



# B.K. BIRLA CENTRE FOR EDUCATION

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



## TERM-1 EXAMINATION, 2025-26

### ENTREPRENEURSHIP 066

Class: XI

Date: 12.09.2025

Admission no:

MARKING SCHEME

Time: 3 Hrs.

Max Marks: 70

Roll no:

### Section A

A1.	(d) Professional Entrepreneurs	1
A2.	(d) Drives	1
A3.	(a) Mahima Mehra	1
A4.	a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A)	1
A5.	(b) Fabian Entrepreneurs	1
A6.	(b) Brainstorming	1
A7.	(b) Business venture	1
A8.	(a) misconception related to business.	1
A9.	c) feasibility study and business plan	1
A10.	(a) Environment scanning	1
A11.	(a) Wilhelm Roentgen	1
A12.	(c) Dr. Abraham George was a social entrepreneur and worked for eradicating poverty and Sanders worked for earning profit.	1
A13.	(b) Amul Dairy	1
A14.	(b) c, a, d, b.	1
A15.	(a) cultural	1

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|------|---|---|
| A16  | (b) Problem solving   | 1 |
| A17. | (b) Intrapreneur  | 1 |
| A18. | a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A). | 1 |

### Section B

- |      |   |   |
|------|---|---|
| A19. | An entrepreneur should possess the following following entrepreneurial functions.<br><b>1.Innovation:</b><br><b>2.Risk-Taking:</b><br>a.production<br>b.investment<br>c.expansion of the enterprise<br><b>3.Building of Organization:</b> The entrepreneur should have enough organizing and managing skills to utilize the resources with minimum loss and bring down the production costs. Being the sole decision maker for the enterprise, the entrepreneur should be able to make decision regarding which parts of the business need to expanded and where the investment should go to. | 2 |
|------|---|---|

### OR

In the developing countries like India, Entrepreneurship plays significant role in the Economic Development of a country. In India, after the Government has make economic reforms in the economy, the role of entrepreneurs has increased considerably. The more the number of innovative entrepreneurs, the better is the rate of economic development in the country. This is the reason why the growth rate has been slower before the economic reforms and the growth rate has increased after the economic reforms.

- 1.Life-line of any country:
- 2.Source of Innovation:
- 3.Growth Spirit :
- 4.Increased profit margins:
- 5.More Jobs:
- 6.Social Gain:

- |      |  |   |
|------|--|---|
| A20. | Ans: i) Creativity. ii) Brainstorming: 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. | 2 |
| A21. | The following are the features of the attitude.<br>a.Acquired<br>b.Behaviour<br>c.Concealed or Invisible<br>d.Pervasive  | 2 |

### OR

- 1.Innovative
- 2.Imitative
- 3.Fabian

#### 4. Drone

Q22. Ans: The type of competency reflected above is problem-solving.

2

Competencies are specific skills and strengths that an individual possesses. It is the defined behaviour that gives a structured guide enabling the identification and evaluation of behaviours in an individual.

Under problem-solving approach, an entrepreneur shall be prepared for problems that are bound to come in the path of success of his newly set up venture. He searches and analyses different alternatives and chooses the best possible plan for solving a problem.

Such entrepreneurs take the risk of solving a problem which then results in greater returns.

A business entrepreneur Ratan Tata undertook a big effort involving risk related to his project. In the situation of facing uncertain complexities, he thought of an alternate plan and shifted the plant to another area, which shows that he inherits problem-solving competency.

Q23. **1. Penicillin:** Penicillin was innovated by the scientist Sir Alexander Fleming and it led to a successful business venture. He was trying to innovate a wonder drug that could cure all the diseases. One day he threw all his experiments. Later he found that a mold contained in a contaminated Petri dish was dissolving all the bacteria in its surroundings. He then experimented with the mold and found that it has a highly efficient antibiotic. He named it as Penicillin. The sale of Penicillin brought about successful business ventures.

2

**2. Pacemaker:** Pacemaker was invented by an electrical engineer John Hopps. He was doing research on hypothermia. His experiments were focused on restoring the body temperature using radio frequency. When he was conducting the experiments, he discovered that when the heart beating is affected by cooling, the heart beat can be restored by inducing artificial stimulation. The idea led him to innovate the pacemaker. It became a successful business venture.

