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INDIAN SCHOOL SALALAH

FINAL EXAMINATION, FEBRUARY 2026 (AY 2025-26)



Class: XI

ENTREPRENEURSHIP (066)

Date: 10/02/2026

Time: 3 Hrs

Maximum Marks:70

General Instructions:

1. This question paper contains 34 questions.
2. The question paper contains 4 sections - A, B, C and D
 - 1.1. Section A contains multiple choice questions
 - 1.2. Section B - 2 marks; Answers to these questions may be from 30-40 words.
 - 1.3. Section C - 3 marks; Answers to these questions may be from 50-75 words.
 - 1.4. Section D - 5 marks; Answers to these questions may be from 120-150

SECTION A

1	Which of the following is the main purpose of break-even analysis? (a) to calculate the maximum profit a company can earn (b) to determine the level of sales where revenue equals expenses (c) to identify the company's total assets (d) to calculate monthly salaries of employees	1
2	Ravi noticed that many people in his neighborhood were constantly looking for fresh, healthy juice options. Seeing an opportunity, he began experimenting with different fruit and vegetable combinations. After some time, he came up with a unique blend of juices that became quite popular among his friends. Encouraged by the positive feedback, Ravi opened a small juice stall in the local market, offering a variety of fresh juices to the customers. In the case above, Ravi's recognition of the demand for healthy juices and his ability to develop a new product aligns with which entrepreneurial function? (a) Planning (b) Discovery of an idea (c) Accounting (d) Assembling the requirements	1
3	Assertion (A): Customers are part of the micro environment. Reason (R): Micro environment does not operate in isolation and is one of the levels of business environment. (a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (b) Both Assertion (A) and Reason (R) are true but 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.	1

4	<p>Which of the following is not the assumption of Maslow's theory of Motivation?</p> <p>(a) Satisfaction of needs influence behavior (b) People's needs are not in hierarchical order (c) Satisfied need can no longer motivate a person (d) A person moves to the next higher level need when lower level need is satisfied.</p>	1
5	<p>An entrepreneur named Priya starts a handmade paper business, creating unique products from elephant dung, which has higher fiber content. Priya focuses on making a product that stands out in the market and doesn't follow the trend of joining a "hot" industry. After extensive research, her venture grows and gains popularity due to the originality of her product. Which myth about entrepreneurship is being debunked in Priya's case?</p> <p>(a) Most entrepreneurs start businesses in attractive industries (b) The growth of a start-up depends more on the entrepreneur's talent than the industry (c) Banks don't lend money to start-ups (d) It takes a lot of money to finance a new business</p>	1
6	<p>Which approach encourages the generation of business ideas by developing a chain of word associations?</p> <p>(a) Focus group discussion (b) Brainstorming (c) Free association (d) Environment scanning</p>	1
7	<p>Guru has decided to open a new business of supplying sports equipment to the Sports Authority of India. He decided to charge the least possible for his products and to source them from small scale units. He tried to urge Sudhir to join his business. Before giving his final answer, Sudhir wants to know about the business, its products offered, scale of operation, type of technology used and skilled personnel. Which part of Business plan should Sudhir look in to?</p> <p>(a) General Introduction (b) Production Plan (c) Business Venture (d) Financial Plan</p>	1
8	<p>Assertion (A): Attitudes can influence a person's behaviour, but we cannot directly observe an attitude. Reason (R): Attitudes are acquired gradually over time through family and social influences.</p> <p>Options: (a) Both A and R are true, and R is the correct explanation of A (b) Both A and R are true, but R is not the correct explanation of A (c) A is true, but R is false (d) A is false, but R is true</p>	1
9	<p>A young boy from a village dreamed of becoming an IAS officer but could not succeed at the interview stage. Instead of giving up, he opened a small coaching institute to help other aspiring students. Over time, his single-teacher center grew into a large educational institute offering tutorials for a wide range of courses. He took full responsibility for all aspects of the</p>	1

