Entrepreneur</th> <th>intrapreneur</th> </tr> </thead> <tbody> <tr> <td>Degree of risk</td> <td>Bears full risk of business</td> <td>An employee so doesnot bear the full risk.</td> </tr> <tr> <td>Operations</td> <td>Works from outside</td> <td>Works within the organisation</td> </tr> <tr> <td>Capital raising</td> <td>Personally responsible to raise capital for various ventures</td> <td>Does not need to raise capital himself.</td> </tr> </tbody> </table>	Basis	Entrepreneur	intrapreneur	Degree of risk	Bears full risk of business	An employee so doesnot bear the full risk.	Operations	Works from outside	Works within the organisation	Capital raising	Personally responsible to raise capital for various ventures	Does not need to raise capital himself.	(3)
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28.	<p>Feasibility study or feasibility plan are guides for the implementation of a particular project. It is a detailed study of various problems that might come in the way of execution of the business idea. It is a process of checking resources required for the project under consideration and ensure their availability.</p> <p>There are four different types of feasibility plans</p> <p>i) Financial feasibility ii) Market feasibility iii) Technical feasibility iv) Organisational feasibility</p> <p>2 mark for explanation and 1 mark for the types (2+1)</p>	(3)												
29.	<p>Macro level comprises of all the external factors and institutions with which business has to interact while doing business.</p> <p>i) Demographic forces: It talks about the human population in relation to size, density location, age, gender and occupation. This factor helps the entrepreneur to determine the type of product that should be launched and deciding its sales strategies.</p> <p>ii) Economic factors: GDP,NI and PCI are the three major economic factors. Apart from these productivity, profitability, employment rate and government policy also play a very important role.</p> <p>iii) Political factors: If the political condition is stable and encouraging only then can a business be successful. These factor is a direct and immediate impact in business and so it must be carefully analysed.</p> <p>Apart from these three there are other three factors also Technological forces; Natural factors and Cultural forces.</p> <p style="text-align: center;">OR</p> <p>Importance of evaluating ideas.</p> <p>i) To decide what is important: Evaluating ideas helps the entrepreneur to decide whether the business is worth investing or not.</p> <p>ii) To identify the strengths and weakness of ideas: By comparing different ideas one can easily understand the strength and weakness of different ideas. This helps in making the decision to select the most suitable idea.</p> <p>iii) To minimise risk and maximise return: This is the biggest benefit of evaluating ideas. The entrepreneurs put in effort and evaluate potential entrepreneurial ideas. This helps in minimising the risk while maximising returns.</p>	(3)												
30.	<p>It is very clear that Amit has discovers an idea, does an investigation about it, assembles the requirements to start the venture and finally thinks about how to raise funds for it. These are the four Promotional functions of an entrepreneur.</p> <p>i) Discovering an idea: It is the primary function of an entrepreneur to discover an idea and convert</p>	(5)												

	<p>the idea into a profitable venture. After the discovery of an idea he studies the feasibility report and only if he is convinced starts with the venture. An idea is always discovered due to some need.</p> <p>ii) Detailed investigation: Before investing any money its very important to make a detailed study about the business. The study is based on the availability of raw materials and also demand of the product in the market. This is a time taking and complicated process but it needs to be completed before taking any decision to start the business.</p> <p>iii) Assembling the requirements: Only after detailed investigation is done should an entrepreneur start assembling the resources to start the business. Selection of a factory site, contacting the suppliers of raw materials and machinery and making preliminary contacts.</p> <p>iv) Financing the plan: This is the final step when an entrepreneur has to decide about the capital structure of the business. How much owned and how much borrowed capital is needed. Also need to carefully analyse the terms of credit before taking a loan.</p> <p style="text-align: center;">OR</p> <p>There are several ways in which a start-up can fund his idea. The five which are most popular are</p> <p>i) Self-financing: First put your own capital and later look for investors once the business is successful.</p> <p>ii) Crowd funding: Nowadays this is very popular. It is a way of funding by taking a loan, pre-order, contribution or investment from many people at the same time. Once an entrepreneur puts up a detailed plan and its profitability of business and how much fund is required for the venture. If the investors are convinced they will invest money in the venture.</p> <p>iii) Get Angel investors: Angle investors are individuals with surplus cash and keen interest to invest in upcoming startups. If the investors are confident that the start up can give them return upto 30% of their capital invested they are ready to invest. This generally happens in the beginning stages.</p> <p>iv) Get Venture Capital: Venture capitals are professionally managed funds who invest in companies that have huge potential. They invest against equity and exit when there is an IPO or an acquisition.</p> <p>v) Raise money from banks</p> <p>vi) Get business loans from NBFC (Non-Banking financial companies)</p> <p>vii) Take help of government programs that provide capital to Stat up.</p> <p>1 mark for each of 5 points</p>											
