



B.K. BIRLA CENTRE FOR EDUCATION

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



PERIODIC TEST-1, 2026-27 ENTREPRENEURSHIP SET - 1

Class: XII
Date: 11.06.2026
Admission no:

Time: 1hr
Max Marks: 25
Roll no:

INSTRUCTION:

1. Please read the instructions carefully.
2. This Question Paper consists of 13 questions.
3. Attempt all questions.
4. Marks allotted are mentioned against each question/part

1. **STATEMENT I:** Environment scanning is only useful during the initial stage of business planning.

STATEMENT II: Entrepreneurs must monitor changes in the external environment regularly.

Choose the correct option from the following:

(1)

- (a) Statement I is true and II is false
- (b) Statement II is true and I is false
- (c) Both the statements are true
- (d) Both the statements are false

2. The process of sensing needs and wants of people and discovering new markets to serve them is known as:

(1)

(A) Business planning (B) Market assessment (C) Opportunity identification (D) Strategic planning

3. **Assertion [A]:** A problem is a road block in the situation that forces the entrepreneur to find its solutions.

Reason [R]: One of the objectives of problem identification is to identify the target group facing the problem.

(1)

Options:

- (a) Both Assertion [A] and reason [R] are true and Reason [R] is correct explanation of Assertion [A].
- (b) Both Assertion [A] and Reason [R] are true and Reason [R] is not the correct explanation Of Assertion [A].
- (c) Assertion [A] is true but Reason [R] is false.
- (d) Assertion [A] is false but Reason [R] is true.

4. Cash flow statement shows:

(1)

- (a) Assets and liabilities
- (b) Inflow and outflow of cash
- (c) Profit and loss only
- (d) Market demand

5. Ritesh Aggarwal is working as a CEO in a reputed company having head office in Bhubaneshwar. The company is following a dynamic approach and thus keeps launching innovative products in the market. He knows that the shares of his company are not freely transferable. The company is also concerned about its

employees and is offering them good working conditions along with other non-financial benefits. As the company was able to earn a good profit it has declared a dividend of 10% for its shareholders and transferred residual profits in reserve. Name the form of business mentioned in the above case. (1)

- (a) Sole Proprietorship (b) Partnership (c) Private Limited Company
(d) Public Limited Company

6. According to the SWOT framework, "Emerging new markets" would be placed in which quadrant? (1)



- (a) Strengths
(b) Weaknesses
(c) Opportunities
(d) Threats

7. Understanding lifestyle changes and attitude towards work and leisure, Fliozon India Ltd. started an online shopping portal offering same day delivery to its customers without any extra charge, on orders above Rs. 500. (2)

The company also installed an online payment security system where there is end-to-end encryption of the banking details to the customer. Identify and state the two environmental factors discussed above.

8. What is meant by 'problem identification'? State any two objectives and also give example of 'problem identification' (2)

9. What are the implication of the feature 'separate legal entity'? (2)

10. State the characteristics of partnership which over some the inherent limitations of sole partnership form of business organisations. (2)

11. Why trend spotting important for the success of business? Explain any two ways in which an entrepreneur spots trends. (3)

12. Karim after completing his XII exam from his village school joined the course of electrician in an ITI in a town near his village. On completion of this course he tried for a government job but could not get the same. He, therefore decided to help as a worker to a renowned electrician in that area. After working with him for two years he decided to start his own electrician shop in the village. For this he purchased equipment for Rs.10,000 and hired a shop at a monthly rent of Rs.2000. He decided to manage the shop by himself. (3)

- (a) Identify the form of business organisation started by 'Karim'.
(b) State any four characteristics of such a form of business organisation.

13. Define organizational plan. A business can be classified in how many categories? (5)

ALL THE BEST