

SCO INTERNATIONAL OLYMPIAD

CLASS 12 SAMPLE PAPER

Entrepreneurship Olympiad for schools, teachers, parents, and students

Designed from Class 12 entrepreneurship pathways and aligned with SCO's platform flow for guided preparation, practice, reporting, and future-ready venture-readiness growth.

- advanced business-strategy, finance, innovation, leadership, and pitching readiness
- scenario-based objective questions with answer keys and learning explanations
- PDF-ready sample paper for Class 12 / senior-secondary learners globally

Strategy

Finance

Funding

Leadership

Legal & IP

Digital

Risk

Pitching

Resilience

Ethics

SCO International Entrepreneurship Olympiad - Class 12

Sample Paper

Official sample copy for website/PDF use. Objective-type sample paper with scenario-based business, finance, leadership, legal/IP, innovation, risk, and pitching questions.

Exam Pattern

| Detail | Specification |
|---------------------|---------------------------|
| Class | 12 |
| Duration | 60 minutes |
| Type of Exam | Objective Type |
| Number of Questions | 50 |
| Sections | 8 topic-aligned sections |
| Choice of Dates | Cycle 1, Cycle 2, Cycle 3 |

Candidate Instructions

- Read each question carefully before choosing the answer.
- Each question has only one correct option.
- Use the answer key and explanation section for learning and revision after attempting the paper.
- The paper is designed to test entrepreneurial reasoning, business decision-making, and application of concepts in realistic scenarios.
- Calculators may be used only when permitted by the school or examination instructions; all calculations here are designed to be manageable at Class 12 level.

Section A: Advanced Business Strategies

Q.1 | Market Entry Strategy

A Class 12 student team plans to launch a low-cost revision app in three countries. Each market has different exam boards, languages, payment habits, and school approval rules. Which launch strategy shows the strongest market-entry thinking?

- A. Launch in all countries at once to prove global ambition.
- B. Start with one clearly defined pilot market, validate demand and compliance, then adapt before scaling.
- C. Spend most funds on celebrity promotions before checking product-market fit.
- D. Offer the app free forever because education products should never charge.

Answer: B

Explanation: A focused pilot reduces risk, creates measurable evidence, and allows the team to adapt language, pricing, school permissions, and user behaviour before entering other markets.

Q.2 | Competitive Advantage

A startup sells reusable lunch containers. Competitors can copy the product design within months. Which advantage is hardest for competitors to copy quickly?

- A. A one-time discount at launch.
- B. A strong school-distribution network, trusted brand, and documented hygiene process.
- C. A product colour that looks attractive.
- D. A temporary social media trend.

Answer: B

Explanation: Distribution relationships, trust, and reliable processes create a defensible advantage. Discounts and colours are easy to copy.

Q.3 | Scaling

A handmade-product venture receives 10 times its usual orders after a viral video. What is the most responsible scaling decision?

- A. Accept every order immediately even if quality may fall.
- B. Stop selling forever to avoid pressure.
- C. Open a controlled waiting list, increase capacity in stages, and communicate delivery timelines clearly.
- D. Raise prices randomly without explaining anything to customers.

Answer: C

Explanation: Controlled scaling protects quality, customer trust, and operational stability while still capturing demand.

Q.4 | Customer Segmentation

Which segmentation method is most useful for a startup selling an online career-planning tool for senior students?

- A. Segment only by the colour of students' school bags.
- B. Segment by goals, grade level, subject interests, affordability, and decision-maker influence.
- C. Sell the same plan to every student without researching needs.
- D. Segment only by the number of followers a student has.

Answer: B

Explanation: Useful segmentation reflects customer needs, ability to pay, adoption context, and purchasing influence.

Q.5 | Positioning

A new ed-tech venture is not the cheapest and not the biggest. It offers highly personalised guidance and verified mentors. Which positioning line is strongest?

