• **NAME of Faculty:** Dr. Shilpa R Kankonkar  

• **SUBJECT:** ENTREPRENEURSHIP DEVELOPMENT  

• **SEMESTER:** 1st Year MBA  

• **Subject Code:** UL-109  

**MCQS Questions Bank No. 1**  
**Unit 1**  

**Question No: 1**  
Which of the following shows the process of creating something new?  
   a) Business model  
   b) Modeling  
   c) Creative flexibility  
   d) Innovation  

**Question No: 2**  
Which one of the following gives suggestions for new product and also help to market new products?  
   a) Existing products and services  
   b) Federal government  
   c) Distribution Channels  
   d) Consumers  

**Question No: 3**  
Which of the following is used by entrepreneurs to acquire experience in an international market before making a major commitment?  
   a) Merger  
   b) Minority Interest  
   c) Joint venture  
   d) Majority interest  

**Question No: 4**  
GATT is established in 1947, under:  
   a) German leadership
b) U.S. leadership

c) French leadership

d) U.K. leadership

Question No: 5
The entrepreneur was distinguished from capital provider in:

a) Middle ages
b) 17th century
c) 18th century
d) 19th and 20th century
Question No: 6
A person who managed large project was termed as the entrepreneur in the _________.
   a) Earliest period
   b) Middle ages
   c) 17th century
   d) 19th and 20th century

Question No: 7
What is the process by which individuals pursue opportunities without regard to resources they currently control?
   a) Startup management
   b) Entrepreneurship
   c) Financial analysis
   d) Feasibility planning

Question No: 8
Having less than 50 percent of equity share in an international venture is called:
   a) Joint Venture
   b) Majority interest
   c) Minority interest
   d) Exporting

Question No: 9
Having more than 50% ownership position that provides the entrepreneur with managerial control is called:
   a) Joint venture
   b) Majority interest
   c) Horizontal merger
   c) Diversified activity merger

Question No: 10 – Which one of the following is the process of entrepreneurs developing new products that over time make current products obsolete?
   a) New business model
   b) Anatomization
   c) None of the given options
   d) Creative destruction

Question No: 11
Which of the following factors is the most important in forcing U.S. companies to focus on new product development and increased productivity?
   a) Entrepreneurship
   b) Hyper competition
c) Governmental laws
d) Organizational culture

Question No: 12
Which of the following is alternatively called corporate venturing?
   a) Entrepreneurship
   b) Intrapreneurship
   c) Act of stating a new venture
   d) Offering new products by an existing company

Question No: 13
Individuals influencing an entrepreneur's career choice and style are known as which of the following?
   a) Moral-support network
   b) Role model
   c) Professional support network
   d) Support system

Question No: 14
The activity which occurs when the new venture is started is called:
   a) Motivation
   b) Business skills
   c) Departure point
   d) Goal orientation

Question No: 15
The level at which an individual is viewed by society is called:
   a) Financial status
   b) Qualification
   c) Social status
   d) Achievement

Question No: 16
Which one of the following is an important source of idea generation due to their familiarity with the needs of market?
   a) Existing products and services
   b) Distribution channels
   c) Federal government
   d) Consumers

Question No: 17
Members of distribution channels are excellent sources for new ideas because:
   a) They earn a handsome profit from new business
   b) They are familiar with the needs of the market
c) They do not bother if entrepreneur bears a loss
d) They have well-developed sales force

**Question No: 18**
Which one of the following is the most important characteristic of a successful business website?

a) Innovation
b) Speed
c) Graphics
d) Products

**Question No: 19**
Which one of the following is the next stage to the Concept Stage of Product Planning and Development Process?

a) Idea Stage
b) Product Planning Stage
c) Product Development Stage
d) Test Marketing Stage

**Question No: 20**
SBA stands for:

a) Small business accountants
b) Small business administration
c) Small business adequacy
d) Small business advisors

**Question No: 21**
Why should an entrepreneur do a feasibility study for starting a new venture

a) To identify possible sources of funds
b) To see if there are possible barriers to success
c) To estimate the expected sales
d) To explore potential customers

**Question No: 22**
Information regarding all of the following is related to operations, EXCEPT:

a) Location
b) Promotion
c) Raw materials
d) Labor skills
Question No: 23
A performance and credit rating scheme has been launched by the MSME Ministry to assess creditworthiness and capabilities of industries in the sector. What is it called?

(a) Performance and Credit Rating Scheme
(b) Zero Defect Zero Effect Certification
(c) Performance and Economy Rating Scheme
(d) None of the above

Question No: 24
A Micro Enterprise is an enterprise where investment in plant and machinery does not exceed (According to MSMED Act, 2006):

(a) Rs. 15 Lakh
(b) Rs. 20 Lakh
(c) Rs. 25 Lakh
(d) Rs. 30 Lakh

Question No: 25
EDP (Entrepreneurship Development Programmes) is required to help:

(a) Existing entrepreneurs
(b) First generation entrepreneurs
(c) Future generations entrepreneurs
(d) None of the above

Question No: 26
A corporate manager who starts a new initiative for their company which entails setting up a new distinct business unit and board of directors can be regarded as?

(a) Ecopreneur
(b) Technopreneur
(c) Intrapreneur
(d) Social Entrepreneur

Question No: 27
A women entrepreneur is supposed to have a minimum financial interest in share capital of entrepreneur’s enterprise:

(a) 35 per cent
(b) 51 per cent
(c) 25 per cent
(d) None of the above
Question No: 28
Family business always interested to handover the change of his business to:
(a) Indian Administration Officers  
(b) Professional Managers  
(c) Next generation  
(d) None of the above

Question No: 29
A corporate manager who starts a new initiative for their company which entails setting up a new distinct business unit and board of directors can be regarded as?
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(c) Intrapreneur  
(d) Social Entrepreneur

Question No: 30
Venture capital is concerned with:
(a) New project having potential for higher profit  
(b) New project of high technology  
(c) New project having high risk  
(d) All the above.

Answer Key: 1(d), 2(c), 3(b), 4(b), 5(c), 7(b), 8(c), 9(b), 10(d), 11(b), 12(b), 13(b), 14(c), 15(c), 16(b), 17(b), 18(b), 19(c), 20(b), 21(b), 22(c), 23(a), 24(c), 25(b), 26(c), 27(c), 28(c), 29(c), 30(a)

**Unit 4 - 5**

Que: 1 An individual who starts, creates and manages a new business can be called as __

a. A leader  
b. A manager  
c. A Professional
d. An entrepreneur.

Ans: (d)

Que: 2 The entrepreneur distinguished themselves from capital provider in

a. Middle Ages
b. 17th Century
c. 18th Century
d. 19th Century

Ans: (c)

Que: 3 ____ is the process through which individual perceives opportunities without regard to resources they possess.

a. Start-up Management
b. Entrepreneurship
c. Financial Analysis
d. Feasibility Planning

Ans: (b)

Que: 4 The term ‘Entrepreneur’ was derived from French word_

a. Enterpurpose
b. Enterprise
c. Enterprocedure
d. Enterprendre

Ans: (d)

Que: 5 The term Entrepreneur was first defined by Irish-French economist

a. Richard William
b. Richard Cantillon
c. James Bernard
Que: 6 Importance of Entrepreneurship includes _

a. Economic & dynamic activity
b. Innovation & Profit potential
c. Risk bearing
d. All of these

Ans: (d)

Que: 7 The process of Entrepreneurship is divided into two parts & they are

a. Idea Generation and Feasibility study
b. Innovation generation and Distribution Channel
c. Creativity and Development
d. Profit and Economic Development.

