INDIAN SCHOOL AL WADI AL KABIR

Class: XI	**Department: Commerce**
Subject:	**BUSINESS STUDIES**
A.Y. 2026 - 27	**Chapter 7: SMALL BUSINESS & ENTREPRENEURSHIP/MSME&BUSINESS ENTREPRENEURSHIP**

Q.no.	**OBJECTIVE TYPE QUESTIONS**
1	Ramesh lives in a village in Rajasthan. His family has been making pottery for generations. He uses locally available clay and traditional methods to make pots, lamps and decorative items. Most of the work is carried out by family members at home, using simple tools. Ramesh's business is an example of: A. Large-scale industry B. Cottage industry C. Multinational company D. Public sector enterprise
2	Small businesses are particularly suitable for generating employment because they generally: A. Require huge capital investment B. Use only imported technology C. Are labour-intensive D. Operate only in metropolitan cities
3	Riya wanted to start a homemade chocolate business. Instead of approaching banks or investors, she used her personal savings and the money she earned from selling chocolates on a small scale. She also used her own kitchen and equipment to reduce initial expenses. Which method of startup funding is Riya using? A. Venture capital B. Crowdfunding C. Bootstrapping D. Angel investment
4	A group of artisans in a particular region produces a special type of handloom saree using traditional techniques. The saree is famous because of its geographical origin and the skills of local artisans. Producers want to prevent manufacturers from other regions from falsely selling their products under the same regional name. Which Intellectual Property Right is most suitable in this case?

	A. Copyright B. Patent C. Trademark D. Geographical Indication
5	Aman developed an innovative educational application. He needed funds to improve the application and promote it in the market. An experienced businessperson invested personal money in Aman's startup in exchange for an ownership stake. The investor also guided Aman on marketing and business expansion. Identify the source of startup funding described in the case. A. Trade credit B. Angel investment C. Bootstrapping D. Bank overdraft
6	Rohan wrote a book explaining how young entrepreneurs can start small businesses. He also created original illustrations for the book. Later, another person copied entire chapters and illustrations and published them under their own name without his permission. Which Intellectual Property Right protects Rohan's original book and illustrations? A. Patent B. Trademark C. Copyright D. Geographical Indication
7	A group of college students developed an affordable water purifier for rural households. They created an online campaign explaining their product and invited a large number of people to contribute small amounts of money. Many people supported the project, helping the students collect the required funds. Identify the funding method used by the students. A. Venture capital B. Angel investment C. Crowdfunding D. Bank loan
8	A technology startup developed an advanced healthcare solution. The business had high growth potential but required a large amount of capital to expand into different cities. A professionally managed investment firm invested money in the startup in exchange for an equity stake. The firm also helped the founders improve their business strategy. Which source of funding is described in the case? A. Crowdfunding B. Venture capital

	C. Bootstrapping D. Trade credit
9	Sara started a business selling organic skincare products under the brand name GlowPure. She designed a unique logo to distinguish her products from those of competitors. Another business began using a very similar logo and brand name to attract her customers. Which Intellectual Property Right is most relevant to Sara's brand name and logo? A. Patent B. Copyright C. Trademark D. Industrial design registration only
10	Aarav developed a new machine that can convert agricultural waste into biodegradable packaging material. His invention is new and useful. He wants to prevent other businesses from making or selling the same invention without his permission. Which Intellectual Property Right should Aarav apply for? A. Trademark B. Patent C. Copyright D. Geographical Indication
	DESCRIPTIVE TYPE QUESTIONS
1	Aarav and his friends established a startup to develop innovative, eco-friendly products. To encourage entrepreneurship, the government introduced several measures under the Startup India Initiative. The founders received simplified compliance procedures and guidance through a single point of contact. They were also provided assistance in protecting their patents, trademarks and designs. The government introduced an easier exit process in case the business failed, encouraged the establishment of professionally managed incubators through public-private partnerships, and offered tax exemptions on profits for a specified period, subject to eligibility conditions. Question: Explain the six action points of the Startup India Initiative highlighted in the case.
2	Rohan observed that people in his town faced difficulty accessing affordable, eco-friendly cleaning products. He systematically studied customer needs and prepared a business plan to start a manufacturing unit. He combined land, labour, capital and technology to establish his enterprise. He introduced a new biodegradable product using an improved production process that reduced environmental harm. His objective was to earn profit while meeting society's needs. However, he understood that the business might not generate the expected returns and invested his own savings to start the venture. Question: Explain the five characteristics of entrepreneurship highlighted in the above case.

3	Aarushi, a young science graduate, wanted to establish a startup to develop innovative agricultural technology. However, many educated youngsters in her community considered entrepreneurship risky and preferred conventional jobs. To address this situation, the Government of India introduced an initiative to promote innovation, develop an entrepreneurial culture, motivate young people to choose entrepreneurship as a career, and support startups from the initial idea stage through their growth phase. The initiative also aims to encourage women and people from socially and economically disadvantaged communities to become entrepreneurs. Question: Explain the objectives of the Startup India Scheme highlighted in the case.
4	A group of entrepreneurs established small manufacturing units in India. They faced difficulties in purchasing expensive machinery, obtaining quality raw materials and marketing their products in international markets. To overcome these challenges, they approached an organisation established by the Government of India in 1955 to promote, aid and foster the growth of small business units. The organisation also provided guidance on technological upgradation, incubation facilities and technology transfer. Question: Identify the organisation mentioned in the case and explain its functions.
5	What do you mean by a startup?
6	Write a short note on DICs.
7	Aarav wanted to start a business manufacturing eco-friendly packaging products. Since he was a new entrepreneur, he explored different sources of finance to meet his business requirements. Initially, he used his personal savings to start the business. Later, he approached a group of people through an online platform to contribute small amounts of money towards his business idea. An individual with surplus cash invested in his startup and also offered him valuable advice and guidance. As the business showed potential for rapid growth, a professionally managed fund invested in the enterprise and provided expertise and mentorship. Aarav also joined a programme that connected his startup with mentors, investors and other startups. When he could not obtain a conventional bank loan, he explored institutions that provided small loans to people who did not have access to regular banking services. Questions: (a) Identify and explain the six ways of funding startups highlighted in the case.
8	What do you mean by MSMED Act2006 and explain the definition used by the Government of India to describe small industries is based on the investment in plant and Machinery.
9	A group of entrepreneurs and creators developed different products and creative works. Asha wrote an original novel, while another entrepreneur created a unique name and symbol to distinguish her company's products from those of competitors. A farmer

	marketed a special agricultural product whose quality and reputation were linked to the region where it was grown. Meanwhile, a scientist invented a new machine that showed technical advancement over existing machines and could be used in industries. Another company designed an attractive pattern and colour combination for its products. A group of farmers developed a new plant variety with desirable botanical characteristics. Finally, an electronics company created a special layout for the components used in a semiconductor chip to perform an electronic function. Questions: (a) Identify the type of Intellectual Property Right applicable to each of the following cases. 1. Asha's original novel. 2. The unique name and symbol used by the entrepreneur. 3. The agricultural product whose reputation is linked to its geographical origin. 4. The scientist's new machine. 5. The attractive pattern and colour combination applied to a product. 6. The new plant variety developed by farmers. 7. The special layout of components in a semiconductor chip.
10	A group of entrepreneurs developed an innovative technology for manufacturing biodegradable packaging. They obtained legal protection to prevent others from using their creation without permission. Their invention involved originality and technological innovation. The protection also helped their business grow and gain a competitive advantage in the market. Identify and explain the three different facets of Intellectual Property Rights (IPR) highlighted in the case.