- A. We are just like every other platform.
- B. The cheapest platform for everyone.
- C. Verified mentor-led guidance for students who need personalised academic and career decisions.
- D. A platform with many random features.

Answer: C

Explanation: Good positioning clearly states the target user, unique value, and reason to choose the venture.

Q.6 | Partnership Strategy

A school innovation club wants to reach 5,000 learners with entrepreneurship workshops. Which partnership is most strategically useful?

- A. A partner that gives large visibility but no access to learners.
- B. A partner with school networks, mentor volunteers, and shared learning goals.
- C. A partner that asks the club to remove its name from all work.
- D. A partner that only wants student data for advertising.

Answer: B

Explanation: Strategic partnerships should provide relevant access, capability, mission alignment, and ethical boundaries.

Q.7 | Business Model

Which revenue model is most suitable for a student productivity app that has a free basic plan and advanced features for serious users?

- A. Freemium model with optional paid premium features.
- B. Only one high-cost annual plan with no trial.
- C. No revenue model at all.
- D. Charging users each time they open the app.

Answer: A

Explanation: Freemium allows broad adoption while converting users who need advanced features into paying customers.

Q.8 | Unit Economics

A healthy-snack startup sells each box for ₹120. Variable cost per box is ₹75. What is the contribution margin per box?

- A. ₹25
- B. ₹45
- C. ₹75
- D. ₹120

Answer: B

Explanation: Contribution margin = selling price - variable cost = ₹120 - ₹75 = ₹45.

Q.9 | Customer Retention

A subscription learning platform has many sign-ups but most users leave after one month. Which metric should the team study first?

- A. Logo size.
- B. Customer churn rate and reasons for cancellation.
- C. Number of office chairs.
- D. The colour of the invoice template.

Answer: B

Explanation: Churn reveals retention problems. Understanding why users leave is essential before scaling acquisition.

Q.10 | Pivot Decision

A venture selling premium notebooks finds that schools reject the price, but students love the planning templates inside the notebook. What is the smartest pivot?

- A. Ignore feedback and print more expensive notebooks.
- B. Convert the planning templates into a lower-cost digital or printable product.
- C. Close the venture immediately.
- D. Remove the feature students like most.

Answer: B

Explanation: A pivot preserves validated value while changing the format or business model to improve adoption.

Section B: Financial Management & Forecasting

Q.11 | Cash Flow

Why can a profitable business still face a cash-flow problem?

- A. Because profit and cash timing are always identical.
- B. Because customers may pay late while expenses must be paid immediately.
- C. Because cash flow only matters for banks.
- D. Because cash flow is not connected to operations.

Answer: B

Explanation: Profit is an accounting measure, while cash flow depends on when money actually enters and leaves the business.

Q.12 | Break-even

A venture has monthly fixed costs of ₹60,000. It earns ₹150 contribution per unit sold. What is the break-even quantity per month?

- A. 200 units
- B. 300 units
- C. 400 units
- D. 600 units

Answer: C

Explanation: Break-even units = fixed costs / contribution per unit = ₹60,000 / ₹150 = 400 units.

Q.13 | Budgeting

A team has ₹100,000 for a school enterprise pilot. Which budget is most balanced for an early validation stage?

- A. ₹90,000 office decoration, ₹10,000 product testing.
- B. ₹40,000 product prototype, ₹25,000 testing, ₹20,000 marketing, ₹15,000 contingency.
- C. ₹100,000 influencer campaign before the product works.
- D. ₹100,000 spent only on uniforms.

Answer: B

Explanation: A good pilot budget supports prototype, testing, marketing, and contingency rather than vanity spending.

Q.14 | Forecasting

Which assumption makes a revenue forecast more reliable?

- A. Every person in the country will buy immediately.
- B. Forecasting based on pilot conversion rates, target segment size, price, and retention.
- C. Assuming competitors will disappear.
- D. Guessing a number that looks impressive.

Answer: B

Explanation: Reliable forecasts are built from evidence-based assumptions, not unrealistic optimism.