Ans: (a)

Que: 8 The idea generation process of entrepreneurship are ___

a. Germination
b. Preparation
c. Incubation
d. All of these

Ans: (d)

Que: 9 The feasibility study process of entrepreneurship are ___

a. Illumination
b. Verification
c. Both (a) & (b)
d. None of these

Ans: (c)
Que: 10 Entrepreneurship is useful to the organization because of __

a. Development of managerial capabilities
b. Creation of organization
c. Improving standard of living & economic development
d. All of these

Ans: (d)

Que: 11 What are 6 Cs that motivate entrepreneur to establish their own business are __

a. Change, challenge, creativity, control, curiosity and cash
b. Customer, challenge, creation, control, curiosity and cash
c. Contact, connect, conversation, consideration, consumption and community.
d. Commitment, culture, continuous, cooperation, customer and control

Ans: (a)

Que: 12 Which industrial sector promotes small-scale business & entrepreneurship and has low barriers to market entry?

a. Service
b. Manufacturing
c. Distribution
d. Agriculture

Ans: (a)

Que: 13 Why are small business important to a country’s economy?

a. They give an outlet to entrepreneurs
b. They can provide specialist support to larger companies
c. They can be innovators of new product
d. All of these

Ans: (d)

Que: 14 Which of these statements best describes the context for entrepreneurship?
a. Entrepreneurship takes place in small business
b. Entrepreneurship takes place in large business
c. Entrepreneurship takes place in a wide variety of context (small, medium & large)
d. Entrepreneurship takes place in social enterprises

Ans: (c)

Que: 15 Entrepreneurial Guidance Bureau (EGB) was set up by

a. SISI
b. SIPCOT
c. IIC
d. SIDCO

Ans: (c)

Que: 16 Which of the following is not considered as one of the following blocks of the model entrepreneur?

a. Technical skills
b. Managerial competencies
c. Business competencies
d. Personal attributes

Ans: (c)

Que: 17 According to MSMEDC (Micro, Small & Medium Enterprises Development) Act 2006, Micro, Small & Medium Enterprise are classified into two classes such as __

a. Manufacturing & Service Enterprise
b. Automobile & Electronic Enterprise
c. Research & Development Sector
d. None of these

Ans: (a)

Que: 18 The application for registration of a small scale unit should be submitted to __

a. General Manager, DIC
b. Director, DIC
c. General Manager, NSIC
d. Director, NSIC

Ans: (a)

Que: 19 “Think big, Think fast, Think Ahead. Ideas are no one’s monopoly” is given by __
a. Azim Premjee
b. Mukesh Ambani
c. Vijay Mallya
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Ans: (d)

Que: 20 “I really believe that entrepreneurship is about being able to face failure and succeed after failure”. Who said this?
a. Kiran Mazumdar Shaw
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c. Dr. Swati Piramal
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a. F.W. Taylor
b. Flippo
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Que: 22 “Winners never quit and quitters never win”. Who said this?
a. Kalpana Saroj
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c. Adam Smith
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Ans: (d)

A Detail Concept of Entrepreneurship: Public and Private Sector

(MCQ)

Que: 1 Fiscal and monetary measures to stimulate investment in private & public sector includes __

a. Lowering the rate of interest
b. Tax reduction & Public Expenditure
c. Price policy & Abolition of monopoly
d. All of these

Ans: (d)

Que: 2 Sustainability of entrepreneur development depends on factors like

a. Technical skills
b. Technology
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Que: 3 In terms of innovative business the five policy includes ______

a. Private sources of funding, Debt financing, Venture capital, Business angels, subsidies and grants from governments
b. Equity shares, Preference shares, debentures, mutual fund and Insurance
c. Equity shares, private sources, preference shares, debentures and capital investment
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Ans: (a)
Que: 4. Are the informal associations of people who choose to come together to find ways to improve their living condition

a. NGO  
b. Self-Help Groups  
c. Private companies  
d. None of these

Ans: (b)

Que: 5. Characteristics of Self-Help Groups are __

a. SHG comprises 15-20 members & non-partisan in nature  
b. Members should belong to same economic strata of society  
c. Rational leadership should be encouraged for distribution of power  
d. All of these

Ans: (d)

Que: 6. What are the policies that influence access to finance in context of Innovative entrepreneurship?

a. Debt financing  
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c. Business Angels  
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Que: 7. ‘Angels’ usually provides which type of financing?

a. Debt  
b. Equity  
c. Stock  
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Que: 8. Which of the following possible financing options has become a popular choice for entrepreneurs?

a. Angel investor  
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Que: 9 High potential venture_
    a. has the same growth potential as a life-style firm
    b. starts out like life-style firm+
    c. drawing interest of private investors only
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Ans: (d)

Que: 10 Entrepreneurs are____
    a. Moderate risk takers
    b. High risk takers
    c. Avoidance
    d. Both (a) & (b)

Ans: (d)

Unit 2

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Unit 3 - 4 - 5

Multiple Choice Questions.

1. An individual who starts, creates and manages a new business can be called ___.
   A. A leader
   B. A manager
   C. A professional
   D. An entrepreneur
   ANSWER: D

2. Trademarks relate to ___.
   A. Practice and knowledge acquired through experience
   B. The protection of proprietary information of commercial value
   C. The right to reproduce ones own original work
   D. Brand identity
   ANSWER: D

3. Which could provide an individual with the motivation to start a new business venture?
   A. The financial rewards.
   B. A desire to be independent.
   C. Risk taking
   D. All the above.
4. Which of the following factors should not be included in PESTLE analysis?
   A. Government recycling policy.
   B. Proposed reduction in interest rates.
   C. Competitor activity.
   D. Demographic changes.
   ANSWER: C

5. Which industrial sector promotes small-scale businesses and Entrepreneurship, and has lower barriers to market entry?
   A. Service.
   B. Manufacturing.
   C. Distribution.
   D. Agriculture.
   ANSWER: A

6. Why are small businesses important to a country’s economy?
   A. They give an outlet for entrepreneurs.
   B. They can provide specialist support to larger companies.
   C. They can be innovators of new products.
   D. All the above.
   ANSWER: D

7. A business arrangement where one party allows another party to use a business name and sell its products or services is known as_____.
   A. A cooperative.
   B. A franchise.
   C. An owner-manager business.
   D. A limited company.
   ANSWER: B

8. Which of the following is the reason for business failure_____.
   A. Lack of market research.
   B. Poor financial control.
   C. Poor management.
   D. All the above.
   ANSWER: D

9. The use of informal networks by entrepreneurs to gather information is known as_.

A. Secondary research.
B. Entrepreneurial networking.
C. Informal parameters.
D. Marketing

ANSWER: B

10. Good sources of information for an entrepreneur about competitors can be obtained from .
A. Websites.
B. Product information leaflets.
C. Company reports and published accounts.
D. All the above.

ANSWER: D

11. A new venture's business plan is important because .
A. It helps to persuade others to commit funding to the venture.
B. Can help demonstrate the viability of the venture.
C. Provides a guide for business activities by defining objectives.
D. All the above.

