

MODULE - I
CHAPTER - 1

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) The base of any business is 'trading' i.e. buying and selling.
- (2) The secondary goal of any business is to 'make profit'.
- (3) Business is a socio-economic activity.
- (4) Traditional business was consumer centric.
- (5) Industry is concerned with production of goods & services for satisfying human wants.
- (6) Genetic industry involves breeding and reproduction of plants and Animals for the purpose of sale.
- (7) Industry involves all those activities which facilitate transfer of ownership and movement of goods from the centres of production to the centres of consumption.
- (8) Trade means buying and selling of goods and services.
- (9) Internal trade is trade outside the geographical boundaries of the country.
- (10) Communication creates place utility.
- (11) Communication means transmitting or exchange of information from one person to another.
- (12) Poultry dairy and plant nurseries are examples of extractive Industry.
- (13) Tertiary industry provides intangible goods.
- (14) Aids to trade provide support to trading activities.
- (15) Banking solves the problem of risks in business.

ANSWERS:

True: (1, 3, 5, 6, 8, 11, 13, 14) False: (2, 4, 7, 9, 10, 12, 15)

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MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Traditional Business	(a) Buyer Centric
(2) Modern Business	(b) Buying and selling
(3) Trading	(c) Re-Exporting
(4) Industry	(d) Seller Centic
(5) Entrepport	(e) Form Utility

(1-d) (2-a) (3-b) (4-e) (5-c)

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GROUP A	GROUP B
(1) Product Function	(a) Promotion of production
(2) Marketing Function	(b) Recruitment, selection & training of employees
(3) Finance Function	(c) Collect, generate and Communicate information
(4) Human Resource Function	(d) Research and development
(5) Innovation Function	(e) Works Department
(6) Information Function	(f) Investment and Dividend Decision

(1-e) (2-a) (3-f) (4-b) (5-d) (f-c)

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GROUP A	GROUP B
(1) Extractive Industry	(a) Converting raw materials into finished goods
(2) Genetic Industry	(b) Immovable Output
(3) Manufacturing Industry	(c) Farming & fishing
(4) Construction Industry	(d) Intangible goods
(5) Service Industry	(e) Poultry, Sericulture

(1-c) (2-e) (3-a) (4-b) (5-d)

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GROUP A	GROUP B
(1) Transport	(a) Problem of Finance
(2) Warehousing	(b) Problem of Information
(3) Banking	(c) Represents Seller
(4) Insurance	(d) Problem of distance
(5) Communication	(e) Problem of risks
(6) Merchantile Agents	(f) Problem of Storage

(1-d) (2-f) (3-a) (4-e) (5-b) (f-c)

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FILL IN THE BLANKS:

- (1) Business is a form of _____ activity.
- (2) Production planning is the responsibility of _____ department.
- (3) Business is a part of _____ system.
- (4) _____ function is concerned with investment, financial and Dividend decisions.
- (5) Production aspect of business is called _____.
- (6) _____ industries include activities which are connected with extraction and processing of natural resources.
- (7) _____ includes trade and aids to trade.
- (8) _____ are intermediaries who form link between the buyers and sellers.
- (9) The problem of finance is solved by _____.
- (10) _____ is based on the principle of pooling of risks.
- (11) The _____ concept of business is consumer centric.

ANSWERS:

- | | | | |
|--------------|----------------|--------------|------------------------|
| (1) Economic | (2) Production | (3) Social | (4) Finance |
| (5) Industry | (6) Primary | (7) Commerce | (8) Merchantile agents |
| (9) Banking | (10) Insurance | (11) Modern | |

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CHAPTER 2

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) Business objectives are the ends towards which the activities of an organisation are aimed.
- (2) All objectives are equally important at any given point of time.
- (3) Objectives can never be expressed in quantitative terms.
- (4) Objectives form the base of business planning.
- (5) Survival is the basic objective of every organisation.
- (6) Earning profit is a social objective.
- (7) Creating wealth is an economic objective of business.
- (8) Human objectives are aimed at well being of the employees of the organisation.
- (9) By nature, economic and social objectives are conflicting to each other.
- (10) It is not possible to bring about reconciliation between economic & Social objectives.