Q.15 | Working Capital

A small venture pays suppliers within 7 days but receives customer payments after 45 days. What is the main financial risk?

- A. Too much cash available at all times.
- B. Working-capital pressure due to delayed inflows and early outflows.
- C. No need for cash planning.
- D. Higher logo quality.

Answer: B

Explanation: The timing gap can create a cash shortage even if sales are strong.

Q.16 | Financial Decision

A startup can reduce packaging cost by 20% but the cheaper packaging damages the brand's sustainability promise. What should it do first?

- A. Switch immediately to maximise short-term margin.
- B. Evaluate total impact on customer trust, sustainability claims, returns, and long-term profitability.
- C. Hide the change from customers.
- D. Stop selling products.

Answer: B

Explanation: Financial decisions must consider long-term brand value, ethics, and hidden costs, not only short-term savings.

Q.17 | Cost Behaviour

Which cost is most likely to be variable for a T-shirt printing startup?

- A. Monthly website hosting fee.
- B. Fabric and printing ink used per T-shirt.
- C. Annual business registration fee.
- D. Fixed rent for the workshop.

Answer: B

Explanation: Variable costs change with the number of units produced; fabric and ink increase with output.

Q.18 | Scenario Planning

A venture prepares three cash-flow forecasts: optimistic, expected, and conservative. What is the main benefit?

- A. It guarantees success.
- B. It helps the team plan for uncertainty and identify funding needs early.
- C. It replaces customer research.
- D. It removes the need for accounting.

Answer: B

Explanation: Scenario planning helps entrepreneurs prepare for different outcomes and avoid cash surprises.

Q.19 | Pricing

A product costs ₹300 to make. The startup adds a 40% markup on cost. What is the selling price?

- A. ₹340
- B. ₹420
- C. ₹450
- D. ₹700

Answer: B

Explanation: 40% of ₹300 is ₹120. Selling price = ₹300 + ₹120 = ₹420.

Q.20 | Financial Control

Which control best prevents misuse of a student venture's funds?

- A. One person controls all cash with no records.
- B. Receipts, dual approval for payments, and monthly reconciliation.
- C. Spending first and writing records later from memory.
- D. Avoiding bank accounts completely.

Answer: B

Explanation: Transparent records, approval controls, and reconciliation protect accountability and trust.

Section C: Investment Strategies & Funding

Q.21 | Funding Choice

A venture needs ₹500,000 but wants to avoid giving away ownership. Which funding option is most aligned?

- A. Equity investment from an angel investor.
- B. Revenue-based grant or loan if repayment terms are manageable.
- C. Giving 70% equity to the first interested investor.
- D. Selling the company name permanently.

Answer: B

Explanation: Loans or grants can provide funds without ownership dilution, though repayment or eligibility must be evaluated carefully.

Q.22 | Investor Expectation

Which factor is most important to an early-stage investor evaluating a growth startup?

- A. Only the founder's favourite colour.
- B. Problem size, team capability, market potential, traction, and path to returns.
- C. Only office location.
- D. The number of slides in the pitch deck.

Answer: B

Explanation: Investors look for a strong problem-solution fit, capable team, scalable market, evidence of demand, and realistic returns.

Q.23 | Dilution

A founder owns 100% of a company. She sells 20% equity to an investor. What ownership remains with the founder?

- A. 20%
- B. 40%
- C. 80%
- D. 100%

Answer: C

Explanation: Selling 20% equity leaves the founder with 80% ownership.

Q.24 | Bootstrapping

What is the main advantage of bootstrapping a startup?

- A. It guarantees unlimited funds.
- B. The founders retain more control and learn disciplined spending.
- C. It removes all business risk.
- D. It prevents customer feedback.

Answer: B

Explanation: Bootstrapping encourages resource discipline and preserves ownership, although growth may be slower.

Q.25 | Grant vs Equity

Which statement is most accurate?