ANSWER: D

12. Primary data is _____.
A. the most important data.
B. the data that is collected first.
C. new data specifically collected for a project.
D. data that is collected second.

ANSWER: C

13. Innovation can best be defined as _____.
A. the generation of new ideas.
B. the evolution of new ideas.
C. the opposite of creativity.
D. the successful exploitation of new ideas.

ANSWER: D

14. Which of these statements best describes the context for entrepreneurship?
A. Entrepreneurship takes place in small businesses.
B. Entrepreneurship takes place in large businesses.
C. Entrepreneurship takes place in a wide variety of contexts.
D. Entrepreneurship does not take place in social enterprises.
ANSWER: C

15. Entrepreneurs are motivated by_____.
   A. money.
   B. personal values.
   C. pull influences.
   D. All the above.
   ANSWER: D

16. Which of the following are described as one of the Big Five personality traits?
   A. tolerance of others.
   B. need for achievement.
   C. propensity to leadership.
   D. locus of control.
   ANSWER: B

17. Which of the following is least likely to influence the timing of new business births?
   A. Government policies.
   B. Profitability.
   C. Consumer expenditure.
   D. Weather conditions.
   ANSWER: D

18. Which of the following statements is false?
   A. Market segmentation is a useful process for small businesses to undertake.
   B. Selling is essentially a matching process.
   C. A benefit is the value of a product feature to a customer.
   D. It is a good idea for small businesses to compete solely on price.
   ANSWER: D

19. The purpose of all good small business strategy is___.
   A. to increase turnover.
   B. to increase profitability.
   C. to achieve competitive advantage.
   D. to achieve stated objectives. ANSWER: D
20. Which of the following is a recognized disadvantage of setting up as a start-up as compared with other routes to market entry?
   A. less satisfaction of the owners.
   B. less help from various agencies.
   C. there are more funds required.
   D. there is a high failure rate.
   ANSWER: D

21. Someone legally appointed to resolve the financial difficulties of an insolvent firm is called___.
   A. an administrator.
   B. a predator.
   C. an auditor.
   D. a turnaround consultant.
   ANSWER: A

22. Goods or services reach the market place through___.
   A. marketing channels.
   B. multilevel pyramids.
   C. monopolies.
   D. multiplication.
   ANSWER: A

23. To provide financial assistance to entrepreneurs the government has set up a number of___.
   A. financial advisors.
   B. financial intermediaries.
   C. Industrial estates.
   D. financial institutions.
   ANSWER: D

24. State Industrial corporations engage in the development of___.
   A. industrial estates.
   B. institutional estates.
   C. individual investors.
   D. agricultural entrepreneurs.
   ANSWER: A

25. _____ is the first development bank of the country.
   A. ICICI.
   B. IDBI.
26. IFCI stands for______.
   A. Industrial finance corporation of India.
   B. Institutional finance corporation of India.
   C. Industrial funding corporation of India.
   D. Indian finance corporation and institution.
   ANSWER: A

27. IFCI has been converted into a_____.
   A. joint stock company.
   B. co-operative society.
   C. partnership firm.
   D. sole proprietorship.
   ANSWER: A

28. SIDBI was set up as a subsidiary of___.
   A. IDBI.
   B. IFCI.
   C. ICICI.
   D. SFC.
   ANSWER: A

29. Which of the following is a function of SIDBI?
   A. Extension of seed capital.
   B. Discounting of bills.
   C. Providing factoring services.
   D. All of the above.
   ANSWER: D

30. SFC is prohibited from granting financial assistance to any company whose aggregate paid up capital exceed.
   A. 1 crore.
   B. 1.5 crores.
   C. 2 crores.
   D. 2.5 crores.
31. SIPCOT's financial assistance is in the form of_____.
   A. term loan.
   B. seed capital scheme.
   C. underwriting the capital issues.
   D. All of the above.
   ANSWER: D

32. The business development department of SIPCOT guides entrepreneurs in_____.
   A. applying for licences.
   B. approval on collaboration.
   C. allocation of scarce raw materials.
   D. All the above.
   ANSWER: D

33. TIIC is sponsored by the_____.
   A. Government of Karnataka.
   B. Government of Andhra Pradesh.
   C. Government of Kerala.
   D. Government of Tamil Nadu. ANSWER: D

34. In backward areas, term loans for expansion or setting up a new unit are available at_____.
   A. concessional terms.
   B. differential terms.
   C. standard terms.
   D. specific terms.
   ANSWER: A

35. A commercial banker would prefer a debt-equity ratio over the years as it indicates financial strength of a unit.
   A. Declining.
   B. Increasing.
   C. Stable.
   D. Fluctuating.
   ANSWER: A
36. EDPs course contents contains______.
   A. General introduction to entrepreneurs.
   B. Motivation training.
   C. Managerial skills.
   D. All the above.
   ANSWER: D

37. Entrepreneurial Guidance Bureau (EGB) was set up by______.
   A. SISI.
   B. SIPCOT.
   C. IIC.
   D. SIDCO.
   ANSWER: C

38. ______can be defined as a specifically evolved work plan densed to achieve a specific objective within a specific period of time
   A. Idea generation.
   B. Opportunity Scanning.
   C. Project.
   D. Strategy.
   ANSWER: C

39. Large investment is made in fixed assets, the project will be termed as______.
   A. Capital Intensive.
   B. Labour Intensive.
   C. Product Intensive.
   D. Market Intensive.
   ANSWER: A

40. PERT stands for______.
   A. Programme Evaluation and Research Techniques.
   B. Project Evaluation and Review Techniques.
   C. Programme Evaluation and Review Techniques.
   D. Project Evaluation and Research Techniques. ANSWER: C

41. ______is used to accomplish the project economically in the minimum available time with limited resources
   A. Project Scheduling.
B. Network Analysis.
C. Budget Analysis.
D. Critical Planning.
ANSWER: A

42. _______ is a form of financing especially for funding high technology, high risk and perceived high reward projects
A. Fixed capital.
B. Current capital.
C. Seed capital.
D. Venture capital.
ANSWER: D

43. In____, machines and equipments are arranged in the order or sequence in which they are to be used for manufacturing the product
A. Factory Layout.
B. Product Layout.
C. Process Layout.
D. Combined Layout.
ANSWER: B

44. The term____denotes bonus or financial aid which is given by a government to an industry to help it compete with other units
A. Incentive.
B. Subsidy.
C. Bounty.
D. Concession.
ANSWER: C

45. The granting of cash subsidy on the capital investment is called____.
A. Concessional finance.
B. Quantum of Subsidy.
C. Interest Subsidy.
D. Central Investment Subsidy.
ANSWER: D

46. New Small Scale industries are exempted from the payment of income tax under section 80J is called____
   A. Development Rebate.
   B. Investment Allowance.
   C. Rehabilitation Allowance.
   D. Tax Holiday
47. ______ is primarily concerned with the identification of the project demand potential and the selection of the optimal technology.
   A. Techno-economic analysis.
   B. Feasibility analysis.
   C. Input analysis.
   D. Financial analysis.
   ANSWER: A

48. ______ refers to some action which is a time consuming effort necessary to complete a specific event.
   A. A Network.
   B. An Activity.
   C. An Event.
   D. A Node.
   ANSWER: B

49. ______ is a graphical representation of the various activity and event relating to a project.
   A. Network analysis.
   B. Scheduling technique.
   C. Logical Model.
   D. Network Diagram
   ANSWER: D

