



# B.K. BIRLA CENTRE FOR EDUCATION

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



## TERM I EXAMINATION, 2025-26 ENTREPRENEURSHIP (054)

Class: XII  
Date: 10.09.25  
Admission no:

Time: 3 Hrs.  
Max Marks: 70  
Roll no:

### General instructions

- I. Read the following instructions very carefully and strictly follow them:
- II. This question paper contains 34 questions. All questions are compulsory.
- III. Q1 to 18 are 1 mark questions.
- IV. Q19 to 24 are 2 mark questions.
- V. Q25 to 29 are 3 mark questions.
- VI. Q30 to 34 are 5 mark questions.
- VII. There are internal choices.

Q1) What is TRUE regarding an entrepreneur? (1)

- (i) An entrepreneur conceives an idea to start a business
  - (ii) The reward of an entrepreneur is wage or salary
  - (iii) Entrepreneur acts as a worker as well as an owner
- (A) Only (i) and (ii) (B) Only (ii) and (iii)  
(C) Only (i) and (iii) (D) All the tree

Q2) An economic idea that can be converted into business enterprise to earn profit is called. (1)

- (A) Business Plan (B) Business Idea  
(C) Business method (D) Business Opportunity

**OR**

**Statement 1:** Imitation can never be a source of entrepreneurial opportunity.

**Statement 2:** Entrepreneurs can never identify opportunities by studying successful businesses.

Choose the correct option:

- (1)
- (A) Both statement 1 and 2 are correct.  
(B) Both statement 1 and 2 are incorrect  
(C) Statement 1 is correct but Statement 2 is incorrect  
(D) Statement 1 is incorrect but Statement 2 is correct

Q3) **Assertion (A):** A technically sound idea may fail if there is no market demand.

**Reason (R):** Market research ensures the commercial viability of an idea.

**Choose the correct option:**

- (1)
- (A) Both Assertion and Reason are true, and Reason is the correct explanation of Assertion (A).  
(B) Both Assertion and Reason are true, but Reason is not the correct explanation of Assertion.  
(C) Assertion is true, but Reason is false.  
(D) Assertion is false, but Reason is true.

Q4) Cooperative societies are governed by Indian Cooperative Societies Act

- (A) 1956 (B) 1940 (C) 1932 (D) 1912

**OR**

**Statement 1:** Partnership is governed by the Indian Partnership Act of 1956.

**Statement 2:** There can be a maximum of 50 partners in a partnership business.

Choose the correct option:

- (A) Both statement 1 and 2 are correct.
- (B) Both statement 1 and 2 are incorrect
- (C) Statement 1 is correct but Statement 2 is incorrect
- (D) Statement 1 is incorrect but Statement 2 is correct



Q5) The above picture represent

(1)

- (A) Business Plan
- (B) Organisational Plan
- (C) Marketing Plan
- (D) Human Resource Planning

Q6) PAN and TAN are both

(1)

- (A) Proof of identity of a person
- (B) 10 digit alphanumeric number
- (C) Mandatory documents for any financial transaction
- (D) Proof of address of a person



Q7) The above is a representation of

(1)

- (A) Brand
- (B) Brand name
- (C) Brand mark
- (D) Trade mark

Q8) Place mix includes channel of distribution and

(1)

- (A) Physical movement of goods
- (B) Insurance of goods
- (C) Both
- (D) None

Q9) Which promotion strategy targets mass audience?

(1)

- (A) Above the line
- (B) Above the market
- (C) Below the market
- (D) Below the line

Q10) Quality is often defines as “Fitness for use” and

(1)

- (A) Best before date
- (B) Conditions for use
- (C) Confirmation to use
- (D) Confirmation to requirement

Q11) **Assertion (A):** Price strategy refers to selecting the right distribution channels.

**Reason (R):** Right distribution channels help make the product available at the right time and place.

**Choose the correct option:**

(1)

- (A) Both Assertion and Reason are true, and Reason is the correct explanation of Assertion (A).
- (B) Both Assertion and Reason are true, but Reason is not the correct explanation of Assertion.
- (C) Assertion is true, but Reason is false.
- (D) Assertion is false, but Reason is true

Q12) AB Motors produce and supply fan motors to many big fan producing companies. This year they have got a very big order. They don't have the technology to execute this order. What should they do for their internal expansion? (1)

- (A) Partnership with another firm. (B) Entering new fields in production  
(C) Replace old machine with latest ones (D) Improve their capital structure

**OR**

The payment made by the franchisee to the franchisor for getting permission to distribute goods and services of the franchisor is called?