- A. A grant usually requires ownership in the company.
- B. Equity funding usually gives investors ownership rights.
- C. A loan never needs repayment.
- D. Crowdfunding is always free money without obligations.

Answer: B

Explanation: Equity funding exchanges capital for ownership. Grants, loans, and crowdfunding each have different conditions.

Section D: Leadership & Emotional Intelligence

Q.26 | Conflict Resolution

Two co-founders disagree: one wants fast growth, the other wants careful quality control. What should the student CEO do first?

- A. Choose the louder co-founder.
- B. Create a shared decision framework using data, risk limits, and customer impact.
- C. Ignore the disagreement.
- D. Remove one founder without discussion.

Answer: B

Explanation: Emotionally intelligent leadership creates structured dialogue, uses evidence, and aligns decisions with venture goals.

Q.27 | Feedback

A team member's presentation is weak, but they worked hard. Which feedback approach is best?

- A. Publicly embarrass them to improve speed.
- B. Give specific private feedback, recognise effort, and agree on improvement steps.
- C. Say nothing and let the pitch fail.
- D. Rewrite their work secretly without telling them.

Answer: B

Explanation: Constructive feedback is specific, respectful, actionable, and helps the person improve.

Q.28 | Responsible Decision-Making

A venture discovers that its supplier uses unfair labour practices. What is the most responsible response?

- A. Ignore it because the price is low.
- B. Investigate, pause new orders if needed, set corrective standards, and seek ethical alternatives.
- C. Hide the issue from customers.
- D. Blame the supplier publicly without checking facts.

Answer: B

Explanation: Responsible entrepreneurship requires due diligence, ethical sourcing, and corrective action based on evidence.

Q.29 | Team Motivation

Which leadership behaviour best supports a high-performing student venture team?

- A. Give tasks without explaining purpose.
- B. Set clear goals, recognise contribution, support learning, and hold fair accountability.
- C. Change priorities every hour.
- D. Reward only the founder's friends.

Answer: B

Explanation: Motivation improves when teams understand goals, feel valued, learn skills, and see fair accountability.

Q.30 | Ethical Culture

Which action best builds ethical culture in a startup?

- A. Only talk about ethics when a crisis occurs.
- B. Create clear values, decision rules, reporting channels, and leadership examples.
- C. Reward revenue even when it comes from misleading claims.
- D. Avoid written policies to stay flexible.

Answer: B

Explanation: Ethical culture requires systems and daily leadership behaviour, not slogans alone.

Section E: Legal Structures & Intellectual Property

Q.31 | Business Structure

A startup with two founders wants clear ownership, roles, and decision rights. What document is most useful at the beginning?

- A. A founders' agreement.
- B. A random social media post.
- C. A product poster only.
- D. A handwritten slogan with no signatures.

Answer: A

Explanation: A founders' agreement defines ownership, responsibilities, decision rules, vesting, exits, and dispute handling.

Q.32 | Trademark

A venture wants to protect its brand name and logo used to distinguish its product from competitors. Which IP protection is most relevant?

- A. Trademark.
- B. Patent for a machine invention.
- C. Office rent agreement.
- D. Bank statement.

Answer: A

Explanation: A trademark protects brand signs such as names, logos, and symbols that distinguish goods or services.

Q.33 | Patent

Which situation is most likely to involve patent protection?

- A. A new technical mechanism that improves battery charging efficiency.
- B. A basic price list copied from a notebook.
- C. The colour of a classroom wall.
- D. A team meeting agenda.

Answer: A

Explanation: Patents generally protect inventions or technical solutions that meet legal requirements such as novelty and usefulness.

Q.34 | Compliance

A student venture collects user emails and learning preferences. Which compliance habit is most responsible?

- A. Collect as much data as possible without telling users.
- B. Explain what data is collected, use it only for stated purposes, and protect it securely.
- C. Sell data to unknown advertisers.
- D. Ignore data privacy because the users are students.