**OR**

Differentiation between the social entrepreneurship and entrepreneurship are summarised in the following table.

Entrepreneurship	Social Entrepreneurship
1. Their goal is to generate profitable income.	1. Profitable income is just an end result but not their goal.
2. Their goal is to generate profitable income.	2. Profitable income is just an end result but not their goal.
3. They distribute the generated profits to all the stakeholders	3. The wealth generated is distributed to the targeted community through valuable social program.
4. They focus on innovating a product or service that will add value to the customers.	

4. They focus on innovating a solution to the social problem of a community or to help the highly disadvantaged population.

- Q24. The following are the various factors that contribute to the failure of business plan execution. 2
- a. The plan may be well defined but it is not executed properly.
  - b. The failure to execute the plan.
  - c. The strategy, people and work processes are not aligned properly.
  - d. Incomplete understanding of the plan by the people in the organization.
  - e. Not allocating the plan execution to the right person
  - f. Lack of effective communication.

### Section C

- Q25. Ans: The method of idea generation used is Brainstorming. 3
- This is because under Brainstorming a group of people sit together and generate a number of business ideas by innovating alternative ways of meeting the needs and solving problems. It is an unstructured discussion in which one idea leads to another. This is a very productive method for generating as many ideas as possible.
- Q26. The personal barriers to entrepreneurship can be classified into two types: 3
- 1. **Motivational:** Once the venture starts functioning, the obstacles faced in the initial stages can make the entrepreneurs to lose their commitment and consequently their level of motivation dips. The entrepreneurs who lack toughness and perseverance often quit.
  - 2. **Perceptual:** Certain perception barriers can hamper the progress of the entrepreneur. Lack of a clear vision and misunderstanding can result in faulty perception. If the entrepreneur demands everything to be clear and well-defined in order to develop a perception, it will lead to disappointment. As entrepreneur's world is basically disorderly and ambiguous, the people who excessively depend on order will find it a barrier to entrepreneurship.

OR

Risk are of following types:

- 1. **Insurable Risks:** These are related to life and property against fire, theft, accidents etc.
- 2. **Non-insurable:** These are the risks whose probability cannot be determined and which cannot be insured against. For example: Fluctuations in price and demand. These are further divided into two **types:**
  - (a) **Internal Risks:** Those risks which arise from the events taking place within the business enterprise.
  - (b) **Business risks:** These are of a diverse nature and arise due to innumerable factors.These risks can be insurable or non-insurable.

3. **Dynamic risks:** Risks which are caused by changes in the economy are known as 'dynamic risks'. These are generally less predictable because they do not appear frequently.

- Q27. Ans: 1) In 1930, Sanders was operating a service station in Corby, USA and he observed that travellers who stopped for gas were normally hungry and they wanted to eat something. Sanders saw and understood the problem. He knew how to cook, and so he cooked chicken recipes for the travellers. 2) This spicy chicken recipe became a super hit among travellers. This prompted him to start a restaurant which was the beginning of the world-famous fast-food chain "KFC – Kentucky Fried Chicken". 3
- Q28. The power of social media for the entrepreneurial ventures can be understood as under: 3
- **Needs and wants:** Through the new possibilities for social listening, businesses are able to better understand the needs and wants of the customers.
  - **Changes:** More change are expected as the generation that has grown up with new technologies and instant information gratification joins the workforce after completing their desired educational attainment.
  - **New form of businesses:** Creation of new forms of business enterprises is expected in the near future which is going to change the way business ethics and the procedures.
- Q29. **Idea evaluation is an important step in researching the venture's feasibility because of the following reasons:** 3
1. **Helps in deciding what is important:** Idea evaluation forces the entrepreneur to decide what is important to the successful venture, which the entrepreneur is undertaking.
  2. **Helps to identify strengths and weaknesses of the idea:** By evaluating the strengths and weakness of each idea, the entrepreneur identifies and assesses the strong and weak points. By this one gets information which helps to make a better decision.
  3. **Helps to make the best use of limited resources:** It provides an idea about limited resources at disposal. Mostly entrepreneurs have limited resources in the form of money, time, people, etc. They can make sure that their choices make the best use of the available limited resources.
  4. **Helps to minimize risks while maximizing return:** Every entrepreneur like to have the least uncertainty or risk while getting the return from entrepreneurial decisions and actions. An entrepreneur puts in the effort to evaluate potential of the venture undertaken for maximizing the possible returns.