ANSWERS:

True: (1, 4, 5, 7, 8, 9) False: (2, 3, 6, 10)



MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Vision	(a) Economic Objective
(2) Mission	(b) Goals
(3) Objectives	(c) National objective
(4) Creating Wealth	(d) Organisation's Dream
(5) Generating Employment	(e) Company's Fundamental Purpose

(1-d) (2-e) (3-b) (4-a) (5-c)



GROUP A	GROUP B
(1) Organic Objective	(a) Earning Products
(2) Economic Objective	(b) Welfare and social security measures
(3) Social Objective	(c) Development of backward areas
(4) Human Objective	(d) Survival
(5) National Objective	(e) Social Welfare Programmes

(1-d) (2-a) (3-e) (4-b) (5-c)



FILL IN THE BLANKS:

- (1) _____ are the ends towards which activities of any enterprise/ department within it are aimed.
- (2) _____ objectives are also known as three fold objectives.
- (3) _____ objectives stand at the top most in the hierarchy of business objectives.
- (4) Reduction in costs is a type of _____ objective.
- (5) Fulfilling social responsibilities towards shareholders and creditors are examples of _____ objectives.
- (6) Encouragement to small scale and cottage industry is a type of _____ objective.

ANSWERS:

(1) Objectives (2) Organic (3) Economic (4) Economic (5) Social (6) Social



CHAPTER 3

TRUE OR FALSE:

- (1) Vertical merger is the merger of two or more companies that compete in the same industry.
- (2) Horizontal merger is the merger which takes place upon the combination of two companies which are operating in the same industry but at different stages of production or distribution systems.
- (3) Conglomerate merger is a merger of firms engaged in unrelated type of Business activities.
- (4) Amalgamation refers to a situation where one firm acquires another and the Later ceases to exist.
- (5) A takeover is a purchase of a company by another.
- (6) Portfolio restructuring means making additions to or disposals from Company's business.
- (7) The term 'demerger' is opposite to the term 'merger'. It means split of a Company.
- (8) Under partial demerger the whole of the business of the existing company is transferred to the new company.
- (9) Leveraged buyout means purchase of a company with own funds.
- (10) LPG has had a mixed impact on Indian economy.
- (11) Liberalization refers to transfer of any government function to private sector.
- (12) Business process reengineering involves making additions to or disposal from company's business.
- (13) Globalization refers to relaxation of laws and rules by the government.
- (14) Stability strategy refers to maintaining status quo of existing business operations.
- (15) Acquisitions and mergers are examples of internal growth strategies.
- (16) Modernizations involves up gradation of technology in business.
- (17) Diversification strategy helps to minimize business risks.
- (18) Liquidation refers to sale of a portion or a segment of the business unit.
- (19) Downsizing refers to retrenchment of surplus manpower of business.
- ~~(20) Turnaround strategy is applied to loss making units,~~

ANSWERS:

True: (3, 5, 6, 7, 10, 14, 16, 17, 19, 20)

False: (1, 2, 4, 8, 9, 11, 12, 13, 15, 18)

MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Liberalization	(a) Integration of domestic economy World economy
(2) Privatization	(b) Expansion
(3) Globalization	(c) Transfer of Government function at private players
(4) Intensification Strategy	(d) Industrial sickness
(5) Turnaround	(e) Reduction of tariff and non-tariff barriers

(1-e) (2-c) (3-a) (4-b) (5-d)

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GROUP A	GROUP B
(1) Stability strategy	(a) Strategy to get rid of unprofitable parts of business
(2) Growth strategy	(b) Continuing current activities of business without any significant change
(3) Retrenchment strategy	(c) Rearranging business structure of a company
(4) Corporate restructuring	(d) Loss making Units
(5) Organizational restructuring	(e) Decentralization
(6) Turnaround	(f) Increase in the size or scale of operations

(1-b) (2-f) (3-a) (4-c) (5-e) (6-d)

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GROUP A	GROUP B
(1) Merger	(a) Closing down of a firm
(2) takeover	(b) Retrenchment of surplus manpower
(3) Liquidation	(c) Purchase of one company from other
(4) Downsizing	(d) Financial Restructuring
(5) Debt - equity swap	(e) Combination of two or more companies into a new company

(1-e) (2-c) (3-a) (4-b) (5-d)

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FILL IN THE BLANKS:

- (1) _____ refers to relaxation of laws or rules by the government.
- (2) _____ refers to transfer of any government function to the private sector.
- (3) _____ refers to the process of integration of an economy with the world economy.
- (4) _____ implies continuing current activities of the firm without any significant change.
- (5) Intensification growth strategy is a type of _____ growth.
- (6) _____ strategy helps to spread business risks.
- (7) _____ involves replacement of obsolete machines and equipments.
- (8) _____ is refinancing deal in which a debt-holder gets an equity position in exchange for cancellation of the debt.
- (9) _____ refers to retrenchment of surplus manpower of the business.
- (10) _____ strategy is applicable to loss making units.
- (11) _____ involves closing down a firm and selling its assets.
- (12) _____ also termed as corporate recognition is a process of redesigning one or more aspects of a company.
- (13) _____ denotes the combination of two or more companies in such a way that only one survives while the others dissolve.
- (14) _____ is a restructuring process in which two or more companies are liquidated and a new company is formed to acquire business.
- (15) A _____ may be defined as any arrangement whereby two or more parties co-operate in order to run a business or to achieve a commercial objective.
- (16) _____ represent the sale of a segment of a company to a third party.
- (17) _____ is a type of demerger where a department or division of a company is separated and transferred to a new company.
- (18) _____ implies changing the capital structure of an organization for the purpose of bringing out a company from financial difficulty.