Answer: B

Explanation: Responsible ventures should practise transparency, purpose limitation, security, and respect for user privacy.

Q.35 | Contracts

Why should a startup use written supplier agreements?

- A. To make communication slower.
- B. To clarify price, delivery, quality standards, responsibilities, and remedies if problems occur.
- C. To avoid quality control.
- D. To make suppliers uncomfortable.

Answer: B

Explanation: Written agreements reduce ambiguity and protect both sides by defining expectations and consequences.

Section F: Innovation in the Digital Age

Q.36 | Digital Transformation

A traditional tutoring centre wants to become more digital without losing personal mentorship. Which strategy is best?

- A. Replace all teachers immediately with automated messages.
- B. Use online scheduling, learning analytics, and hybrid mentor sessions to improve service.
- C. Stop using student feedback.
- D. Only buy expensive devices without changing processes.

Answer: B

Explanation: Digital innovation should improve customer value and operations while preserving strengths such as mentorship.

Q.37 | AI Opportunity

How can AI create entrepreneurial opportunity in a small business?

- A. By replacing business judgment completely.
- B. By improving demand forecasting, customer support, personalisation, or quality checks when used responsibly.
- C. By guaranteeing zero failure.
- D. By removing the need for ethics.

Answer: B

Explanation: AI can support efficiency and insight, but entrepreneurs still need judgment, validation, and responsible use.

Q.38 | Platform Business

A marketplace app connects home tutors with students. What is the main challenge of a platform business?

- A. Managing both sides of the market so tutors and students join and trust the platform.
- B. Buying more chairs.
- C. Avoiding all customer service.
- D. Charging users without providing value.

Answer: A

Explanation: Platforms must solve the chicken-and-egg problem, create trust, and balance supply and demand.

Q.39 | Cyber Risk

A startup stores customer payment information. Which risk-control practice is most important?

- A. Share passwords among all interns.
- B. Use secure payment processors, access controls, encryption, and regular monitoring.
- C. Post customer details online for transparency.
- D. Ignore updates to save time.

Answer: B

Explanation: Digital ventures must protect user trust through cybersecurity controls and responsible data handling.

Q.40 | Innovation Test

Before investing heavily in an AI-powered study planner, what should the founder test first?

- A. Whether the product solves a real student problem and users trust the recommendations.
- B. Whether the logo can be animated.
- C. Whether the founder likes the name.
- D. Whether competitors will never enter the market.

Answer: A

Explanation: Innovation succeeds when it solves a validated problem, creates trust, and delivers measurable value.

Section G: Risk Management & Resilience

Q.41 | Risk Register

Which item belongs in a startup risk register?

- A. Risk, probability, impact, owner, mitigation plan, and review date.
- B. Only the company slogan.
- C. Only founder birthdays.
- D. Only product colour choices.

Answer: A

Explanation: A risk register helps teams identify, prioritise, assign, and monitor business risks.

Q.42 | Crisis Response

A food startup receives complaints about possible contamination in one batch. What should it do first?

- A. Delete all customer comments.
- B. Pause sales of the batch, investigate, inform affected customers, and follow safety procedures.
- C. Blame customers immediately.
- D. Continue selling until media reports it.

Answer: B

Explanation: Safety, transparency, investigation, and corrective action protect customers and long-term trust.

Q.43 | Supply Chain Resilience

A venture depends on a single supplier for critical components. What is the biggest risk?

- A. Too many backup options.
- B. Business disruption if that supplier fails, delays, or raises prices.
- C. No need for inventory planning.
- D. Guaranteed quality forever.

Answer: B

Explanation: Single-supplier dependence can create severe continuity risk; backup suppliers and inventory policies improve resilience.

Q.44 | Market Change

A competitor launches a cheaper alternative. What is the best strategic response?