50. Activities which must be finished before a given event can occur are termed as ______.
   A. Preceding Activities.
   B. Succeeding Activities
   C. Concurrent Activities
   D. Dummy Activities.
   ANSWER: A

51. Activities which can be accomplished simultaneously are termed as ______.
   A. Preceding Activities.
   B. Succeeding Activities.
   C. Concurrent Activities
   D. Dummy Activities.
ANSWER: C

52. EST stands for.
   A. Earliest Start Time.
   B. Event Start Time.
   C. Effective Start Time.
   D. Essential Start Time.
   ANSWER: A

53. Additional time which a non-critical activity can consume without increasing the project duration is called _____.
   A. Total Float.
   B. Free Float
   C. Independent Float.
   D. Dependant Float
   ANSWER: A

54. _____ is an event-oriented approach .
   A. CPM.
   B. GERT.
   C. PERT.
   D. W ASP.
   ANSWER: C

55. _____ is an activity-oriented approach.
   A. CPM
   B. PERT
   C. GERT
   D. WASP
   ANSWER: A

56. _____ is the analysis of costs and benefits of a proposed project with the goal of assuming a rational allocation of limited funds.
   A. Project formulation.
   B. Project evaluation.
   C. Project appraisal.
   D. Project Design.
   ANSWER: C
57. ______may be defined as the excess of present value of project cash inflows over that of out flows.
   A. Net present value technique.
   B. Average rate of return.
   C. Benefit-Cost ratio.
   D. Internal rate of return

   ANSWER: A

58. Decisions taken by an entrepreneur on behalf of his enterprise are known as_____.
   A. Organizational decisions.
   B. Personal decisions.
   C. Routine decisions.
   D. Strategic decisions

   ANSWER: A

59. Decisions which are concerned with policy matters and exercise fundamental influence on the objectives of the organization are called as_____.
   A. Organizational decisions.
   B. Personal decisions.
   C. Routine decisions.
   D. Strategic decisions.

   ANSWER: D

60. ______is a problem-solving technique designed to produce numerous ideas in a short period
   A. Synectics.
   B. Delphi technique.
   C. Brain storming.
   D. Nominal group technique.

   ANSWER: C

61. ______is the systematic development of a project idea for the eventual purpose of arriving at an investment decision.
   A. Project identification.
   B. Project formulation.
   C. Project feasibility.
   D. Project evaluation.

   ANSWER: B
62. The process of preparing an inventory of skills needed for effective implementation of the project is called as_____.
A. Economic viability.  
B. Financial feasibility.  
C. Technical feasibility.  
D. Managerial competence.  
ANSWER: D

63. ______implies the availability or otherwise of plant and machinery and technical know how to produce the product.
A. Economic viability.  
B. Financial feasibility.  
C. Technical feasibility.  
D. Managerial competence  
ANSWER: C

64. CPM stands for ______.
   . Continuous Path Method.  
A. Clear Path Method.  
B. Critical Path Method.  
C. Critical Probabilistic Method.  
ANSWER: C

65. ______is granted to small scale units under section 33B of the Income tax act, 1961.
   A. Depreciation Allowance.  
   B. Development Debate.  
   C. Investment Allowance.  
   D. Rehabilitation Allowance.  
   ANSWER: D

66. DGTD stands for_____.
   A. Directorate General of Technical Development.  
   B. District General of Technical Development.  
   C. District General of Taxation Deduction.  
   D. Directorate General of Taxation Deduction.  
   ANSWER: A

67. A provisional SSI registration certificate is valid for a period of_____.
   A. four Years.  
   B. three Years.  
   C. two Years.  

68. National Alliance of Young Entrepreneurs (NAYE) Sponsored an
Entrepreneurial Development scheme with Bank of India in.
A. January 1920.
B. August 1920.
C. January 1972.
D. August 1972.
ANSWER: D

69. Which of the following is not one of the 4 Ms?
   A. motivation.
   B. management.
   C. materials.
   D. money.
   ANSWER: C

70. Which of the list below does not form Intellectual Property?
   A. Trade marks.
   B. Patents.
   C. Tangible assets.
   D. Copyright.
   ANSWER: C

71. The 'T' in a PESTLE analysis refers to ______.
   A. Time.
   B. Technology.
   C. Training.
   D. Talent.
   ANSWER: B

72. A business arrangement where one party allows another party to use a business Name
and sell its products or services is known as ______.
A. A cooperative.
B. A franchise.
C. An owner-manager business.
D. A limited company.
ANSWER: B

What is the role of a Business Angel?
A. To provide small business advice.
B. To provide capital for business development in exchange for a stake in the Business ownership.
C. To set up a franchise business.
D. To assist an entrepreneur to open a lifestyle business. ANSWER: B

A key aspect of the financial section of the business plan is:
A. A statement of management skills.
B. A realistic sales forecast.
C. Production capacity.
D. A description of competitors.
ANSWER: B

Which one of the following describes unemployment?
A. The number of people who voluntarily choose not to work.
B. The number of people who are jobless and are actively seeking work.
C. The number of people who are not actively seeking work.
D. The number of people actively seeking work who find work. ANSWER: B

Idea of new product is tested in potential consumers to determine consumer acceptance at ___ stage.
A. Concept.
B. Product development.
C. Test marketing.
D. Commercialization.
ANSWER: C

Which one of the following is not considered as one of the building blocks of the model entrepreneur?
A. technical skills.
B. management competencies.
C. business awareness.
D. personal attributes.
ANSWER: C
78. Which of the following factors does the macro-environment not include?
   A. political and regulatory factors.
   B. customer needs in a given market.
   C. social and demographic factors.
   D. technological changes.
   ANSWER: B

79. Which of the following statements is false? Electronic commerce:
   A. can allow new ventures to compete on more or less equal terms with large firms.
   B. can lead to small businesses having reduced contact with its customers.
   C. is rarely used in small businesses.
   D. is used in many different industries and markets.
   ANSWER: C

80. Strategic entrepreneurial marketing has been summarised as the 4Is: identification of target markets, interactive marketing methods, informal intelligence gathering and what is the fourth?
   A. independence.
   B. instructiveness.
   C. innovation.
   D. in ternet
   ANSWER: C

81. An entrepreneur who owns more than one business at a time is called_____.
   A. an intrapreneur.
   B. a corporate entrepreneur.
   C. a portfolio entrepreneur.
   D. None of the above.
   ANSWER: C

82. Industries producing complete articles for direct consumption & also processing industries is called as_
   A. Manufacturing industries.
   B. Feeder Industries.
   C. Service Industries.
   D. Mining or Quarrying.
   ANSWER: A
83. _______ is primarily concerned with the identification, qualification and evaluation of the project resources.

A. Techno-economic analysis.
B. Feasibility analysis.
C. Input analysis.
D. Financial analysis.

ANSWER: B

84. LOB stands for _______.

A. Line of Business.
B. Line of Balance.
C. Loss of Business.
D. Loss of Balance

ANSWER: B

85. Underestimation of project cost leads to _______.

A. Time under run.
B. Cost under run
C. Time over run.
D. Cost over run

ANSWER: D

86. New entrepreneurs entering the field of medium industry for the first time can have market studies with the subsidiary of _______.