- (A) Goodwill (B) Royalty (C) Patents (D) Liquid payment

Q13) What is the combination of business units belonging to different industries and producing altogether different products called? (1)

- (A) Global giants (B) Conglomerate (C) Joint Venture (D) Government Company

Q14) Who introduced the value chain analysis concept in his 1985. (1)

- (A) Simon Mc Carthy (B) Michael Porter (C) Elton Mayo (D) George Wallot

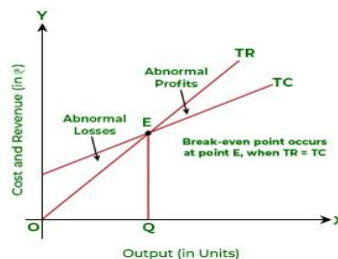
Q15) Which of the following is an advantage of franchising to the franchisor? (1)

- i) Enhancing the goodwill  
ii) Direct feedback  
iii) Quality product  
iv) Expansion

- (A) Option i), ii) and iii) (B) Option i), ii) and iv)  
(C) Option i) and iii) (D) Option ii) and iii)

Q16) Normal time taken between ordering and receiving inventory is called- (1)

- (A) Average time (B) Load time (C) Least time (D) Lead time



Q17) The picture above shows (1)

- (A) Break Even Point (B) Total Loss (C) Total Profit (D) Only Total Cost

Q18) There are three key elements to the process of financial management. Financial planning; Financial decision-making and \_\_\_\_\_ (1)

- (A) Financial requirement (B) Financial evaluation (C) Financial control (D) Financial structure

Q19) "Entrepreneurs receive ideas from various sources but it is more important to take these ideas seriously and convert them into business opportunities" State the main sources of ideas. (2)

Q20) State any four ways in which problem identification helps the enterprise. (2)

Q21) Akash has been doing a trading business of fruits for over a year. He buys fruits from farmers and sells them to retail fruit sellers in limited quantities as is aware of his unlimited liability. He has 15 fixed buyers and he offers all of them a credit of 15 days. He takes all the decision regarding his business and sometimes faces a problem of shortage of funds. Even though he wants he is unable to

expand his business so he has to be contend with his small scale operation.

i) Identify the form of business carried by Akash.

ii) State any three features of the business that can be identified from the above. (2)

**OR**

Ajay and Sanjay have started a business to supply T Shirts (uniforms) to various schools in their city. Both of them have invested Rs.2,00,000 each. They now wants to expand their business and wants to admit three more people in their business. They have registered their business.

i) Identify the form of business carried by Ajay and Sanjay

ii) Can they admit three other people in their business?

iii) Under which Act have they got their business registered?

iv) What is the biggest demerit of this type of business?

Q22) State any four importance of logo. (2)



Q23) What type of takeover is indicated in the picture above? Explain it. (2)

Q24) State any two functions that inventory control provides. (2)

Q25) Explain any three reasons for making a business plan. (3)

Q26) What is a Public company? How is it further classified? (3)

Q27) Write the taglines for the following (3)

i) Gillette :

ii) Burger King:

iii) VISA:

iv) Frooti:

v) Maggi:

vi) ICICI Bank:

**OR**

Identify the logo and write its tagline.



i)



ii)



iii)

Q28) What is EOQ? Explain how is it calculated ? (3)

Q29) Net profit before tax was Rs. 2,40,000. Tax rate is 40%. 10% Preference Shares Rs.3,40,000; Share Capital Rs.4,00,000; Reserves and Surplus Rs.1,50,000. Calculate the Return on Equity (3)

Q30) Ajay, a graduate in fashion design, wants to start his own clothing brand. He is considering different forms of business organizations before launching his startup. Initially, he doesn't want to raise capital from the public and wants full control over decision-making. However, he also wants to limit his liability and maintain a separate legal entity for the business. He is also aware that registering the business and complying with the legal formalities is essential for credibility and scaling in the future. He wants to register his business under GST and apply for Shop and establishment licenses required to operate legally. He understands that this will become very useful once the scale of business goes up. He has employed 8 workers and has also taken a place on rent to set up his workshop. (5)

- Which form of business organisation should Ajay choose if he wants limited liability and a separate legal entity?
- What is the main disadvantage of choosing a Sole Proprietorship by Ajay?
- What are two legal formalities Ajay must fulfil while setting up a Private Limited Company?
- Name two licenses or registrations Riya may require to legally operate her fashion business.
- Give any one reason why organisational planning is important for such a startup.

Q31) Goals can be set up with a simple way i.e. set up SMART goal. Explain. (5)  
SMART is an acronym for five steps

**OR**

Explain the Company related and Market related factor that impact the choice of Place Mix.

Q32) State five differences between Advertising and Personal Selling. (5)

Q33) How is merger and acquisition different from each other? Explain any three reasons for its failure. (2+ 3)

Q34) A shoe making produces sports shoes and formal shoes. (5)  
Their fixed cost is Rs.5,83,200  
Sales price and Variable cost are

Particulars	Sports Shoes	Formal Shoes
Sales Price	Rs. 1,800	Rs.1000
Variable Cost	Rs.1,440	Rs.700

The current sale of this year is 600 pairs of Sports Shoes and 900 pairs of Formal Shoes.

Calculate i) Weighted average contribution margin.

ii) Break-even point

iii) Break even units for each type of shoes

**OR**

A garment store gives you the details of its sale on 14th August 2024.

Product	Price Per Unit (Rs.)	Quantity Sold (Numbers)
Vest	100	25
Half pants	300	10
T. Shirts	400	15
Shirts	800	6
Jeans	900	12
Full Pants	1,500	2

The shopkeeper found that the total number of customer were 35. The shopkeeper bought the entire products from a wholesaler cost of each product was 60% of its selling price. If customer is the unit of sale what is the unit price? calculate i) Unit price per customer ii) Unit price per product iii) Gross Profit.

-----ALL THE BEST -----