

A. Here are some stories of some entrepreneurs. Tick the option for the quality they are showing.

1. Ravi's customer comes to his store and starts shouting at him. He does not get angry. He listens to what his customer is saying. He is _____.

(a) hardworking

(b) confident

(c) patient

(d) prying new ideas

2. Susheela decides to sell her company tyres in Sri Lanka. It does not sell and she has a loss. She apologises to the people who work for her. She says she will plan better next time. She _____.

(a) takes responsibility for your mistakes

(b) thinks before making a decision

(c) does not give up

(d) is creative

B. Tick the correct option for the function that the entrepreneur is doing.

1. Ali has a diamond factory. He pays his employees on the 1st of every month.

(a) Creates a new product

(b) Manages the business

(c) Takes risk

2. Mary buys bulbs for her business from Noida. She learns that bulbs are cheaper in Faridabad. So, she decides to start buying bulbs from there.

(a) Makes decisions

(b) Divides income

(c) Takes risk

3. Rehnuma has two people who work for her. Every day, she spends one hour with them to learn about what they've done that day.

(a) Creates a new product

(b) Divides income

(c) Manages the business

C. Write against the option, if the business idea is of self-employment or wage employment.

(a) Cooking in a restaurant **Ans. Wage Employment**

(b) Owning a clothing business **Ans. Self Employment**

(c) Having a dosa selling stall **Ans. Self Employment**

D. State whether the following statements are True or False

1. Entrepreneurs can create jobs in the market. **True**
2. When many entrepreneurs sell mobile phones in a market, the prices of phones increase. **False**
3. Entrepreneurs identify a need in the market and build a product or service for it. **True**

E. Match each story below with the misconception about entrepreneurship.

Story	Misconception
Ramu owns a large clothes shop. Shamu has a small store selling handmade sarees. Shamu does not call himself an entrepreneur. Ans. (c)	a) Every business idea needs to be unique or special.
Anna has a great idea for a website. She has 5,000. She is waiting for ` 20,000 more, so that she can start it. Ans. (d)	(b) Entrepreneurs are born, not made.
In a city of thousands of tailoring shops, Gauri is a tailor who stitches good quality clothes and has a very successful business. Ans. (a)	(c) A person needs to have a big business to be called an entrepreneur.

F. Match the columns

1. Surabhi opens 5 painting stores across India. Ans. (c)	a. Enter
2. There are many coaching classes in Mumbai. Jacob owns one of them. He is starting morning batches to attract more students to his classes. Ans. (b)	b. Survive
3. Salma has started her clothing line on the Internet. Ans. (a)	c. Grow

G. Subjective question**1. List the ways in which an entrepreneur affects a society.**

Ans. The ways in which an entrepreneur affects a society are:

Fulfil Customer Needs: Entrepreneurs find out what people want. Then, they use their creativity to come up with a business idea that will meet that demand.

Use Local Materials: Entrepreneurs use the material and people available around them, to make products at low cost.

Help Society: They make profits through activities that benefit society. Some entrepreneurs work towards saving the environment, some give money to build schools and hospitals. This way, the people and area around them becomes better.

Create Jobs: With the growth of a business, entrepreneurs look for more people to help them. They buy more material, and from more people. They also hire more people to work for them.

Sharing of Wealth: As entrepreneurs grow their business, the people working for them and in related businesses also grow.

Lower Price of Products: As more entrepreneurs sell the same product, the price of the product goes down. For example, when more mobile phones were getting sold in India, the cost of the phone became lesser.

2. What do you think are the important functions of an entrepreneur? Write your answer giving suitable examples.

Ans. The functions of an entrepreneur are:

Making Decisions: An entrepreneur makes decisions everyday. This includes what to produce or sell, how much and where to sell.

Managing the Business: An entrepreneur plans the future of his or her business. He/she arranges for raw material, hires people for work and tells everyone what to do. They also check if the plan is being followed.

Divide Income: The entrepreneur divides the business money into many groups. He/she spends money to buy material, pays rent of the building and salaries to people.

Taking Risk: Risk is the chance of something going wrong. An entrepreneur takes risks against fires, lost items and theft.

Create a new Method, Idea or Product: An entrepreneur is always trying new things. He/she does this to increase their importance and income.

3. What is the difference between a misconception and reality? Give an example.

Ans. The difference between misconception and reality are:

Misconception: A myth, or a misconception, is a false belief or opinion about something. For example, if we think tall people run faster than short people, we have a misconception. It is not true. The truth is that short people can also run fast.

Reality: Reality is the state of things as they actually exist, rather than as they may appear or might be imagined. In other words reality includes everything that is and has been, whether or not it is observable or comprehensible.