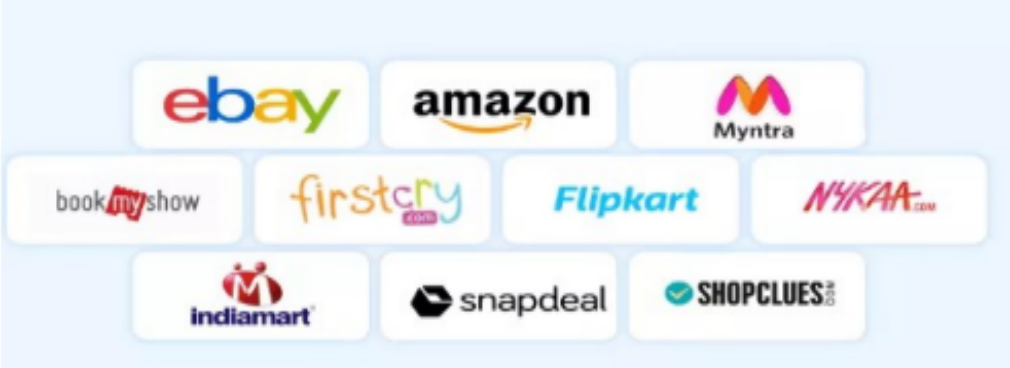
	<p>institute, from planning courses to managing staff, and worked tirelessly to make his vision a reality. From the above case, identify the core value of a dynamic entrepreneur best reflected by the young man.</p> <p>(a) Respect for work (b) Independence or self-reliance (c) Innovation and creativity (d) Quest for outstanding performance</p>	
10	<p>Which of the following statements is correct?</p> <p>(a) Equity shareholders are entitled to a fixed dividend before preference shareholders. (b) Preference shareholders get priority in dividend payment and return of capital, whereas equity shareholders are the true risk bearers. (c) Preference shareholders have maximum voting rights in the company. (d) Equity shareholders are guaranteed repayment of principal amount in case of winding up.</p>	1
11	<p>Case: The Story of Colonel Sanders and KFC</p> <p>Colonel Harland Sanders, the founder of KFC, faced multiple failures before he succeeded. In his early life, Sanders had many different jobs, including a farmer, streetcar conductor, and insurance salesman. His first restaurant failed, and he lost his business due to a fire. But instead of giving up, he started again.</p> <p>At the age of 65, he took his secret fried chicken recipe and began to travel across the country to pitch his idea to restaurant owners. He faced rejection 1,009 times before someone finally agreed to use his recipe. His intense perseverance paid off, and today, KFC is one of the largest fast-food chains in the world. Which entrepreneurial competency is shown by Colonel Sanders, who continued to pitch his chicken recipe despite facing over a thousand rejections?</p> <p>(a) Risk Taking (b) Creativity and Innovation (c) Persistence (d) Leadership</p>	1
12	<p>Assertion (A): Financial feasibility study is the study of how much startup capital is needed, sources of capital, return on investment etc. Reason (R): A comprehensive feasibility study looks at the entire structure, needs and operations of business.</p> <p>(a) Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A) (b) Both Assertion (A) and Reason (R) are true but 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.</p>	1
13	<p>Arjun runs a family-owned textile business started by his grandfather. Although new automated machines could improve efficiency, Arjun continues using traditional methods and</p>	1

	<p>avoids change unless he feels the business may otherwise lose its market position. Arjun is an example of a:</p> <p>(a) Imitative entrepreneur (b) Innovative entrepreneur (c) Drone entrepreneur (d) Fabian entrepreneur</p>	
14	<p>Assertion: Penicillin was discovered when Sir Alexander Fleming noticed that a mold in a discarded Petri dish was dissolving bacteria. Reasoning: Fleming's discovery was purely accidental, as he was searching for a "wonder drug" and happened upon penicillin by chance.</p> <p>(a) Both Assertion and Reasoning are correct, and the Reasoning is the correct explanation for the Assertion. (b) Both Assertion and Reasoning are correct, but the Reasoning is not the correct explanation for the Assertion. (c) The Assertion is correct, but the Reasoning is incorrect. (d) The Assertion is incorrect, but the Reasoning is correct.</p>	1
15	<p>Market survey is a process involving various steps. Arrange the steps in correct order.</p> <p>(i) Planning the Survey (ii) Report Making (iii) Analysis and Interpretation of Data (iv) Field Work</p> <p>(a) (i), (iv), (iii), (ii) (b) (i), (ii), (iii), (iv) (c) (i), (ii), (iv), (iii) (d) (iv), (i), (iii), (ii)</p>	1
16	<p>Assertion (A): An entrepreneur must determine the qualifications, skills, knowledge, and experience required before selecting employees for a job.</p> <p>Reason (R): The type of personnel required depends on the nature of the business activity and the tasks to be performed.</p> <p>Options:</p> <p>(a) Both A and R are true, and R is the correct explanation of A. (b) Both A and R are true, but R is not the correct explanation of A. (c) A is true, but R is false. (d) A is false, but R is true.</p>	1
17	<p>Meera runs a fruit shop. She sells apples by the kilogram. She buys apples at ₹ 60/kg and spends ₹ 5/kg on packaging and transport. She sells apples at ₹ 75/kg.</p> <p>What is the Unit cost per kilogram of apples?</p> <p>(a) ₹ 55 (b) ₹ 60</p>	1