31.	<p>I will motivate Sumit to become an entrepreneur because of the following five reasons</p> <p>i) Independent control: As he is a sole trader he has full control of his business. That can help him to take prompt business decision.</p> <p>ii) Direct incentive: There is no need to share the profits of the business with anyone can work harder and earn more as there is a direct relationship between hardwork and earnings.</p> <p>iii) Flexibility: He need not consult anyone and waste time. He can take any decision and adjust the decision taken whenever its not going according to the set plan.</p> <p>iv) Personal touch: Personal touch with customers helps the business to grow as he can easily understand what the customer wants and adjust his business in that way.</p> <p>v) Secrecy: As a sole proprietor Sumit is under no obligation to share his secrets with others. He does not need to publish his accounts. This helps him to get competitive advantage.</p> <p>vi) Sense of accomplishment: Profits due to hard work motivates him and gives him a sense of achievement and accomplishment.</p> <p>1 mark for each 5 point</p>		(5)									
32.	<table border="1"> <thead> <tr> <th data-bbox="135 1653 454 1697">Basis</th> <th data-bbox="454 1653 949 1697">Feasibility study</th> <th data-bbox="949 1653 1460 1697">Business Plan</th> </tr> </thead> <tbody> <tr> <td data-bbox="135 1697 454 1877">Meaning</td> <td data-bbox="454 1697 949 1877">A feasibility study is conducted at the early stages of a business idea to assess its viability</td> <td data-bbox="949 1697 1460 1877">A business plan is a comprehensive document that outlines the goals, strategies, operations, and financial projections of an existing or proposed business.</td> </tr> <tr> <td data-bbox="135 1877 454 2060">Focus</td> <td data-bbox="454 1877 949 2060">On evaluating the technical, economic, legal, and operational aspects of the proposed business venture.</td> <td data-bbox="949 1877 1460 2060">Serves as a roadmap for the business's future direction and is typically used to attract investors, secure financing, or guide internal operations.</td> </tr> </tbody> </table>	Basis	Feasibility study	Business Plan	Meaning	A feasibility study is conducted at the early stages of a business idea to assess its viability	A business plan is a comprehensive document that outlines the goals, strategies, operations, and financial projections of an existing or proposed business.	Focus	On evaluating the technical, economic, legal, and operational aspects of the proposed business venture.	Serves as a roadmap for the business's future direction and is typically used to attract investors, secure financing, or guide internal operations.		(5)
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	<p>Goal</p> <p>Provide a preliminary assessment of whether the business idea is viable</p>	<p>Provide a comprehensive overview of how the business will be structured and operated.</p>	
	<p>Time</p> <p>A feasibility study is conducted early in the business development process, often before significant resources are invested</p>	<p>A business plan is typically developed after a feasibility study has been completed</p>	
	<p>Users</p> <p>The users for a feasibility study includes entrepreneurs, business owners, and potential investors who are evaluating the viability of a business idea.</p>	<p>The users for a business plan includes investors, lenders, partners, employees, and other stakeholders interested in understanding the company</p>	
33.	<p>i) YourStory was founded by Shradha Sharma, It is media platform, definitive guide showcasing the triumphs and challenges faced by our nation's entrepreneurial community. Falguni Nayar founded Nykaa at the age of 50! She proved that age is no barrier when you have an entrepreneurial fire burning within you. Nykaa has become a household name for all things beauty and wellness in India.</p> <p>ii) Trailblazer are highly competitive, ambitious and goal oriented they are the first person to do something or go somewhere and prove to other that it can be done. They are born leaders and are always happy to help others by showing them a way.</p> <p>Four other types of entrepreneurs are Go getters; Managers; Motivators; Collaborators; Diplomats</p> <p>iii) a) eDesign Technologies b) Peyush Bansal c) Suchi Mukherjee d) Biocon</p>		(5)
34.	<p>Business risk are the possibility or probability of reduction in sale or profit due to unexpected events which may or may not be natural and are beyond the control of business.</p> <p>Business risks are classified in two broad categories</p> <p>i) Insurable risk ii) Non- insurable risk</p> <p>i) Insurable risk are those which can be recovered on happening of the incident. The insurance company pays the compensation on happening of the insured event. Insurance can be taken against fire and some natural calamities.</p> <p>ii) Non- insurable risks are further divided into two headings i) Internal risks ii) External risk</p> <p>Internal risk are those which can be predictable and they can be controlled by the entrepreneur. They take place within the business.</p> <p>There are three reasons for internal risks i) Human factors ii) Technological and iii) Physical causes</p> <p>External risks are those events which occur outside the business organisation and are generally beyond the control of entrepreneur. So these risks cannot be predicated and controlled. These risks occur due to i) Economic factors ii) Natural factors iii) Political factors and iv) Due to change in taste and preference.</p> <p style="text-align: center;">OR</p> <p>The five stages of growth of every enterprise are</p> <p>i) Embryo stage, it is the initial stage when an opportunity comes and the entrepreneur thinks to start it based on its commercial and economic viability.</p> <p>ii) Nurture stage is a stage the commercial potential of the opportunity is identified. The focus is to produce goods and services effectively and exploit all the opportunities.</p> <p>iii) Fledgling stage: After exploiting all the opportunities, the entrepreneur now focuses on attracting more and more customers.</p> <p>iv) Take off stage: At this stage the enterprise has already started to function profitably the focus is on making it's a viable venture. Marketing is a very important function at this stage.</p> <p>v) Viable, growing enterprise: The enterprise has already become well established and shows a lot of potential to grow and expand. It is earning sufficient profit and this can be used for reinvestment.</p>		(5)