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ANSWERS:

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|------------------------------|---------------------|-----------------------|------------------------|
| (1) Liberalization | (2) Privatization | (3) Globalization | (4) Stability strategy |
| (5) Internal | (6) Diversification | (7) Modernization | (8) Debt-equity swap |
| (9) Downsizing | (10) Turnaround | (11) Liquidation | |
| (12) Corporate restructuring | (13) Merger | (14) Amalgamation | |
| (15) Joint Venture | (16) Divestitures | (17) Partial Demerger | |
| (18) Financial Restructuring | | | |

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MODULE - II
CHAPTER 4

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) The environment factors do not affect business activities.
- (2) Business environment is dynamic in nature.
- (3) Vision mission and objectives are internal environmental factors.
- (4) Internal environmental factors can be controlled.
- (5) Physical facilities & financial resources are elements of external business environment.
- (6) Macro environmental factors in an organization includes suppliers customers competitors and marketing intermediaries.
- (7) Micro environment consist of larger societal forces that affect the day to day functioning of the organization.
- (8) Economic policies refers to government policies for maintaining economic growth and tax revenues.
- (9) Social environment includes customs, tradition, buying habits, consumption patterns, taste and preferences of different social growth of the society.
- (10) Political environment consists of factors such as economic conditions, economic policies and economic systems.
- (11) A stable political environment requires to enhance business growth.
- (12) Cultural environment does not influence demand for goods and services.

ANSWERS:

True : (2, 3, 4, 8, 9, 11) False: (1, 5, 6, 7, 9, 10, 12)

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MATCH THE COLUMN.

GROUP A	GROUP B
(1) Management Structures	(a) Economic Policies
(2) Competitors	(b) Judiciary
(3) Economic Environment	(c) Ecological factors
(4) Political Environment	(d) Internal business environment
(5) Natural Environment	(e) Micro external business environment

(1-d) (2-e) (3-a) (4-b) (5-c)

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GROUP A	GROUP B
(1) Cultural Environment	(a) Practices passed on from one generation to another
(2) Education Environment	(b) Research & development and Innovations
(3) Technological Environment	(c) Rules and regulations
(4) Regulatory Environment	(d) Related to population
(5) Demographic Environment	(e) Academic surrounding

(1-a) (2-e) (3-b) (4-c) (5-d)

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FILL IN THE BLANKS.

- (1) _____ environment means the surroundings within which the business operates.
- (2) _____ environment refers to all the factors within an organization which affect its functioning.
- (3) Management philosophy is an element of _____ environment.
- (4) _____ environment can be controlled.
- (5) _____ environment includes all those factors and forces, which are external to the business organization such as economic, socio-cultural, legal, demographic etc.
- (6) _____ systems mean the classification of economics on the basis of role of the government in the functioning of the economy.
- (7) _____ environment is the result of international events and is instrumental in influencing international trade.
- (8) _____ factors relate to population such as size, density, distribution, growth rate, age, sex, family size, standard of living, educational level, language, region etc.
- (9) _____ statement highlights long term goals of organization.
- (10) Suppliers, customers and competitors are elements of _____.
- (11) _____ environment consists of sets of laws and regulations which influence functioning business organizations.

ANSWERS:

- | | | |
|---------------------------------|-----------------|----------------------|
| (1) Business | (2) Internal | (3) Internal |
| (4) Internal | (5) External | (6) Economic |
| (7) International | (8) Demographic | (9) Vision statement |
| (10) Micro external environment | (11) Regulatory | |

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CHAPTER 5

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) Internal environment refers to interaction between domestic and foreign environmental forces or between sets of foreign environmental forces.
- (2) European union was originally established as European common market by the Treaty of Rome in 1957.
- (3) OPEC is an agreement signed by the government Mexico, USA and Canada creating a trilateral trade bloc in North America.
- (4) WTO is the apex body to oversee implementation of all multilateral trade Agreements.
- (5) In 1995, SAARC members signed an agreement called as NAFTA for the promotions of free trade in the region.
- (6) TRIPs, TRIMs and AOA are examples of trading blocs.
- (7) India is member of ASEAN.
- (8) Trading blocs establish collective force against non members.
- (9) According to TRIPs, foreign investments are treated at par with domestic Investment.
- (10) GATS is an agreement of WTO.