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.

### Section D

Q30. Ans: The factors which inhibit the growth of entrepreneurship may be classified under two categories. **5**

#### Environmental Barriers

- (i) Economic
- (ii) Social
- (iii) Cultural
- (iv) Political

#### Personal Barriers:

- (i) Motivational
- (ii) Perceptual

#### Environmental barriers:

**Economic:** The factors of production land, labour, capital, material, etc. contribute equally towards the development of entrepreneurship in any country. If all the factors are readily available to the entrepreneurs, then entrepreneurship is naturally promoted and developed. But if any of the factor of production are not available or not readily available or available in inadequate quality and quantity, they can become barriers to entrepreneurship.

- (iii) **Social:** Sociological factors such as religion, caste structure, age groups, standard of living, mobility of labour, cultural heritage, respect for senior citizens, values, etc. have a deep impact on business. In India, attitudes have changed with respect to food and clothing, due to changes in educational pattern, rise in standard of living, increase in literacy rate among men and women, employment of women in factories and offices, etc. Due to it there is growth of food processing and garment manufacturing units.
- (iv) **Cultural:** Every society has its own culture, cultural values, customs, beliefs and norms. If the culture of a society is encouraging creativity and risk-taking, entrepreneurship gets encouragement leading to development.

- (v) **Political:** Political factor provides the legal framework for the functioning of the enterprises in the economy. Political environment poses challenge in front of entrepreneurs. Political environment is affected by political parties, stability of the government, government's interference in business world, taxation and subsidies policies etc.

**(ii) Following are the personal barriers to entrepreneurship:**

1. Perceptual: Perceptual barriers that can adversely affect the progress of an entrepreneur and the enterprise. Lack of proper knowledge, lack of clear vision, misunderstanding of a situation, etc. can result in a faulty decisions. These features leave the entrepreneur with limited options and stubbornness in the decisions.
2. Motivational: Regular motivation is an essential for keeping the same tempo in the enterprise. Lack of motivation becomes a strong barrier to entrepreneurship. Many entrepreneurs start with enthusiasm, but when they face some difficulties in the execution of their plans, they lose motivation.

**OR**

**Ans: The following are some of the limitations faced by women entrepreneurs:**

- **Patriarchal society:** The gender bias exists in society and is due to the patriarchal attitude.
- **Lack of opportunities:** In some area education still has not reached to every female, the lack of education is thus a barrier.
- **Enabling technologies for women:** There is lack of more opportunities regarding new methods of production, marketing and other modern technologies for women.
- **Social barriers:** In rural areas, more social barriers are faced. This is due to lack of education and positive legislation.
- **Attitude of creditors towards women:** Women entrepreneurs suffer while raising and meeting the financial needs of their business. The society was slightly biased in their attitude towards women entrepreneurs.
- **Organised sector:** The skilled women work more in the un-organised sector and hence does not get her due.

Q31. Ans: The process of entrepreneurship:

**5**

- i) Self-Discovery: Entrepreneurs learn what they enjoy doing, also examine their strengths and weaknesses. This stage also involves examining work experience and relating it to potential opportunities.
- ii) Identifying opportunities: Looking for needs, wants, problems, and challenges that are not yet being met, or dealt effectively.
- iii) Generating and evaluating ideas: Using creativity and past experience to devise new and innovative ways to solve a problem, or meet a need, and then narrowing the field to one best idea.
- iv) Planning: Researching and identifying resources needed to turn the idea into a viable venture. Doing the research in the form of a written business plan preparing marketing strategies.

v) Raising Start-up capital: Using the business plan to attract investors, venture capitalists and partners. This stage can involve producing prototypes or testmarketing services.

vi) Start-Up: Launching the venture, developing a customer base, and adjusting marketing and operational plans as required.

