

Answer all Questions.

Time: 02 Hours

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01.

(A) Write the correct answer in the Answer Script.

01. Which of the action by an entrepreneur will most likely results in creative destruction?
- Developing a new product
  - Taking over a competitor's business
  - Issuing shares to individuals and institutions
  - Lowering prices of your product or service
02. Which of these is not a challenge for the entrepreneur?
- Managing the cash flow of their business
  - Recruiting new employees
  - Choosing the product or service to sell in the market
  - Formulating rules and regulations relating to conducting entrepreneurship in their country
03. Who should be mainly involved in preparing a firm's business plan?
- Accountant
  - Engineer
  - Entrepreneur
  - None of the above
04. The process of creating something new is called:
- Creativity
  - Management
  - Business
  - Innovation
05. If an entrepreneur takes decisions on behalf of their enterprise, it is known as \_\_\_\_\_:
- Routine decisions
  - Strategic decisions
  - Organizational decisions
  - Personal decisions
06. Entrepreneurship Development Programme is helpful for:
- First-generation entrepreneurs
  - Future generation entrepreneurs
  - Existing Entrepreneurs
  - None of the above

07. Which is not considered as the phases of entrepreneurship?
- Initial phase
  - Middle phase
  - Development phase
  - Support Phase
08. Which of these is considered as the component of business plan?
- Marketing strategy
  - Executive summary
  - Sale strategy
  - All the above
09. Which of these business components help in understanding how the business's plans to expand in the future?
- Growth strategy
  - Competitors' analysis
  - Company description
  - Revenue Plan
10. Which of the following is not considered as the "social factors" that led to slow growth of entrepreneurship?
- Dual role of women
  - Family burden
  - Lack of education
  - Unstable state government

(10x1.5=15 Marks)

**(B) Fill in the blank using the following words and write**

Cash budget	Initial phase	Partnership	Franchise business	Power
Financial plan	Development	Distributor	Oligopoly market	Niche market

01. Creation of awareness about the entrepreneurial opportunities basing on survey is called as \_\_\_\_\_.
02. \_\_\_\_\_ shows the estimated profit and expenses of the venture.
03. \_\_\_\_\_ involves having an opportunity to start your business from already set-up business.
- 04 \_\_\_\_\_ is a person or business agent that has an agreement to sell products or services produced by another company.
- 05 \_\_\_\_\_ is small area where a business opportunity is likely to bring profit.

(05x01= 05 Mar

**(C) Choose whether the following statements are True/False and write.**

01. Licensing offers an entrepreneur the right to be creative and invent product or service, but retaining the name brand, icon or trademark of the widely recognized business	True/False
02. The business plan is a written document prepared by the entrepreneur that describes only the internal elements involved in starting a new venture.	True/False
03. The executive summary gives an outline of your business plan carrying the most important information from the rest of the business plan	True/False
04. Batch costing method is used when a large quantity of a product in a single production process produced	True/False
05. Firm with entrepreneurial spirit are proactive, innovative and risk taking	True/False

**(05x01= 05 Marks)**

**(Total Marks 25 Marks)**

**02. “Entrepreneurship is a dynamic and exciting field that drives economic growth, fosters innovation, and empowers individuals to transform their ideas into successful businesses.”**

(i) Differentiate among the terms “Entrepreneur”, “Entrepreneurship” and “Enterprise”.

**(06 Marks)**

(ii) What are the characteristics of Entrepreneurship?

**(05 Marks)**

(iii) What are the factors affecting Entrepreneurship Development in Sri Lanka?

**(06 Marks)**

(iv) What are the roles of Entrepreneurship in economic development of the country?

**(08 Marks)**

**(Total 25 Marks)**

**03. "An entrepreneur is typically an individual who creates a new business, plays an active role in its operations, assumes most of the financial risk, and enjoys most of its success."**

(i) Distinguish between (a) Entrepreneur and Small Business owner and (b) Intrapreneur and manager.

(06 Marks)

(ii) What are the key personal entrepreneurial competencies required for a successful entrepreneur? Briefly describe each of the competencies.

(06 Marks)

(iii) What are the barriers to an Eastern University, Sri Lanka undergraduate in becoming an entrepreneur?

(06 Marks)

(iv) Describe the problems faced by women entrepreneurs in Sri Lanka.

(07 Marks)

(Total 25 Marks)

**04. "A business plan is a 15-20 page document that outlines how you will achieve your business objectives and includes information about your product, marketing strategies, and finances. You should create one when you're starting a new business and keep updating it as your business grows."**

(i) What is a business plan? (04 Marks)

(ii) Explain the need for a business plan from the perspective of the entrepreneur and the investor.

(06 Marks)

(iii) Briefly explain the key components of a business plan. (08 Marks)

(iv) Calculate the cost of producing 01 Kg of Chocolate Cake (use a minimum of seven (07) ingredients). Give all the assumptions and the details of your calculations.

(07Marks)

(Total 25 Marks)