

# **MULTIPLE CHOICE QUESTIONS**

## **ENTREPRENEURSHIP DEVELOPMENT - BCOM 307**

**BBA V**

**DECEMBER 2021**

## **FOR PRIVATE CIRCULATION**

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1. Which of the following shows the process of creating something new:
  - A. Business model
  - B. Modeling
  - C. Creative flexibility
  - D. Innovation
  
2. The entrepreneur was distinguished from capital provider in:
  - A. Middle ages
  - B. 17th century
  - C. 18th century
  - D. 19th and 20th century
  
3. 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
  
4. 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
  
5. An individual who initiates, creates and manages a new business can be called \_\_\_\_\_.
  - A. A leader
  - B. A manager
  - C. A professional
  - D. An entrepreneur
  
6. 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.
  
7. 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.

8. \_\_\_\_\_ is the first development bank of the country.
- A. ICICI.
  - B. IDBI.
  - C. SFC.
  - D. IFCI.
9. 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.
10. 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.
11. 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
12. Seed capital assistance is \_\_\_\_\_.
- A. A long-term assistance.
  - B. Initial assistance
  - C. A help for the purchase of seeds.
  - D. A short-term assistance.
13. Promoter is a person who \_\_\_\_\_ Takes part in the incorporation of a company.
- A. Is a director.
  - B. Is a relative of the managing director.
  - C. Works to publicity to the company.
14. Which of the following is not an aspect of appraisal of term loans by commercial banks?
- A. Financial
  - B. Technical feasibility.
  - C. Economic feasibility.
  - D. Societal feasibility.
15. 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.
16. \_\_\_\_\_ 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.
17. Industries producing complete articles for direct consumption & also processing industries are called as \_\_\_\_\_.
- A. Manufacturing industries.
  - B. Feeder Industries.
  - C. Service Industries.
  - D. Mining or Quarrying.
18. \_\_\_\_\_ 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
19. \_\_\_\_\_ 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.
20. EDPs course contents contain \_\_\_\_\_.
- A. General introduction to entrepreneurs.
  - B. Motivation training.
  - C. Managerial skills.
  - D. All the above
21. 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.

22. 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
23. Why should an entrepreneur do a feasibility study for starting a new venture?
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  - C. To estimate the expected sales
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24. 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.
25. LOB stands for\_\_\_\_\_.
- A. Line of Business.
  - B. Line of Balance
  - C. Loss of Business.
  - D. Loss of Balance
26. District Industries Centers are located \_\_\_\_\_.
- A. In each district.
  - B. In each state.
  - C. Only in selected districts.
  - D. Only in selected states.
27. Which of the following is not an inventory?
- A. Machines
  - B. Raw material
  - C. Finished products
  - D. Consumable tools
28. The time period between placing an order its receipt in stock is known as:
- A. Lead time
  - B. Carrying time
  - C. Shortage time
  - D. Over time

29. The accounts payable, accruals and notes payables are listed on balance sheet as
- A. Accrued liabilities
  - B. Current liabilities
  - C. Accumulated liabilities
  - D. Non-current liabilities
30. The cash and equivalents, inventories and accounts receivables are classified as
- A. Assets on balance sheet
  - B. Liabilities on balance sheet
  - C. Earnings on income statement
  - D. Payments on income statement
31. In the situation of bankruptcy, the stock which is recorded above common stock and below debt account is:
- A. debt liabilities
  - B. preferred stock
  - C. hybrid stock
  - D. common liabilities
32. According to accounting equation assets are equal to?
- A. Liabilities
  - B. Liabilities and equities
  - C. Equities
  - D. None of these
33. The results of business activities are reflected in
- A. profit and loss account
  - B. profit and loss appropriation account
  - C. balance sheet
  - D. none of these
34. Balance sheet is a statement which discloses an organization's
- A. assets
  - B. liabilities
  - C. owner's equity
  - D. all of these
35. Current liabilities need to be paid
- A. within one accounting cycle
  - B. beyond one accounting cycle
  - C. within 3 years
  - D. within 6 months