ANSWERS:

True: (2, 4, 8, 10) False: (1, 5, 6, 7, 9,)

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MATCH THE COLUMN.

GROUP A	GROUP B
(1) WTO	(a) Trade without discrimination
(2) Trading Bloc	(b) Replaced GATT
(3) Agreement on Agriculture	(c) Quotas
(4) MFN Clause	(d) Agreements of WTO
(5) Non- Tariff Barriers	(e) ASEAN

(1-b) (2-e) (3-d) (4-a) (5-c)

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GROUP A	GROUP B
(1) AOA	(a) Trade in Textiles and Clothing
(2) TRIPs	(b) Investments
(3) TRIMs	(c) Service Sector
(4) GATs	(d) Patents And Copyrights
(5) Multi-Fibre Agreement	(e) Agriculture Trade

(1-e) (2-d) (3-b) (4-c) (5-a)

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GROUP A	GROUP B
(1) EU	(a) Formed to respond to threats from China
(2) NAFTA	(b) Gulf Countries
(3) OPEC	(c) European Nations
(4) SAARC	(d) South Asian Countries
(5) ASEAN	(e) Mexico, Canada & USA

(1-c) (2-e) (3-b) (4-d) (5-a)

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FILL IN THE BLANKS.

- (1) The creation of _____ on 1st January, 1995 marked the biggest reform of international trade.
- (2) A _____ is a group of countries within a geographical region that associate to promote and manage trade activities.
- (3) _____ systems refers to the system that governs trading among various countries.
- (4) _____ is an economic integration of south Asian countries for Regional co-operation was established on December 8, 1985.
- (5) The _____ is a regional trading block of South east Asian countries.
- (6) Quotas and licensing are examples of _____.
- (7) _____ was replaced by WTO.
- (8) _____ agreement of WTO regulates trade in services.
- (9) The _____ agreement of WTO pertain to patents and copyrights.
- (10) At present, _____ is the largest trading bloc in the world.

ANSWERS:

- | | | |
|-----------|------------------|--------------------------|
| (1) WTO | (2) Trading Bloc | (3) Multilateral Trading |
| (4) SAARC | (5) ASEAN | (6) Non-trade barriers |
| (7) GATT | (8) GATS | (9) TRIPs |
| (10) EU | | |

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MODULE - III
CHAPTER 6

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) Project report is a summary of project planning.
- (2) Project planning is a process for stating how to complete a project within a certain timeframe, usually with defined stages, and with designated resources.
- (3) Feasibility study of a project refers to finding out the practical utility or the future prospects of a project
- (4) Financial feasibility study covers technical aspects of the project such as location, size, layout and technology.
- (5) Market feasibility study covers the market potentials of the product
- (6) Technical feasibility study covers aspects such as requirements of different types of personnel, organisational structure etc.
- (7) Project report is to base for feasibility study.
- (8) Project report is a document containing details of feasibility study undertaken.
- (9) Environmental feasibility study is undertaken to find out the environmental impact of the proposed project.
- (10) Analysis of environmental factors is done in business planning process.

ANSWERS:

True (1, 2, 3, 5, 7, 9, 10)

False (4, 6, 8)



MATCH THE FOLLOWING:

GROUP A	GROUP B
(1) Business Planning	(a) Written statement of what an entrepreneur proposes to take up
(2) Project Planning	(b) Commercial worth of project
(3) Project Report	(c) Details of feasibility
(4) Feasibility Report	(d) Defines vision and mission statement
(5) Feasibility Study	(e) Sequencing and scheduling of a project

(1-d) (2-e) (3-a) (4-c) (5-b)



GROUP A	GROUP B
(1) Technical Feasibility Study	(a) Composition of the board
(2) Market Feasibility Study	(b) Profitability of project is studied
(3) Financial Feasibility Study	(c) Environmental impact of proposed project
(4) Management Feasibility Study	(d) Aspects of the project such as Locations size locations etc
(5) Environment Feasibility Study	(e) Market Potentials are studied

(1-d) (2-e) (3-b) (4-a) (5-c)

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FILL IN THE BLANKS:

- (1) _____ refers to systematically sequencing and scheduling a project.
- (2) Project planning is summarized in the form of _____
- (3) _____ Refers to finding out practical utility of a project.
- (4) _____ covers technical aspects of the proposed project.
- (5) _____ covers market potentials of the project.
- (6) _____ studies profitability of the proposed project.
- (7) _____ is document containing details of feasibility study undertaken

ANSWERS:

- | | |
|------------------------------|---------------------------------|
| (1) Project planning | (2) Project reports |
| (3) Feasibility study | (4) Technical feasibility study |
| (5) Market feasibility study | (6) Financial feasibility study |
| (7) Feasibility report | |