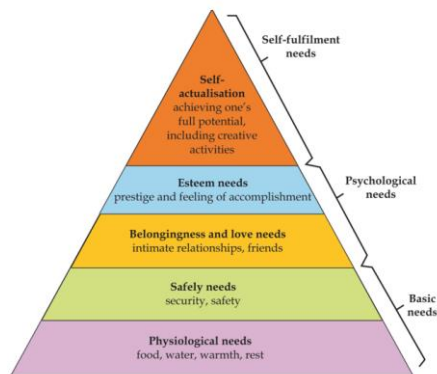
vii) Growth: It involves developing and following strategic plans, adapting to new product/ market/branches.

viii) Harvest: It means selling the product and harvesting the rewards. For many entrepreneurs, this also means moving on to new venture and new challenges.

Q32. Explain Maslow's Hierarchy of Needs Theory.

5

Ans:



Maslow's Hierarchy of Needs Theory is regarded as one of the most popular theories on motivation. It is a theory of psychology that explains that humans are highly motivated in order to fulfill their needs, which is based on hierarchical order.

#### Levels of Hierarchy

The levels of hierarchy in Maslow's need hierarchy theory appear in the shape of a pyramid, where the most basic need is placed at the bottom while the most advanced level of hierarchy is at the top of the pyramid.

Maslow was of the view that a person can only move to the subsequent level only after fulfilling the needs of the current level. The needs at the bottom of the pyramid are those which are very basic and the most complex needs are placed on the top of the pyramid.

1. Physiological needs: The physiological needs are regarded as the most basic of the needs that humans have. These are needs that are very crucial for our survival. The examples of physiological needs are food, shelter, warmth, health, homeostasis and water, etc.

In addition to all the above needs, Abraham Maslow also included sexual reproduction as one of the most common needs as it is essential for the survival of the species.

2. Safety Needs: Once the basic needs of food, shelter, water, etc are fulfilled, there is an innate desire to move to the next level. The next level is known as the safety needs. Here the primary concern of the individual is related to safety and security.



Safety and security can be regarding many things like a stable source of income that provides financial security, personal security from any kind of unnatural events, attacks by animals and emotional security and physical safety which is safety to health.

The various actions taken by an individual in ensuring safety and security are finding a job, getting an insurance policy, choosing a secure neighborhood for staying with family, etc.

3. Social Needs (Also known as Love and Belonging Needs): This is the third level in the need hierarchy theory. It is that stage where an individual having fulfilled his physiological needs as well as safety needs seeks acceptance from others in the form of love, belongingness.

In this stage, human behaviour is driven by emotions and the need for making emotional relationships is dominant here.

The following examples can satisfy this need:

1. Friendship
2. Family
3. Intimacy
4. Social Groups

When an individual is deprived of the above needs, he/she feels lonely and depressed.

4. Esteem needs: This is considered as the fourth level of the hierarchy of needs theory. It is related to the need for a person to be recognized in society. It deals with getting recognition, and self-respect in society.

The need for recognition and acceptance arises when a person has fulfilled their need for love and belongingness.

In addition to recognition from others, there is a need for the person to develop self-esteem and personal worth.

5. Self-actualization needs: This is the final level of the theory of hierarchy of needs as proposed by Maslow. It is the highest level of needs and is known as the self-actualization need. It relates to the need of an individual to attain or realise the full potential of their ability or potential.

At this stage, all individuals try to become the best version of themselves. In other words, self-actualisation is the journey of personal growth and development.

**OR**

Explain McClelland's Theory of Needs.

Ans: According to David McClelland, regardless of culture or gender, people are driven by three motives:

- Achievement
- Affiliation
- Power

Since McClelland's first experiments, over 1,000 studies relevant to achievement motivation have been conducted. These studies strongly support the theory.

**Achievement:**

The need for achievement is characterized by the wish to take responsibility for finding solutions to problems, master complex tasks, set goals and get feedback on level of success.