	(c) ₹ 65 (d) ₹ 70	
18	<p>A company buys machinery for ₹ 5,00,000, which will be used for 10 years. The depreciation charged each year is ₹ 50,000.</p> <p>What is the expenditure and what is the expense?</p> <p>(a) Expenditure = ₹ 50,000; Expense = ₹ 5,00,000 (b) Expenditure = ₹ 5,00,000; Expense = ₹. 50,000 per year (c) Both expenditure and expense = ₹. 5,00,000 (d) Expenditure = ₹. 5,00,000; Expense = ₹. 5,00,000</p>	1
SECTION B		
19	Define 'Traditional Markets'. In what terms, with passage of time, did the industrial activity intensified?	2
20	<p>Ravi is planning to open a bakery business in his city. He has a great passion for baking and believes there is a demand for high-quality, freshly baked goods in his area. However, before proceeding with his plan, Ravi decides to collect a list in detail all the things they need to make the business work to ensure that his business idea is viable and has the potential for success.</p> <p>Ravi starts by evaluating the market demand for baked goods in his locality. He examines the competition, potential customers, and identifies possible challenges like limited parking in the area and local regulations that may affect his operating hours. He also looks into the technical aspects, such as where to source the ingredients and how to manage production efficiently. Ravi calculates the required capital for equipment, rental space, and staff, and considers the sources from which he can secure the funds.</p> <p>a) Identify and explain the concept discussed above in the case. b) Explain any two features of the concept identified in (a).</p>	2
21	Rajesh started a home-based bakery offering customized cakes and pastries. While his business is gaining popularity and he enjoys the creative aspect of baking, he finds that the financial returns are not as high as he anticipated. Although his firm is profitable, he often faces the problem of finding qualified employees who can meet the high standards required by his clients. He spends a lot of time training new employees and managing their performance, which takes away from focusing on business expansion. He enjoys being his own boss and having full control over the direction of the company. However, he struggles with the workload and often finds himself working late nights to meet deadlines and manage her team. What two disadvantages and advantages of entrepreneurship is Rajesh experiencing in this case?	2
22	Why do you think the role of family in an entrepreneur's life is important?	2
23	An IT start-up named CyberNest Systems is planning to launch a software development firm. They need to buy laptops, servers, networking equipment, and office furniture. They also plan to rent a small office space and purchase some initial software licenses.	2

