Final Test Semester 4 Paper 19 INDIAN INSTITUTE OF MATERIALS MANAGEMENT Entrepreneurship [PGDMM, PGDSCM & L (2 years)]

Instructions:
1. Answer all 50 questions. Each question carries 2 marks. Total: 100 Marks
2. Duration 1 Hour.

*Required

1. Email *

2. Name *

3. Roll Number *

4. 1. An individual who starts, creates, and manages a new business can be called ----------

Mark only one oval.

☐ A Leader
☐ A Manager
☐ A Professional
☐ An Entrepreneur
5. Which of the following sentence is NOT a characteristic of entrepreneurship:

Mark only one oval.

☐ Risk taking  ☐ Innovation  ☐ Creative activity  ☐ Managerial training

6. Social and economic development of a nation is the result of ______________

Mark only one oval.

☐ Entrepreneur  ☐ Planning  ☐ Operation  ☐ Government

7. Which of the following is a recognized disadvantage of setting-up as a start-up as compared with other routes to market entry?

Mark only one oval.

☐ Less satisfaction of the owners  ☐ Less help from various agencies  ☐ There are more funds required  ☐ There is a high failure rate

8. An advantage of the small firm in the innovation process is ______________

Mark only one oval.

☐ Ability to carry out R & D  ☐ Ability to raise finance  ☐ Ability of the entrepreneur to carry out multiple tasks  ☐ Ability of the entrepreneur to act on new ideas or product development
9. 6. ----------- is a problem-solving technique designed to produce numerous ideas in a short period

*Mark only one oval.*

- Synectics
- Delphi technique
- Brainstorming
- Nominal Group technique

10. 7. ----------- is primarily concerned with the identification of the project demand potential and the selection of the optimal technology

*Mark only one oval.*

- Techno-economic analysis
- Feasibility analysis
- Input analysis
- Financial analysis

11. 8. A key aspect of the financial section of the business plan is -----------

*Mark only one oval.*

- A statement of management skills
- A realistic sales forecast
- Production capacity
- A description of competitors

12. 9. Government can help in forming a new venture by providing

*Mark only one oval.*

- Finance
- Technology
- Infrastructure
- Funds
10. The ________ plan shows whether the business is economically feasible or not:

Mark only one oval.

☐ Financial
☐ Business
☐ Technical
☐ Marketing

14. ________ is a form of financing especially in funding high technology, high risk, and perceived high reward projects

Mark only one oval.

☐ Fixed capital
☐ Current capital
☐ Seed capital
☐ Venture capital

15. 12. The expenses incurred on the setting up of the enterprise are called as -

Mark only one oval.

☐ Cost of financing
☐ Cost of promotion
☐ Cost of fixed assets
☐ Cost of current assets

16. 13. The ________ plan shows whether the business is economically feasible or not:

Mark only one oval.

☐ Financial
☐ Business
☐ Technical
☐ Marketing
17. Networking by innovative entrepreneurs may be most encouraged by ---

*Mark only one oval.*

- Science Parks
- Business Incubators
- Chambers of Commerce
- Business associations

18. What is the role of a Business angel?

*Mark only one oval.*

- To provide small business advice
- To provide capital for business development in exchange for a stake in the business ownership
- To set up a franchise business
- To assist an entrepreneur to open a lifestyle business

19. A ------------ is a professional money lender who makes risk investment from a pool of equity capital to obtain a high rate of return on investments.

*Mark only one oval.*

- Venture capitalist
- Entrepreneur
- Businessman
- Buyer

20. IFCI stands for:

*Mark only one oval.*

- Industrial finance corporation of India
- Institutional finance corporation of India
- Industrial funding corporation of India
- Indian finance corporation and institution
21. The term ‘capitalization’ is used in relation to ____________________

Mark only one oval.

☐ Sole-proprietorship
☐ Partnership
☐ Joint-stock companies
☐ Cooperative societies

22. The oldest form of business organization is ______________

Mark only one oval.

☐ Partnership
☐ Sole proprietorship
☐ Joint Stock Company
☐ Cooperative undertaking

23. Which one of the following is NOT a type of partner?

Mark only one oval.

☐ Active partner
☐ Dormant partner
☐ Manager
☐ Nominal partner

24. Which industrial sector promotes small scale businesses and entrepreneurship and has lower barriers to market entry?

Mark only one oval.

☐ Service
☐ Manufacturing
☐ Distribution
☐ Agriculture
22. Which of the following sentences is INCONSISTENT in the context of entrepreneur?