A. 75% of the cost or Rs.15000 whichever is less.
B. 75% of the cost or Rs.15000 whichever is high
C. 50% of the cost or Rs.15000 whichever is less.
D. 50% of the cost or Rs.15000 whichever is high

ANSWER: A

87. Decisions which are concerned with policy matters and exercise fundamental influence on the objectives of the organization are called as _______.

A. Organizational decisions.
B. Personal decisions.
C. Routine decisions.
D. Strategic decisions.

ANSWER: D
88. Section 80 HHB provides for a deduction of profits and gains earned by a resident Indian company.
   A. 65%.
   B. 60%.
   C. 55%.
   D. 50%
   ANSWER: D

89. Decisions which are non-repetitive and novel nature and required to solve unstructured problem is called as ___.
   A. Programmed decisions.
   B. Non-programmed decisions.
   C. Routine decisions.
   D. Strategic decisions.
   ANSWER: B

90. The application for registration of a small scale unit should be submitted to the ___.
   A. General manager, DIC.
   B. Director, DIC.
   C. General manager, NSIC.
   D. Director, NSIC.
   ANSWER: A

91. The type of diversification in which the company adds complementary to the existing product or service line is ___.
   A. conglomerate diversification.
   B. horizontal integration.
   C. vertical integration.
   D. concentric integration.
   ANSWER: C

92. Which of the following is not an aspect of appraisal of term loans by commercial banks?
   A. Financial feasibility.
   B. Technical feasibility.
   C. Economic feasibility.
   D. Societal feasibility.
   ANSWER: D
93. The type of diversification in which the company adds up same type of products at the same level of production is ___.
   A. conglomerate diversification.
   B. horizontal integration.
   C. vertical integration.
   D. concentric integration.
   ANSWER: B

94. When a firm enters into some business which is related with its present business in terms of technology, marketing or both it is called as ___.
   A. conglomerate diversification.
   B. horizontal integration.
   C. vertical integration.
   D. concentric integration.
   ANSWER: D

95. When a firm enters into business which is unrelated to its existing business both in terms of technology and marketing ___.
   A. conglomerate diversification.
   B. horizontal integration.
   C. vertical integration.
   D. concentric integration.
   ANSWER: A

96. District Industries Centres are located ___.
   A. in each district.
   B. in each state.
   C. only in selected districts.
   D. only in selected states.
   ANSWER: A

97. The purpose of soft loan scheme is to encourage units to undertake ___.
   A. modernization of plant and machinery.
   B. replacement of plant and machinery.
   C. renovation of plant and machinery.
   D. all the above.
   ANSWER: D
98. Seed capital assistance ______.
A. a long-term assistance.
B. initial assistance
C. a help for the purchase of seeds.
D. a short-term assistance.
ANSWER: B

99. EXIM bank is a ______.
A. State-level institution.
B. Regional-level institution.
C. All India institution.
D. International institution.
ANSWER: C

100. DIC is headed by General Manager in the rank of__.
A. Joint Director of industries.
B. Assistant Director of industries.
C. Non-departmental officer.
D. Departmental officer.
ANSWER: A

101. Institutional agencies grant financial assistance to small scale industries for ______.
A. participation in equity capital only.
B. acquisition of fixed assets.
C. working capital assistance.
D. all of the above.
ANSWER: D

102. Under section 80J of the income tax act, 1961, small-scale industries are exempted from the payment of income tax on their profits at__.
A. 6% p.a.
B. 6% p.m.
C. 5% p.a.
D. 5% p.a.
ANSWER: A

103. The policy which stressed the role of cottage and small-scale industries for balanced industrial development of the country is__.
A. IPR 1940.
B. IPR 1948.
C. IPR 1956.
104. The policy which emphasized the need of promoting small-scale industries through integrated industrial development is .
A. IPR 1948.
B. IPR 1956.
C. IPR 1977.
D. IPR 1980.
ANSWER: C

105. The small scale unit wishing to export has to obtain exporters code number from ___.
A. The Reserve Bank of India.
B. The Central Bank of India.
C. Any Regional Bank.
D. Any International Bank.
ANSWER: A

106. The expenses incurred on the setting up of the enterprise are called as ___.
A. Cost of financing.
B. Cost of promotion.
C. Cost of fixed assets.
D. Cost of current assets.
ANSWER: B

107. Over - capitalization arises due to ___.
A. excess of assets over the liabilities.
B. excess of liabilities over the assets.
C. actual earnings are lower than the expected earnings.
D. actual earnings are higher than the expected earnings.
ANSWER: C

108. Under - capitalization arises due to ___.
A. excess of assets over the liabilities.
B. excess of liabilities over the assets.
C. actual capitalization is higher than the proper capitalization.
D. actual capitalization is lower than the proper capitalization.
ANSWER: D

109. Which of the following leads to over - capitalization?
A. acquiring fixed assets on excessive amounts.
A. under - estimation of initial rate of earnings.
B. using lower-rate of capitalization.
C. under estimation of required funds.
ANSWER: A

110. Which of the following leads to under-capitalization?
A. raising of more money by issue of shares.
B. acquiring fixed assets on excessive amounts.
C. over-estimation of earnings for enterprise.
D. under-estimation of initial rate of earnings.
ANSWER: D

111. Business means ______.
A. Commerce.
B. industry and commerce.
C. trade and commerce.
D. selling and buying of goods.
ANSWER: B

112. A valid definition of a business purpose is to.
A. create a customer.
B. maximize profits.
C. serve the society.
D. increase the wealth of the firm.
ANSWER: B

113. Reserve bank of India is a/an__.
A. statutory corporation.
B. company limited by guarantee.
C. company limited by shares.
D. unlimited company.
ANSWER: A

114. A public corporation means__.
A. public company.
B. government company.
C. statutory corporation.
D. department of union government
ANSWER: C

115. Promoter is a person who____.
A. takes part in the incorporation of a company.
B. is a director.
C. is a relative of the managing director.
D. works to publicity to the company.

ANSWER: A

116. The term Capitalization is used in relation to,
A. sole-proprietorship.
B. Partnership.
C. joint stock companies.
D. co-operative societies

ANSWER: C

117. Which of the following sources is not use for medium term financing?
A. Issue of equity shares.
B. Issue of debentures.
C. Term loans from banks.
D. Sale of current asset.

ANSWER: A

118. Which of the following securities proves a burden on finances of the company, when company is not earning profits?
A. Equity shares.
B. Preference shares.
C. Redeemable preference shares.
D. Debentures.

ANSWER: D

119. Investment in which of the following is most risky?
A. Equity shares.
B. Preference shares.
C. Debentures.
D. Land.

ANSWER: C

120. A project, which may not add to the existing profits, should be financed by ______
A. debentures.
B. preference share capital.
C. equity capital.
D. public deposits.