	Identify which of these expenses are Start-up costs and explain why they are classified as such. Also state other examples of the same.	
24	You are the marketing manager of a company manufacturing toy car. Explain briefly, the any two internal and external factors to be considered by you before finalizing the price of the toy car.	2
SECTION C		
25	<p>In India, after the liberalization of the economy in 1991, the government recognized the importance of both private entrepreneurs and public sector enterprises for driving economic growth. While the government continued to play a key role in regulating the economy, private entrepreneurs were given more freedom and support to establish businesses. This shift enabled the country to see rapid advancements in innovation, especially in sectors like information technology, renewable energy, and manufacturing. Entrepreneurs began playing a central role in creating job opportunities, improving productivity, and introducing new technologies, such as those used in solar energy projects and tech startups.</p> <p>One of the key changes was the entrepreneurial boom in sectors where India had traditionally lagged, such as technology. Several startups emerged, leveraging global markets for their products and services, creating new markets in the process. These entrepreneurs not only brought in innovative products but also contributed to the country's economic growth by increasing profits and employment opportunities. As a result, the standard of living in many urban areas improved due to the availability of quality services and products at competitive prices.</p> <p>Identify and quote any three need for entrepreneurship highlighted in the case study. Discuss how it contributes to economic development and social welfare in India.</p>	3
26	<p>Ananya has a unique idea to design handmade eco-friendly stationery. She needs a small amount of money to conduct a feasibility study and develop initial samples. Her business has not yet started operations, and she has no sales record. Because of the high risk involved, banks refuse to provide financial assistance. A retired businessman invests his personal savings in Ananya's idea at this early stage and does not interfere in the daily management of the business.</p> <p>(a) Identify and explain the type of investor who provided funds to Ananya. (b) Identify the two types of financial requirements that arise during this stage.</p>	3
27	<p>Suresh runs a bakery called "Suresh's Delight" and produces a variety of baked goods, including cakes, pastries, and bread. He sells his products directly to customers who visit his bakery. Suresh is happy with his sales but is considering expanding his business and reaching customers beyond his locality.</p> <p>a) What type of distribution channel is Suresh using for his bakery, and why would this channel be beneficial for him at this stage of his business? b) Explain the other channels of distribution apart from that mentioned above.</p>	3
28	Karuna has just completed her internship from a prestigious fashion institute of Switzerland. She now plans to open an up-market boutique in Mumbai, the fashion capital of India. Her	3

	<p>friends advice her that before venturing out in the business, she should first assess the market potential for identifying problems and opportunities, determining objectives and assessing the range of costs and benefits associated with several alternatives for solving a problems.</p> <p>a) State the tool which will help her in this.</p> <p>b) Give the features of the tool identified in part (a). (Any 4)</p>	
29	Describe- The Story of Kellogg.	3
SECTION D		
30	<p>A young man was passing through a site of construction. He saw three labourers working in the site. He went to one of them and asked, "What are you doing here?" the worker answered, "don't you see? I am pulling in to earn a living. I am working and earning." The young man moved towards the second. Now, he asked the second man the question "What are you doing?" Pat came the reply "Don't you see? I am constructing a wall."</p> <p>The young man now asked the third person the same question and he replied "Don't you see? I am building a beautiful mansion." All three men were doing the same work, but what differentiated them was their psychological attribute towards work.</p> <p>a) All the three were doing the same work, then what differentiates them. Identify and explain the concept highlighted in the above case.</p> <p>b) State and explain the sources of the concept highlighted in (a).</p>	5
31	<p>Gowri is running a pickle manufacturing unit. She has started her business six months before. As the competition is high, she offer her products at very reasonable, Still she is running at a loss. So she wants to her break even.</p> <p>Fixed cost of the business ₹ 360000 Selling price ₹ 52 Direct material ₹ 20/ unit Direct labour ₹ 8/ unit Variable overhead ₹ 4/ unit</p> <p>Calculate :</p> <p>Total variable cost per unit Break-even point in unit & Sales Break-even point in unit & Sales when fixed cost reduced by 10% Break-even point in unit & Sales when total selling price increase by ₹ 4/ unit</p>	5
32	<p>Raghav founded <i>EcoUdaan</i>, a social enterprise that works with urban waste pickers to improve waste management and promote environmental sustainability. His initiative trains waste pickers in waste segregation and recycling techniques and helps them earn stable incomes. Instead of being discouraged by limited funding and social resistance, Raghav partnered with municipal bodies, corporate houses, and environmental NGOs to scale the project. He continuously experiments with new recycling methods and regularly measures the environmental and social impact of his work to ensure that it genuinely benefits the community and the environment.</p> <p>a) From the above case, quote the lines and identify any three characteristics of a social entrepreneur displayed by Raghav.</p> <p>b) Give examples of any two social entrepreneurs.</p>	5

33	<p>Observe the given image and answer the question that follows:</p>  <p>a) Identity and explain the type of modern form of business/market offered by the companies as shown in this image? b) Discuss any 4 role played by such businesses for the promotion of business community.</p>	5
34	<p>Anisha has started an online handmade jewelry business. She partners with a famous designer whose products are highly popular in the city. Because of this association, Anisha is able to attract more customers and charge higher prices for her jewelry. The designer's brand and logo are legally registered, and suppliers are happy to provide materials on credit because the designer has always maintained good relationships in the market.</p> <p>(a) Identify the resources mentioned in the case that are not physical in nature. (b) State the types of these resources.</p>	5