*Mark only one oval.*

- [ ] He is owner of the business
- [ ] He is risk taker
- [ ] He operates production activities
- [ ] He searches out business opportunities

23. Which one of the following gives suggestions for new products and also helps to market new products?

*Mark only one oval.*

- [ ] Existing products and services
- [ ] Central Government
- [ ] Distribution Channels
- [ ] Consumers

24. An entrepreneur is ------------

*Mark only one oval.*

- [ ] Born
- [ ] Made
- [ ] Born and made both
- [ ] An Inheritor

25. Which one of the following is NOT a source of idea generation?

*Mark only one oval.*

- [ ] Consumers
- [ ] Central government
- [ ] Brain storming
- [ ] Training
26. In India, entrepreneurship development program is ________________

*Mark only one oval.*

- Necessary
- Unnecessary
- Wastage of time
- Wastage of money

27. EDP (Entrepreneurship Development Programs) is required to help ______

*Mark only one oval.*

- Existing entrepreneurs
- First generation entrepreneurs
- Future generation entrepreneurs
- Product Managers

28. An entrepreneur has an amalgamation of:

*Mark only one oval.*

- Thinking ability, creativity, critical thinking, analytical abilities, and originality
- Aptitude for Human Relations
- Communication Skills
- Financial ability

29. The creation of new firms is important because these new firms contribute to economic development through benefits that include all of the following EXCEPT:

*Mark only one oval.*

- Product-process innovation
- Increased tax revenues
- Unemployment
- Social betterment
33. Which of the following is NOT one of the three areas in which the importance of entrepreneurship can be shown?

*Mark only one oval.*

- Innovation
- Number of new start-ups
- Job creation and employment
- Bureaucracy

34. A business arrangement where one party allows another party to use Business name and sell its products or services is known as ____________

*Mark only one oval.*

- A cooperative
- A franchise
- An owner-manager business
- A limited company

35. One of the disadvantages of a franchise business for a franchisee is __________

*Mark only one oval.*

- Lack of independence
- Franchise businesses typically have a high failure rate
- Lack of brand identity
- Training is not normally provided by the franchisor

36. The life of sole proprietorship business is ____________

*Mark only one oval.*

- Unstable
- Stable
- Very short life
- Long life
37. 34. The main disadvantage of a general partnership is --------

Mark only one oval.

☐ Unlimited liability of the partners
☐ Disagreement amongst the partners
☐ Shared management
☐ Difficulty of termination

38. 35. Which of the following is probably the most important reason for incorporation of joint stock companies?

Mark only one oval.

☐ Limited liability of shareholders
☐ More money for investment
☐ Increased flexibility
☐ Shared management

39. 36. Which of the following comes under modern small industries?

Mark only one oval.

☐ Coir
☐ Handicrafts
☐ Khadi
☐ Power looms

40. 37. What is the full form of EOU?

Mark only one oval.

☐ Essential operating unit
☐ Export Order unit
☐ Exported oriented unit
☐ Essential order unit
41. The types of goods that are tangible in nature and can be consumed in few uses are classified as ---

*Mark only one oval.*

- Durable goods
- Non-durable goods
- Services
- Augmented goods

42. Are those products purchased for further processing or for use in conducting a business

*Mark only one oval.*

- Unsought products
- Shopping products
- Accessories
- Industrial products

43. Involves designing and producing the container or wrapper for a product

*Mark only one oval.*

- Packaging
- Branding
- Product line
- Labeling

44. Occurs when two established brand names of different companies are used on the same product

*Mark only one oval.*

- Internal marketing
- A brand extension
- Brand equity
- Co-branding
45. Paper, pencils, lubricants, paints, nails, and brooms are examples of -----

*Mark only one oval.*

- [ ] Raw materials
- [ ] Supplies
- [ ] Capital items
- [ ] Specialty products

46. Product mix ------- refers to the number of different product lines the company carries

*Mark only one oval.*

- [ ] Depth
- [ ] Width
- [ ] Perimeter
- [ ] Height

47. Which is NOT a characteristic of corporate social responsibility?

*Mark only one oval.*

- [ ] Product safety
- [ ] Consumer rights
- [ ] Environmental policies
- [ ] Price-fixing

48. CSR is applicable to """""""""""

*Mark only one oval.*

- [ ] Private sector
- [ ] Public sector
- [ ] NGO
- [ ] Private and public sector both
46. All definitions of corporate social responsibility recognize that

Mark only one oval.

- Companies have a responsibility for their impact on society and environment
- The natural environment should be the main focus of CSR
- Business ethics is a complex issue
- Companies must pay equal attention to business ethics and sustainability

50. The dimension of e-commerce that enables commerce across national boundaries is

Mark only one oval.

- Interactivity
- Global reach
- Richness
- Ubiquity

51. The primary source of financing during the early years of e-commerce was

Mark only one oval.

- Bank loans
- Large retail firms
- Venture capital funds
- Initial public offerings

52. Human resource management is an amalgam of

Mark only one oval.

- Job analysis, recruitment, and selection
- Social behavior and business ethics
- Organizational behavior, personnel management, and industrial relations
- Employer and employees
50. The process of familiarizing the new employees with the organization rules and regulations is known as ________________

*Mark only one oval.*

- [ ] Placement
- [ ] Induction
- [ ] Recruitment
- [ ] Selection