**Affiliation:**

The need for affiliation is characterized by a desire to belong, an enjoyment of teamwork, a concern about interpersonal relationships, and a need to reduce uncertainty.

**Power:**

The need for power is characterized by a drive to control and influence others, a need to win arguments, and a need to persuade and prevail.

According to McClelland, the presence of these motives or drives in an individual indicates a predisposition to behave in certain ways. Therefore, from a manager's perspective, recognizing which need is dominant in any particular individual affects the way in which that person can be motivated.

People with achievement motives are motivated by standards of excellence, delineated roles and responsibilities, and concrete, timely feedback. Those with affiliation motives are motivated when they can accomplish things with people they know and trust. And the power motive is activated when people are allowed to have an impact, impress those in power, or beat competitors.

Q33. Ans: 1) Business competency is a set of defined behaviours that provide a structured guide enabling the identification, evaluation and development of the behaviours in an individual. 5

Ethics : “Business Ethics” can be defined as the critical, structured examination of how people and institutions should behave in the world of commerce. It is the study of standards of business behaviour that promote human welfare and the good.

2) (a) **Initiative:**

- It is the first step in the enterprise.
- It is the ability to make decisions and take action without asking for the help or advice of others.
- It is essential for an entrepreneur to be active quick decision-maker.
- An entrepreneur has to be keen observer of the society, the commercial trends, the product types, the change dynamics and the consumer trends.

(b) **Creativity and Innovation:**

- Competency in creativity and innovation are sometimes basic traits of certain

individuals.

- He/she might not have any new ideas.
- He/she may use the creative ideas and innovative products and services to meet the challenges of a situation, take advantage of the utility of an idea or a product to create wealth. Example, changes in the packaging of potato chips.

**(c) Risk Taking and Risk Management:**

- Risk refers to the condition of not being able to predict the outcome of an activity or decision. He/she treads into areas of uncertainty.
- It provides the entrepreneur with a set of controls to monitor the venture.
- Every entrepreneur must identify the risk, by considering all factors economic conditions, political factors, market research and financial resource mobilization, demand supply in the market, acceptability of the product design and service which throw a potential challenge to the entrepreneur.

In order to attune oneself in the skill of risk-taking and management he should practice in several areas of entrepreneurial functions such as entering into new market.

- For example, when Dhirubhai Ambani faced cash crunch he took the risk of issuing shares in 1977 to the public when they were not aware about the share market.

**(d) Problem Solving:**

Entrepreneur must be aware that he has started a new business and many problems are bound to hinder in the path of progress and he cannot escape from them. He/she should

- understand that there is more than one way of solving problems, look for alternative strategies, resources that would help to solve the problem, generate new ideas, products, services, etc.

In problem solving an entrepreneur has to take various decisions which should be effective and arriving at creative solution and give better results thereof.

For example: When an entrepreneur faces cash crunch he should look for alternative sources for receiving funds. Ratan Tata shifted the manufacturing plant of Nano cars from Singur to Sanand due to unforeseen complexities.

Q34. A. Answer in own words

5

**B 1. Social Catalysts:** Social entrepreneurs are the visionaries who create fundamental, social changes by reforming social systems and creating sustainable improvements. Their efforts and actions have the potential to bring global improvements in the various fields like education, health care, economic development, the environment, the arts, etc.

**2. Socially aware:** Social improvement, is the ultimate goal of the social entrepreneurs. The success of their efforts is measured by their social changes and impact on various social groups of the society.

**3. Opportunity-seeking:** Social entrepreneurs view every obstacle as an opportunity. They develop their business on the same grounds.

**4. Innovative:** Social entrepreneurs are creative, willing to think differently and ready to apply ideas to new situations. They see failures as learning opportunities.

**5. Resourceful:** Social entrepreneurs' visions are not limited by the resources which they acquire or have but they actively expand their resource pool through positive collaboration with others.

**6. Accountable:** Social entrepreneurs are accountable to their beneficiaries like customers, investors, etc. and they often take measures to keep themselves on the right track by asking themselves,—Am I creating value for the people I am serving? Do I understand their needs?