- A.** Immediately copy the competitor without analysis.
- B.** Review customer segments, value proposition, costs, and differentiation before changing pricing or product.
- C.** Ignore all customers.
- D.** Close the business before checking impact.

Answer: B

Explanation: Resilient teams respond with data, not panic. They examine value, cost, customer needs, and positioning.

Q.45 | Resilience Mindset

Which behaviour best shows entrepreneurial resilience?

- A.** Treating one failed experiment as proof the venture can never succeed.
- B.** Learning from failure, adjusting assumptions, and testing a better solution.
- C.** Blaming the market without evidence.
- D.** Repeating the same mistake because change is uncomfortable.

Answer: B

Explanation: Resilience is the disciplined ability to learn, adapt, and continue with improved evidence.

Section H: Networking & Pitching Skills

Q.46 | Pitch Structure

Which pitch structure is most complete for investors?

- A.** Founder biography only.
- B.** Problem, solution, market, business model, traction, competition, team, financial ask, and use of funds.
- C.** Only product screenshots.
- D.** Only a motivational quote.

Answer: B

Explanation: A strong pitch explains the opportunity, evidence, strategy, team, funding need, and expected use of funds.

Q.47 | Networking

At an entrepreneurship summit, what is the most professional networking behaviour?

- A.** Ask for money before introducing the venture.
- B.** Start with a clear introduction, listen to the other person, ask relevant questions, and follow up politely.
- C.** Collect business cards and never follow up.
- D.** Interrupt every conversation.

Answer: B

Explanation: Good networking is relationship-building: concise introduction, listening, relevance, and respectful follow-up.

Q.48 | Stakeholder Pitch

A school principal cares about student safety, parents care about cost, and students care about convenience. What should the entrepreneur do?

- A. Use the exact same pitch for everyone.
- B. Tailor the pitch to each stakeholder while keeping the core value proposition consistent.
- C. Ignore stakeholders who ask questions.
- D. Only pitch to students because they like technology.

Answer: B

Explanation: Different stakeholders evaluate different risks and benefits. Tailoring improves clarity and trust.

Q.49 | Evidence in Pitch

Which evidence most strengthens a startup pitch?

- A. Real pilot results, user retention, revenue, customer testimonials, and validated learning.
- B. Only the founder's belief.
- C. A random quote from a celebrity.
- D. A very long presentation with no data.

Answer: A

Explanation: Evidence-based traction shows that the venture has tested assumptions and created value.

Q.50 | Handling Questions

During a pitch, a judge asks about a weakness in the business model. What is the best response?

- A. Deny all weaknesses.
- B. Acknowledge the risk, explain current mitigation, and describe the next validation step.
- C. End the pitch immediately.
- D. Attack the judge's question.

Answer: B

Explanation: Professional founders show credibility by recognising risks and presenting a realistic mitigation plan.

Answer Key

| Set 1 | Set 2 | Set 3 | Set 4 | Set 5 |
|--------|--------|--------|--------|--------|
| Q1: B | Q2: B | Q3: C | Q4: B | Q5: C |
| Q6: B | Q7: A | Q8: B | Q9: B | Q10: B |
| Q11: B | Q12: C | Q13: B | Q14: B | Q15: B |
| Q16: B | Q17: B | Q18: B | Q19: B | Q20: B |
| Q21: B | Q22: B | Q23: C | Q24: B | Q25: B |
| Q26: B | Q27: B | Q28: B | Q29: B | Q30: B |
| Q31: A | Q32: A | Q33: A | Q34: B | Q35: B |
| Q36: B | Q37: B | Q38: A | Q39: B | Q40: A |
| Q41: A | Q42: B | Q43: B | Q44: B | Q45: B |
| Q46: B | Q47: B | Q48: B | Q49: A | Q50: B |

Learning Use of the Answer Key

Students should first attempt the paper independently, then review explanations to understand the reasoning behind each business decision. Teachers may use the explanations to discuss alternative assumptions, ethical trade-offs, and financial reasoning.