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CHAPTER 7

TRUE OR FALSE:

- (1) The promoter /entrepreneur is the originator of the idea for the formation of the business enterprise.
 - (2) Promotion of a business simply refers to all those activities that are required to be undertaken to establish a new business unit.
 - (3) Memorandum of Association is the document contains the internal regulations of the company
 - (4) Law and order situation in the state affects decisions about business unit location. ,
 - (5) TAN is mandatory for opening of Bank Account, filling of Income Tax returns and various other financial transactions.
 - (6) Provident fund registration is not compulsory if the size of workforce is 20 or more.
 - (7) Tax rebate is an exemption from tax granted for a specific period of time
 - (8) Registration of a partnership firm is compulsory (except in Maharashtra)
 - (9) Any trading or manufacturing business that sells its products must obtain shop and Establishment license.
 - (10) Business units dealing in hotels, food and drugs need to obtain FDA before starting operations.
 - (11) FEMA governs foreign exchange transactions in and from India. ,
 - (12) The Industrial Disputes Act, 1947 is a social welfare legislation enacted to provide certain benefits to employees on account of accidents at work place.
- (Ans. True : (1, 2, 4,10,11) False : (3, 5, 6,7,8, 9,12)

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MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Business promotion	(a) Nearness to market
(2) Business location	(b) Company's Charter
(3) Memorandum of Association	(c) Document contains the internal regulations
(4) Articles of Association	(d) Starts with a conceiving idea
(5) Professional Tax	(e) May vary from state to state

(1-d) (2-a) (3-b) (4-c) (5-e)

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GROUP A	GROUP B
(1) Competition Act, 2002	(a) Govern foreign exchange
(2) FEMA	(b) Industrial peace and harmony
(3) Payment of Gratuity Tax, 1972	(c) Relief provided in case of accidents at work place
(4) The Industrial Dispute Act, 1947	(d) Regulates acquisitions margin & amalgamations

(1-d) (2-a) (3-e) (4-b) (5-c)

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GROUP A	GROUP B
(1) Registration under partnership Act, 1932	(a) Micro, small & medium enterprises
(2) Registration under the Indian Companies Act, 1956	(b) Export Trade
(3) Registration of MSME	(c) Voluntary except in Maharashtra
(4) VAT Registration	(d) Sale of products
(5) Registration with DGFT	(e) Compulsory

(1-c) (2-e) (3-a) (4-d) (5-b)



FILL IN THE BLANKS:

- (1) _____ is a person who undertakes the preliminary steps necessary for formation of a company.
- (2) The _____ registers companies and ensures that all statutory requirements are complied by the company.
- (3) Any business that sells its product needs to be registered for _____.
- (4) A pharmacist needs to obtain _____ license before starting operations.
- (5) For exporting goods, it is necessary to get registered with _____.
- (6) _____ is required for depositing of TDS/TCS.
- (7) The _____ is the company's charter.
- (8) Under the _____ Act, employees receive medical relief, cash benefits etc in case of sickness and employment injury.
- (9) _____ is payable to an employee on termination of his employment after he has rendered service for not less than 5 years.
- (10) _____ Act aims to provide workmen and/or their dependents some relief in case of accidents arising in the course of employment.

ANSWERS:

- | | | |
|-------------------------------|--------------------------------|--------------|
| (1) Promoter | (2) The Registrar of Companies | (3) VAT |
| (4) FDA | (5) DGFT | (6) TAN |
| (7) Memorandum | (8) ECIS | (9) Gratuity |
| (10) The Workmen Compensation | | |



MODULE - IV
CHAPTER 8

TRUE OR FALSE:

- (1) Entrepreneurship is an economic activity.
- (2) Government provides incentives for entrepreneurship development in India.
- (3) Intrapreneurship refers to employee initiatives in organizations to undertake something new, without being asked to do so.
- (4) Promoter refers to an inside entrepreneur.
- (5) An intrapreneur has to bear risk involved in business.

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FILL IN THE BLANKS:

- (1) An _____ is a person who always look for changes.
- (2) _____ implements the plans and ideas of an entrepreneur.
- (3) _____ is now known as the practice of a corporate management style that integrates risk-taking and innovation approaches.
- (4) _____ is the act of behaving like an entrepreneur while working with a large organization.
- (5) _____ act essentially like entrepreneurs without the risk associated with being an entrepreneur.

