Class XII- Entrepreneurship

Chapter 4: Enterprise Growth Strategies

Section A – One Mark Questions (5 × 1 = 5)

1. What is franchising?

2. Name one advantage of mergers.

3. What is diversification?

4. Which growth strategy involves selling existing products in new markets?

5. What is the full form of JV?

Section B – Two Mark Questions (3 × 2 = 6)

6. Differentiate between a merger and an acquisition. (Any two points)

7. A local bakery in Ludhiana has become popular for its cakes. Instead of opening new outlets on its own, it allows other entrepreneurs to operate stores using its brand name, recipes, and business model.

Identify the growth strategy adopted by the bakery and mention one benefit for the bakery.

8. Explain any two reasons why businesses adopt market development as a growth strategy.

Section C – Three Mark Questions (3 × 3 = 9)

9. Explain the three types of intensive growth strategies with suitable examples.

10. A clothing company selling only in Punjab decides to launch the same products in Delhi, Haryana, and Rajasthan through online platforms. Answer the following:

a) Identify the growth strategy.
b) Explain why this strategy is suitable.
c) State one possible challenge

11. Explain any three challenges faced by entrepreneurs during enterprise expansion.

Section D – Five Mark Question (1 × 5 = 5)

Two technology companies—one specializing in software development and another in artificial intelligence—decide to work together to develop smart education solutions. Both companies invest resources, share expertise, and agree to share profits and risks.

Answer the following:

a) Identify the business growth strategy.
b) State any two features of this strategy.
c) Explain any two advantages.
d) Mention one possible risk involved