ANSWER: A
121. Business risks can be_.
A. avoided.
B. reduced.
C. ignored.
D. erased.
ANSWER: B

122. O & M refers to _____
A. overall efficiency of business.
B. efficiency of office and administrative work.
C. office work measurement.
D. office and management study.
ANSWER: D

123. The oldest form of business organization is_.
A. Partnership.
B. sole proprietorship.
C. joint stock company.
D. co-operative undertaking.
ANSWER: B

124. Memorandum of association of a firm contains_____.
A. rules regarding the internal management of the company.
B. rules regarding the constitution and activities of the company.
C. rules regarding the external management.
D. rules regarding the constitution.
ANSWER: B

125. A Company is called an artificial person because___.
A. it does not have the shape of a natural person.
B. it cannot be used in the court of law.
C. it is invisible and intangible.
D. it exists only in contemplation of law. Answer:
C. ANSWER: C

126. The charter of a company is its_____.
A. prospectus.
B. statement lieu of prospectus.
C. memorandum of association.
D. articles of association.
ANSWER: A
127. A person owning and running a small firm, is known as ____.
   A. A manager-owner.
   B. An owner-manager.
   C. A professional adapter.
   D. An enterprise worker.
   ANSWER: B

128. Which of the following is a characteristic typical of Most entrepreneurs
   A. Choose high risk ventures.
   B. Choose low risk ventures.
   C. Choose moderate (or calculated) risk ventures.
   D. Choose no risk ventures.
   ANSWER: C

129. The UK government has implemented a number of policies to encourage Entrepreneurship in schools. One such initiative is ____.
   A. Young Enterprise.
   B. Youth venture.
   C. Young Business.
   D. Young Initiative.
   ANSWER: A

130. One of the disadvantages of a franchise business for a franchisee is.
   A. Lack of independence.
   B. Franchise businesses typically have a high failure rate.
   C. Lack of brand identity.
   D. Training is not normally provided by the franchisor.
   ANSWER: A

131. The Markets and Competitors section of a business plan should contain ____.
   A. A statement of the target market.
   B. The size of each market segment.
   C. The key characteristics of buyers in each business segment.
   D. All the above.
   ANSWER: D

132. As a new company grows, the entrepreneur will need to ____.
   A. be responsive to changes in the market.
   B. ensure financial controls are maintained.
   C. build a management team.
133. An entrepreneur into the hosiery business found out the reason his hosiery was not selling was due to its color. What could be the best source of this information?
A. Supplier.
B. Retailer.
C. Competition.
D. Government bureau.
ANSWER: B

134. Entrepreneurship can best be described as ___.
A. a process that requires setting up a business.
B. taking a significant risk in a business context.
C. having a strong vision.
D. a process involving innovation, new products or services, and value creation.
ANSWER: D

135. _____, which is included in the project cost, is estimated on the basis of the year when the enterprise breaks even.
A. working capital
B. cost of capital
C. cost of production
D. cost of equity
ANSWER: A

136. The minimum amount of ___, irrespective of such private participation, could be specified at a minimum 17.5 per cent of project costs by lending institutions.
A. bank loans
B. promoters contribution
C. fixed capital
D. working capital
ANSWER: B

137. 137. of India.
A. Repco bank
B. SBI
C. EXIM bank
D. HDFC ANSWER: C
set up for the purpose of financing, facilitating, and promoting foreign trade

138. Which of the following is not considered to be a characteristic of a project?
A. An established objective
B. Complex tasks
C. A clear beginning and end
D. Only for internal use
ANSWER: D

139. Project management is ideally suited for a business environment requiring all of the following except .
A. Flexibility
B. Innovation
C. speed
D. Repetability
ANSWER: D

140. Integration of project management with the organization takes place with the ___.
A. master budjet
B. strategic plan
C. Process of managing actual projects
D. both b and c
ANSWER: D

141. The content of the final report typically includes the following topics_____.
A. Executive summary
B. review and analysis
C. recommendations
D. If all the above are correct.
ANSWER: D

142. Project mission and objectives, procedures and systems used, and organization resources used typically appear in the _____section of the final project report.
A. Recommendation
B. lessons learned
C. financial feasibility
ANSWER: A
143. what are the components of then project report ______.
   A. requirement of funds
   B. location
   C. manpower
   D. all the above
   ANSWER: D

144. market potential of the project report includes ______.
   A. demand and supply conditions
   B. market strategy
   C. after sales service
   D. all the above
   ANSWER: D

145. Every entrepreneur should draw an __ for his project to ensure the timely completion of all activities involved in setting up an enterprise.
   A. cost structure
   B. implementation plan
   C. market structure
   D. production structure
   ANSWER: B

146. _____ describes the direction, the enterprise is going in, what its goals are, where it wants to be, and how it is going to get there.
   A. project report
   B. technical analysis
   C. market analysis
   D. financial analysis
   ANSWER: A

147. Today, many companies are using managerial techniques that are designed to encourage ______.
   A. increasing profits
   B. legal compliances
   C. Ethical behaviour
   D. shareholders value
   ANSWER: C

148. Entrepreneurial development is the key to achieve all-round through ______.
   A. economic development
   B. increase in profits
   C. shareholders value
149. Swot Analysis is a tool
A. Conceptual
B. Modern
C. Scientific
D. Traditional
ANSWER: A

150. NABARD is a Bank for development
A. Urban
B. Agricultural and Rural
C. Scientific
D. Agriculture and research
ANSWER: B

1. The term Entrepreneur is derived from the word
   A. English
   B. Tamil
   C. Hindi
   D. French
   ANSWER: D

2. An individual who has prior business ownership experienceentrepreneurs.
   A. Habitual
   B. Novice
   C. Serial
D. Portfolio

ANSWER

: A

3. _____ Identified innovation as a characteristic of entrepreneur for the first time in 1934.

A. William Diamond
B.A.H.Cole
C. W.B.Gartner
D. J.A.Schuumpeter

ANSWER: D

4. Refusal to adopt and use opportunities to make changes in production entrepreneurs.

A. Fabian

B. Imitative

C. Innovative

D. Drone

ANSWER: D

A. short-term, internal source of funds can be obtained by reducing all of the following except_.

A. Short-term assets
B. Fixed assets C. cash
D. Inventory

ANSWER: C
6. Which one of the following is not an Intrapreneurial leadership characteristic?

A. Encourage the team work  
B. Not flexible  
C. Understands environment  
D. Persistent

ANSWER: B

7. Which of the following factor does not affect a person for being an entrepreneur?

A. Education  
B. Gender  
C. Personal values  
D. Family background

ANSWER: B

8. Which of the following has a contradictory relationship with an individual for being an entrepreneur?

A. Parents social status  
B. Parents occupation  
C. His birth order  
D. Relationship with parents

ANSWER: B

9. There is evidence that an entrepreneur usually has ___parents.

A. Self employed  
B. Discouraged  
C. Strict
D. Non supportive

ANSWER: A

10. The entrepreneur must possess the abilities of_____.

A. Conceptualization
B. Creative
C. Understanding environment
D. All of the above

ANSWER: D

11. Which of the following is not a characteristic of an entrepreneur?

A. Need for independence
B. Need for affiliation
C. Need for achievement
D. Risk taking

ANSWER: B

12. People who own, operate, and take risk of a business venture is known as_.

A. Aptitude
B. Employee
C. Entrepreneurs
D. Intrapreneur

ANSWER: C
13. An entrepreneur doing business within the national border is called.

A. International entrepreneurship
B. Intrapreneurship
C. Domestic entrepreneur
D. Imports

ANSWER: C

14. What type of entrepreneurial business actually produces the products they sell?

A. Manufacturing
B. Wholesaling
C. Retailing
D. Consumer

ANSWER: A

15. The assessment of the needed resources by the entrepreneur starts with.

A. An appraisal of the entrepreneurs present resources
B. An assessment of economic conditions of the country
C. A scanning of friends and family for funds
D. A survey of banks and other financial institutions in the area

16. Entrepreneurial task depend upon the personality of the entrepreneur, organisational structure and

_____.

A. The environment
B. The market
C. The labour

D. The government

ANSWER: A

17. The term intrapreneur is coined in ___.

A. America
B. Andaman
C. Australia
D. Antarctica

ANSWER: A

18. The term intrapreneurship is coined in late ___.

A. Fifties
B. Sixties
C. Seventies
D. Eighties

ANSWER: C

19. Who said the term “Successful innovators are not risk takers”?

A. Adam Smith
B. J.B. Say
The difference in the entrepreneurial and managerial domains has contributed towards an increase in interest is _____.  