ANSWERS:

- (1) Entrepreneur (2) Manager (3) Intrapreneurship
(4) Intrapreneurship (5) Intrapreneur

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MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Entrepreneur	(a) Undertakes preliminary work of setting up of a business unit
(2) Intrepeneur	(b) Implements plans and ideas of entrepreneur
(3) Manager	(c) Handles projects within an organization
(4) Promoter	(d) Initiates and established an economic activity and works for himself

ANSWERS:

- (1-d), (2-c), (3-b), (4-a)

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CHAPTER 9

TRUE OR FALSE:

- (1) Trading entrepreneurs are concerned with manufacturing products.
- (2) A pure entrepreneur is one who is motivated by economic rewards.
- (3) A technical entrepreneur possesses marketing skills.
- (4) First generation entrepreneurs are those who possess entrepreneurial background.
- (5) Innovative entrepreneurs adapt a successful innovation.
- (6) NUESBUD is an apex national level institute for providing entrepreneurial development.
- (7) EDII is the nodal development agency for SMEs.
- (8) Indian Institute of Entrepreneurship (IIE) has a special focus for entrepreneurship development in northern regions.

ANSWERS :

True: (2,6,8) False: (1,3,4,5,7)



MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Industrial entrepreneur	(a) Attracted by the various incentives
(2) Induced entrepreneur	(b) Skill in Production, Techniques
(3) Technical entrepreneur	(c) Inherit The Family Business
(4) Second generation entrepreneur	(d) Combination of Private entrepreneur and State Entrepreneur
(5) Joint entrepreneur	(e) Set up an Industrial Unit

(1-e) (2-a) (3-b) (4-c) (5-d)



GROUP A	GROUP B
(1) NIESBUD	(a) Ahmedabad
(2) EDII	(b) Guwahatti
(3) MCED	(c) Hyderabad
(4) IIE	(d) Delhi

(1-d) (2-a) (3-e) (4-b) (5-c)



GROUP A	GROUP B
1. Business entrepreneur	a) Do not try out new ideas
2. Second generation entrepreneur	b) Conceives an idea & translated into reality
3. Imitative entrepreneur	c) Government
4. State entrepreneur	d) Production techniques
5. Technical entrepreneur	e) Inherit family business

(1-b), (2-e), (3-a), (4-c), (5-d)



FILL IN THE BLANKS:

- (1) An _____ entrepreneur is into manufacturing a product.
- (2) _____ entrepreneur is one who may or may not possess an aptitude for entrepreneurship but is tempted by the monetary rewards or profits to be earned from the business venture
- (3) _____ entrepreneur means an entrepreneur who is interested in floating a business but does not want to manage or operate it.
- (4) _____ entrepreneur is attracted by the various incentives, subsidies and facilities offered by the government.
- (5) _____ generation entrepreneur are those entrepreneurs who inherit the family business firms and pass it from one generation to another.
- (6) A _____ entrepreneur is a stereotype entrepreneur whose aim is to maximize his economic returns at a level consistent with the survival of the unit but with or without an element of growth.
- (7) A _____ entrepreneur undertakes trading activities.
- (8) A _____ entrepreneur does not possess any entrepreneurial background.
- (9) _____ is the apex national level institute for entrepreneurial development.
- (10) _____ was established in 1955 to promote and develop micro and small scale industries in India.
- (11) _____ with its headquarters in guwahati, has a special focus on entrepreneurial development in northern India.

ANSWERS:

- | | | | |
|----------------|---------------|------------------|-------------|
| (1) Industrial | (2) Pure | (3) Professional | (4) Induced |
| (5) Second | (6) Classical | (7) Trading | (8) Founder |
| (9) NIESBUD | (10) NSIC | (11) IIE | |

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MODULE I

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (a) Business firms have social responsibility only towards its employees.
- (b) Human resources development is concerned with the analysis of market research undertaken by the employees of the firm.
- (c) External trade involves trade external to the firm.
- (d) The traditional concept of business places emphasis on customer satisfaction.
- (e) The modern concept of business is concerned only with profits.
- (f) Business broadly involves industry and commerce.
- (g) Production refers to conversion of inputs into finished products.
- (h) Purchase and store keeping is an important element of inventory management.
- (i) Genetic industries are engaged in the reproduction and multiplication of certain species of plants and animals.
- (j) Commerce is concerned with trade and aids-to-trade.