36. The cash flow statement consists of which of the following sections?
- A. Operating and non-operating
  - B. current and non-current
  - C. operating, investing and financing
  - D. trading and financial
37. Earnings are the result of the difference between
- A. revenue and assets
  - B. revenue and liabilities
  - C. liabilities and expenses
  - D. revenue and expenses
38. Financially, shareholders are rewarded by
- A. interest
  - B. profits
  - C. dividends
  - D. none of these
39. Low cost, higher volume items requires:
- A. No inspection
  - B. Little inspection
  - C. Intensive inspection
  - D. 100% inspection
40. High cost, low volume items requires:
- A. No inspection
  - B. Little inspection
  - C. Intensive inspection
  - D. 100% inspection
41. The objective of ISO-9000 family of Quality management is:
- A. Customer satisfaction
  - B. Employee satisfaction
  - C. Skill enhancement
  - D. Environmental issues
42. \_\_\_\_\_ helps organization reduce employee turnover and absenteeism.
- A. Job design
  - B. Training & development
  - C. Wage revision
  - D. All of the above



43. Limited liability, indefinite length of life, ease of expansion, legal entity, and transfer of ownership are considered advantages of a
- A. sole proprietorship.
  - B. partnership.
  - C. trade union.
  - D. corporation.
44. Non-corporations are taxed as pass-through entities, meaning that
- A. profits and losses are claimed on owners' personal tax returns.
  - B. they do not have to pay payroll taxes.
  - C. their income tax rates are lower than those of corporations.
  - D. they pay only state and local taxes.
45. What is the relationship between shareholders and the board of directors?
- A. The shareholders pay dividends to the board of directors.
  - B. The board of directors represents the shareholders.
  - C. The shareholders make decisions for the board of directors.
  - D. The board of directors holds the shareholders accountable.
46. Who typically reviews and approves the guidelines for running a corporation, which are also known as corporate governance policies?
- A. The investors
  - B. The shareholders
  - C. The management team
  - D. The board of directors
47. A manufacturing company is required by the local government to dispose of its waste in an environmentally safe way. This is an example of how process design can be affected by \_\_\_\_\_ factors.
- A. human
  - B. regulatory
  - C. technological
  - D. natural
48. ....applied the word entrepreneur to business for the first time.
- A. Robert Owen
  - B. Joseph Schumpeter
  - C. Richard Cantillon
  - D. max weber
49. ....is the drive to achieve a goal.
- A. motivation
  - B. need for achievement
  - C. competency
  - D. none of these

50. ....entrepreneurs neither introduce new changes nor adopt new methods innovated by others.
- A. technical
  - B. fabian
  - C. induced
  - D. business
51. According to Schumpeter, Is the most important function of a modern entrepreneur.
- A. innovation,
  - B. invention,
  - C. skill,
  - D. creativity.
52. Social attitude is one of the important problems of a .....Entrepreneur.
- A. drone.
  - B. business.
  - C. women.
  - D. adoptive.
53. The entrepreneur who does not change the method of production already introduced is:
- A. drone entrepreneur,
  - B. fabian entrepreneur,
  - C. classical entrepreneur,
  - D. none of these.
54. .... Units provide inputs to other industries.
- A. export
  - B. small
  - C. ancillary
  - D. none of these
55. .... Registration helps the entrepreneur to take necessary steps to bring industrial units into existence.
- A. provisional
  - B. permanent
  - C. both of these
  - D. none of these
56. ....is the place where the required facilities and factory accommodation are provided by the government to the entrepreneurs to establish their industries there.
- A. industry
  - B. industrial estate
  - C. company
  - D. none of these

57. A single lump sum which is given by a govt. to an entrepreneur to cover the cost is known as.....
- subsidy.
  - concession.
  - bounties.
  - none of these.
58. The advance given to cover the finance requirement during the time lag between the sanctioning and disbursement of term loan by financial institutions is known as.....
- soft loan.
  - seed capital.
  - capital subsidy.
  - bridge loan.
59. .... provides consultancy services to small and medium enterprises at reasonable cost
- NAYE
  - TCO
  - SIDO
  - NSIC
60. Giving capital to enterprise that has risk and adventure is called.....
- venture capital
  - layered financing
  - deferred credit
  - lease financing

### ANSWER KEY

1	D	11	D	21	A	31	B	41	A	51	A
2	C	12	B	22	A	32	B	42	B	52	C
3	C	13	A	23	C	33	C	43	D	53	A
4	B	14	D	24	D	34	D	44	A	54	C
5	D	15	A	25	B	35	A	45	B	55	A
6	D	16	B	26	A	36	C	46	D	56	B
7	D	17	A	27	A	37	D	47	B	57	A
8	D	18	A	28	A	38	C	48	C	58	D
9	A	19	C	29	B	39	B	49	B	59	B
10	C	20	D	30	A	40	C	50	B	60	A