A. Forming new firms.  
B. Partnership.  
C. Intrapreneurship.  
D. Private firms.  

ANSWER: A

UNIT-II

To manage these projects successfully the country will need thousands of _____.  

A. Research and development personnel.  
B. Financial investors.  
C. Efficient project managers.  
D. Skilled workers.  

ANSWER: C

Type of entrepreneurs are particularly important for underdeveloped countries because they contribute significantly to the development of such nations.  

A. Innovative  
B. Adoptive
23. The type of entrepreneurs are very cautious and skeptical while practising any change.

   A. Innovative
   B. Imitative
   C. Fabian
   D. Drone

   ANSWER: C

24. In small scale sector _are dominant.

   A. Institutional entrepreneurs
   B. Entrepreneurs by inheritance
   C. Technologist entrepreneurs
   D. Forced entrepreneurs

   ANSWER: A

25. Managing entrepreneurs whose chief goal is _____.

   A. Security
   B. Power
   C. Excitement
   D. Ambitious

   ANSWER: A
26. Which one among the following is considered as one of the important economic factor which determine entrepreneurial growth?

A. Government
B. Politics
C. Market
D. Private

ANSWER: C

27. Entrepreneurial management is noted for its ability to react quickly and effectively to new

_____.

A. Market
B. Business opportunities
C. Product
D. Technology

ANSWER: B

28. Which of the following is the back bone of financial plan?

A. Budgeting.
B. Capital.
C. Nature of business.
D. Cost of production.

ANSWER: B

29. The entrepreneur was distinguished from capital provider in_____.

A. Middle ages.
B. 18th century.
C. 17th century.
D. 19th and 20th century.

ANSWER: B

30. Female entrepreneur differs from male entrepreneur in terms of the following except _____.

A. Motivation  
B. Business skill  
C. Departure point  
D. Goal orientation

ANSWER: A

31. Which one of the following is the way by which an entrepreneur can enter into international business?

A. Export  
B. Non equity arrangements  
C. Direct foreign investment  
D. All the above

ANSWER: D

32. Which of the following is alternatively called corporate venturing?

A. Entrepreneurship  
B. Intrapreneurship  
C. Act of stating a new venture  
D. Offering new products by an existing company

ANSWER: B

33. The term EDP refers to _____.
A. Entrepreneurship Development Programme.
B. Entrepreneurial Development Programme.
C. Entrepreneur Development Programme.
D. Entrepreneurizing Development Programme.

ANSWER: A

34. ______ promotes the creation and/or growth of enterprises through a National Team of Trainers and Counselors that provides training and counseling to young promoters to establish their own business and to reduce the failure rate of start-ups, contributing thereof to the economic growth of the Country.

A. EDQ
B. EDN
C. EDC
D. EDP

ANSWER: D

35. EDPs are conducted by______.

A. Entrepreneurs
B. Specialised institutions
C. Business community
D. Government

ANSWER: B

36. ______ is an apex Institute in the area of Entrepreneurship and Small Business Development under the Ministry of Micro, Small and Medium Enterprises Government of India.
A-NIESBUA
B-NIESBUB
C-NIESBUC
D-NIESBUD

ANSWER: D

37. _____ has helped to set up twelve state-level exclusive entrepreneurship development centres and institutes.

A. Entrepreneurship Development Institute of India
B. State Bank of India
C. Reserve Bank
D. Industrial Finance Corporation of India

ANSWER: A

38. Which are not the main Components of project management?

A. Adequate control is exercised.
B. Concept and pre-feasibility study
C. A clear defined project objective
D. Evaluation and financing arrangements.

ANSWER: C

39. Project overrun is a frightening _____ facing India.

A. Financial problem
B. Resource problem
C. Economic problem
D. Research problem

ANSWER: C

40. Project engineering and investment costs is an angle to ensure _____.

A. Pre-feasibility B. Detailed project report
C. Funding level
D. Project decision

ANSWER: D

UNIT-III

41. Project phases allow for effective control at the _____.

A. Project cost
B. Funding level
C. Estimation
D. Quality

ANSWER: B

42. Planning and controlling the task is the ____ of a project manager.

A. Strategy
B. Responsibility
C. Procedure
43. The documentation required at the end of each phase of a small project can be defined by sub setting the documentation for a______.

A. Special project
B. Specified project
C. Typical project
D. Well Designed project

ANSWER: C

44. Which of the following shows the process of creating something new _____?

A. Business model.
B. Modeling.
C. Creative flexibility.
D. Innovation.

ANSWER: D

45. Stauworth and Curran have explained entrepreneurship in terms of ______

A. Economic development
B. Protectionism
C. Monopoly
46. Expanding economy serves as an accelerator to _______

A. Entrepreneurship
B. Intrapreneurship
C. Sole proprietorship
D. Economic development

ANSWER: A

47. RCI stands for ___.

A. Re-investment corporation of India.
B. Re-investment committee of India.
C. Refinance corporation of India.
D. Refinance committee of India.

ANSWER: C

48. The word entrepreneurship has been derived from a ___ which means 'to undertake'.

A. French root
B. Greek root
C. Roman root
D. Italian root

ANSWER: B
49. _______ presupposes commitment to tasks to be performed with well defined objectives, schedules and budget.

A. Plan  
B. Project  
C. Schedule  
D. Proposal

ANSWER: B

50. Projects concerned with industrial development, power generation, mineral development will be considered as__.

A. Quantifiable project  
B. Sectoral project  
C. Techno-economic project  
D. Feasibility project

ANSWER: A

51. A person who managed large project was termed as the entrepreneur in the__.

A. Earliest period.  
B. Middle ages.  
C. 17th century.  
D. 19th and 20th century.

ANSWER: B

52. _______ is concerned with the collection, compilation and analysis of economic data for the eventual purpose of locating possible opportunities for investment.
A. Project selection

B. Project evaluation

C. Project identification

D. Project segmentation

ANSWER: C

53. Every project has ____ basic dimensions.

A. One  B. Two  
C. Three  D. Four

ANSWER: C

54. What are the 3 basic dimensions of a project?

A. Input, output and process

B. Input, output and materials

C. Input, output and social cost and benefits

D. Input, output and features

ANSWER: C

55. ____ is an important element in the project planning cycle.

A. Project objective

B. Project idea
C. Project identification

D. Project selection

ANSWER: A

56. _____ are economical and social in nature.

A. Project objective

B. Project idea

C. Project identification

D. Project selection

ANSWER: A

57. _____ is the first phase in project life cycle.

A. The introduction phase

B. The pre-investment phase

C. The construction phase

D. The normalisation phase

ANSWER: B

58. _____ phase in the project life cycle begin after the investment decision is taken.