ANSWERS

True : f, g, h, i, j

False : a, b, c, d, e,



MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Social Interest	(a) Survival
(2) Traditional Concept	(b) Social Welfare
(3) Human Objectives	(c) Working Conditions
(4) National Objectives	(d) Emphasis on Profit
(5) Organic Objectives	(e) Modern Concept of Business

(1 - e), (2 - d), (3 - c), (4 - b), (5 - a)



GROUP A	GROUP B
(1) Social Objectives	(a) Merger and Takeover
(2) Economic Objectives	(b) Forward Integration
(3) Intensification Strategy	(c) Market Development Strategy
(4) Diversification Strategy	(d) Profit
(5) Restructuring Strategy	(e) Community Development

(1 - e), (2 - d), (3 - c), (4 - b), (5 - a)



SELECT THE MOST APPROPRIATE OPTION GIVEN IN THE BRACKET AND
REWRITE THE STATEMENT:

- (a) Business is a organised activity. (organised, social, national)
- (b) Non-insurable risks cannot be insured. (non-insured, insurance, disaster)
- (c) Personnel function is concerned with management of the people in the organisation.
(Personnel, Personal, Public Relations)
- (d) Extractive industries are concerned with extracting materials or minerals from natural resources. (Extractive, Genetic, Construction)
- (e) Commerce is concerned with expansion of markets. (Commerce, Industry, Research)
- (f) Entrepot is concerned with importing of goods, and then selling the same to another country. (Entrepot, Import, Export)
- (g) Advertising fills the knowledge gap. (Advertising, Public Relation, Research and Development)
- (h) Modern concept of business is concerned with customer satisfaction. (Modern, Traditional, Product)
- (i) Analysis of internal environment indicates strengths and weakness of the organisation. (internal, external, international)
- (j) Liberalisation refers to reduction of Government control over business sector.
(Liberalisation, Privatisation, Globalisation)

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MODULE II

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) Analysis of external environment indicates strengths and weaknesses of the firm.
- (2) GATT replaced WTO in 1995.
- (3) At present there are 17 members of European Union.
- (4) The SAARC stands for South Asian Association for Research and Commerce.
- (5) ASEAN consists of nations belonging to South Asia.
- (6) Environment is an integral part of business.
- (7) Analysis of internal environment indicates strengths and weaknesses of the firm.
- (8) The international business environment is influenced by International forums like WTO and UNCTAD.
- (9) Political stability brings consistency and firmness in Government policies.
- (10) NAFTA stands for North American Free Trade Association.

ANSWERS:

False: (1, 2, 3, 4, 5) True: (6, 7, 8, 9, 10)

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MATCH THE COLUMNS:

GROUP A	GROUP B
(1) NAFTA	a. 27 member Nations
(2) ASEAN	b. South Asian Countries
(3) WTO	c. TRIPs Agreement
(4) SAARC	d. 10 Member Nations
(5) EUROPEAN NATIONS	e. Mexico

(1 - e) (2 - d) (3 - c) (4 - b) (5 - a)

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GROUP A	GROUP B
(1) Macro Environment	(a) SAFTA
(2) Micro Environment	(b) Group of Countries
(3) Internal Environment	(c) Mission
(4) Trading Bloc	(d) Customer
(5) SAARC	(e) Cultural Environment

(1 - e) (2 - d) (3 - c) (4 - b) (5 - a)

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SELECT THE MOST APPROPRIATE OPTION GIVEN IN THE BRACKETS AND REWRITE THE STATEMENTS:

- (1) _____ environment is influenced by economic policies of the government.
(Economic, Socio-economic, Demographic)
- (2) _____ environment is concentrated with different aspects of population.
(Demographic, Sociographic, Political)
- (3) _____ environment brings consistency and firmness in Government policies.
(Political, Legal, International)
- (4) WTO is a forum over _____ countries. (150, 100, 50)
- (5) _____ agreement is concerned with liberalisation of International investments.
(TRIMs, TRIPs, Agreement on Agriculture)
- (6) Customers form a part of _____ environment. (Micro, Macro, Internal)
- (7) WTO replaced GATT in the year _____. (1995, 2000, 2005)
- (8) _____ is a trading bloc consisting of South Asian countries. (SAARC, ASEAN, APEC)
- (9) Trading blocs result in _____ creation. (Trade, Disputes, Restricted Area)
- (10) _____ environment has direct and indirect impact on the working of business firms.
(Business, Educational, Situational)

ANSWERS:

- | | | |
|---------------|-----------------|---------------|
| (1) Economic | (2) Demographic | (3) Political |
| (4) 150 | (5) TRIMs | (6) Micro |
| (7) 1995 | (8) SAARC | (9) Trade |
| (10) Business | | |

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MODULE III

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) The business planning process starts with formulating alternative strategies.
- (2) There is no need to conduct period review of performance.
- (3) A project report is a written document containing complete information on the completed project.
- (4) The feasibility study has no practical significance.
- (5) The project report is of importance only to the entrepreneur.
- (6) A feasibility study is a preliminary study undertaken to determine a project's viability.
- (7) Generally, the first step in business unit promotion is to identify business opportunity.
- (8) The business describes the future direction of the business.
- (9) Law and order situation is an important factor to be considered in plant location.
- (10) Business firms need to consider the attitude of the state Governments before locating a plant in a particular state.