A. The post-investment phase

B. The construction phase
59. The asset created during the construction phase are utilised during the _____ A. The pre-investment phase
   B. The post-investment phase
   C. The reconstruction phase
   D. The normalisation phase

   ANSWER: D

60. There are stages in project life cycle.
   A. One
   B. Two
   C. Three
   D. Four

   ANSWER: C

UNIT-IV

61. ______ is the systematic development of a project idea for the eventual objective of arriving an investment decision.

   A. Project objective
   B. Project identification
   C. Project selection
D. Project formulation

ANSWER: D

62. ______ analysis is primarily concerned with the identification of the project demand potential and the selection of the optimal technology suitable for achieving the project objectives.

A. Feasibility  B. Pre-feasibility  
   C. Techno-Economic  
   D. Network

ANSWER: C

63. __ is the heart of a project.

A. Project idea

B. Project design

C. Project identification

D. Project selection

ANSWER: B

64. The purpose of financial analysis is to determine ___ of the project.

A. Input feasibility

B. Output feasibility

C. Financial feasibility

D. Cost-benefit feasibility
65. The inter-relationship between various constituent activities of a project is generally depicted in the form of ____.

A. Network diagram

B. Project design

C. Feasibility diagram

D. Input diagram

ANSWER: A

66. ______ is an investigating process which precedes investment decision.

A. Project idea

B. Project identification

C. Project formulation

D. Project selection

ANSWER: C

67. Project formulation and its implementation are the two essential functions of ______.

A. Project design

B. Project management

C. Project selection
D. Project formulation

ANSWER: B

68. Expand CPM.

A. Critical Path Method
B. Critical Par Method
C. Critical Project Method
D. Critical Price Method

ANSWER: A

69. _____ is primarily a scheduling technique.

A. PERT
B. CPM
C. GERT
D. LOB

ANSWER: A

70. Where individual skills are collectively integrated into a group, this is known as _____.

A. Collective entrepreneurship
B. Intrapreneurship.
C. Team entrepreneurship
D. Dual innovation.

ANSWER: C
71. Which of the following government actions could contribute to a more entrepreneurial society?

D. All the above.

ANSWER: D

72. Which of the following is alternatively called corporate venturing?

A. Entrepreneurship.
B. Intrapreneurship.
C. Act of stating a new venture.
D. Offering new products by an existing company.

ANSWER: B

73. SFC stands for _____.

A. State Financial Committee.
B. State Funding Corporation.
C. State Finance Corporation.
D. State Funding Committee.

ANSWER: C

74. Which one of the following is the next stage to the Concept Stage of Product Planning and Development Process?

A. Idea Stage.
B. Product Planning Stage.

C. Product Development Stage.

D. Test Marketing Stage.

ANSWER: C

75. IFCI was established in the year____.


ANSWER: B

76. IFCI provides____.

A. Medium term credit.
B. Short term credit.
C. Medium and long term credit.
D. Long term credit.

ANSWER: C

77. Assistance from IFCI is available for______.

A. Setting up of new industrial projects
B. Expansion of existing units.
C. Renovation and modernization.
D. All of the above.

ANSWER: D
78. SIDBI stands for.

A. Small Institutions Development Bank of India.

B. Small Industries Development Bank of India.

C. Small Industries Derivatives Bank of India.

D. Small Industries Development Bureau of India.

ANSWER: B

79. SIDBI was set up in the year.


D. 1990.

ANSWER: C

80. SIDBI was set up as a subsidiary of.

A. IDBI.

B. IFCI.

C. ICICI.

D. NABARD.

ANSWER: A

UNIT-V

81. Which of the following is a function of SIDBI?

A. Extension of seed capital.

B. Discounting of bills.
C. Providing factoring services.

D. All of the above.

ANSWER: D

82. SFC was set up under___.

A. State financial corporation Act 1951.

B. State financial corporation Act 1952.


D. State financial corporation Act 1954.

ANSWER: A

83. Financial resources of SFCs consist of____.

A. Paid up capital.

B. Reserve funds.

C. Borrowings from RBI. D. All the above.

ANSWER: D

84. SFCs assistance to technically qualified people without enough funds is known as_____.

A. Seed capital scheme.

B. Capital assistance scheme.

C. Technical entrepreneurs scheme. D. Investment scheme.
85. SFC is prohibited from granting financial assistance to any company whose aggregate paid up capital exceed_____.
   A. 1 crore.
   B. 1.5 crores.
   C. 2 crores.
   D. 2.5 crores.

   ANSWER: A

86. The loans given by SFCs are usually for a period upto_____.
   A. 8 or 10 years.
   B. 10 or 12 years.
   C. 12 or 14 years.
   D. 14 or 16 years.

   ANSWER: B

87. A concessional rate of interest is charged by SFC in case of_____.
   A. small scale industries.
   B. units in backward areas.
   C. units set up by technical entrepreneurs.
   D. All the above.

   ANSWER: D

88. SIDC was set up under the__.
A. Co-operative societies Act.

B. Companies Act.

C. Industries Act.

D. Partnership Act.

ANSWER: B

89. The financial resources of SIDC consist of _.

A. paid-up capital.

B. loans from State govt.

C. refinance from RBI.

D. all of the above.

ANSWER: D

90. SIPCOT stands for _.

A. Small Industries Promotion Corporation of Tamil Nadu Limited.

B. Small Institutes Promotion Corporation of Tamil Nadu Limited.

C. State Industries Promotion Corporation of Tamil Nadu Limited.

D. Small Institutes Promotion Corporation of Tamil Nadu Limited.

ANSWER: C

91. The process each manager follows during the life of a project is known as_.

A. Project Management.

B. Manager life cycle.
C. Project Management Life Cycle.

D. All of the mentioned.

ANSWER: C

92. SIPCOT is a .

A. Public limited company.

B. Private limited company.

C. Co-operative society.

D. Partnership firm.

ANSWER: A

93. Expand NSTC_____.

A. National small Industries Corporation.

B. National stock industries corporation.

C. National stock incorporation.

D. National small industries committee.

ANSWER: A

94. _____has been recognized as the nodal agency to support the small scale industry export promotion.

A. SIDO.

B. TDC
95. The term ___ denotes bonus or financial aid which is given by a government to an industry to help it compete with another unit in a nation or in a foreign market.

A. Incentive.
B. Subsidy.
C. Concession.
D. Bounty.

ANSWER: D

96. It becomes necessary to do ___ after a project idea has withstood the tests of feasibility analysis and network analysis.

A. Input analysis.
B. Financial analysis.
C. Project design.
D. Costs benefit analysis.

ANSWER: A

97. _____ is designed to overcome this fundamental weakness in the relationship between lending agency and the project sponsoring body.

A. Proposal.
B. Project idea.
C. Project formulation.
D. Project appraisal.

ANSWER: C

98. TIIC stands for _____.

C. NSIC
D. IFSC

ANSWER: A
A. Tamil Nadu Industrial Investment Corporation Limited

B. Tamil Nadu Institutional Investment Corporation Limited

C. Tamil Nadu Industrial Investment Committee Limited.

D. Tamil Nadu Institutional Investment Committee Limited.

ANSWER: A

99. TIIC is sponsored by the_____.

A. Government of Karnataka.

B. Government of Andhra Pradesh.

C. Government of Kerala.

D. Government of Tamil Nadu.

ANSWER: D

100. _______ is the first state level financial institution in the country.

A. TIIC.

B. SFC.

C. SIDBI.

D. SIDC.

ANSWER: A