ANSWERS:

False: (1, 2, 3, 4, 5) True: (6, 7, 8, 9, 10)

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MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Project Report	(a) Project Viability
(2) Composite Credit	(b) DGFT
(3) Seed Capital	(c) Promoters' equity capital
(4) Importers Exporters Code Number	(d) Fixed capital and working capital
(5) Feasibility Study	(e) Information of proposed project

(1-e) (2-d) (3-c) (4-b) (5-a)

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SELECT THE MOST APPROPRIATE OPTION GIVEN IN THE BRACKETS AND REWRITE THE ANSWERS:

- (1) Analysis of working condition in an element of _____ environment analysis. (internal, external, international)
- (2) Analysis of competitors strategies in an element of _____ environment analysis. (internal, external, international)
- (3) _____ acts as a reference guide during the execution of the project. (project report, feasibility report, legal report)
- (4) _____ feasibility refers to an analysis of whether the project is capable of being implemented and operated safely in the interest of stakeholders. (Safety, political, market)
- (5) _____ feasibility is concerned with current work practices and procedure. (Operational, Financial, economic)
- (6) Decision on location is an important element of _____. (Setting up a business unit, market research, manufacturing process)
- (7) Proximity to a plant to sources of raw material is desirable in case of _____ materials. (Gross, net, wholesale)
- (8) Proximity to market of a plant is required in case of _____ products. (fragile, durable, luxury)
- (9) _____ number is required for directors of a company. (DIN, TIN, TAN)
- (10) _____ is required for tax deduction at sources. (TAN, TIN, DIN)

ANSWERS:

(1) Internal (2) External (3) Project report (4) Safety (5) Operational
 (6) Setting up a business unit (7) Gross (8) Fragile (9) DIN (10) TAN

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MODULE IV

STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE:

- (1) Entrepreneurs place more emphasis on formalities rather than results.
- (2) Only economic factors contribute to the growth of entrepreneurs.
- (3) Non-monetary factors include higher salaries, bonus etc.
- (4) The primary motives of a manager are independence and innovation.
- (5) NIESBUD is concerned with marketing of goods of small business units.
- (6) Entrepreneurship is a process concerned with creating something new.
- (7) Most successful entrepreneurs are innovators.
- (8) Social entrepreneurs are profit oriented.
- (9) Entrepreneurs create economic and social wealth.
- (10) Intrapreneur is an entrepreneur within an existing Organisation.

ANSWERS:

False: (1, 2, 3, 4, 5)

True: (6, 7, 8, 9, 10)



MATCH THE COLUMNS:

GROUP A	GROUP B
(1) Economic Development	(a) Development of new processes
(2) Social Development	(b) Power Generation
(3) Regional Development	(c) Development of backward areas
(4) Infrastructure Development	(d) Community Development
(5) Technological Development	(e) GDP growth

(1 - e) (2 - d) (3 - c) (4 - b) (5 - a)



SELECT THE MOST APPROPRIATE OPTION GIVEN IN THE BRACKETS AND REWRITE THE STATEMENTS:

- (1) The most successful entrepreneurs are _____. (Innovators, Decision-Makers, Procrastinators)
- (2) An entrepreneur exploits change into an _____. (Opportunity, Threat, Strengths)
- (3) Entrepreneurs concerned with welfare of the people are called as _____. (Social, Economic, Business)
- (4) Entrepreneurs need to take _____ decisions. (Proactive, Reactive, Quick)
- (5) Funding provided by Venture capitalists which is a combination of debt and equity is called as _____ funding. (Mezzanine, Debt, Equity)
- (6) _____ is an entrepreneur within an existing organisation. (Intrapreneur, Manager, Leader)
- (7) The key strength of _____ type of entrepreneurs is imagination. (Visionary, Opportunist, Adventurer)
- (8) _____ scheme is specially meant for women Entrepreneurs. (TREAD, DBK, MDA)



F.Y.B.COM OBJECTIVES –SET-II MODULE I

1.State whether the following statements are true or false:

- a) Business firms have social responsibility only towards its employees.
- b) Human resources development is concerned with the analysis of market research undertaken by the employees of the firm.
- c) External trade involves trade external to the firm.
- d) The traditional concept of business places emphasis on customer satisfaction.
- e) The modern concept of business is concerned only with profits.
- f) Business broadly involves industry and commerce.
- g) Production refers to conversion of inputs into finished products.
- h) Purchase and store keeping is an important element of inventory management.
- i) Genetic industries are engaged in the reproduction and multiplication of certain species of plants and animals.
- j) Commerce is concerned with trade and aids-to-trade.

Ans- a - F, b - F, c - F, d - F, e - F, f - T, g - T, h - T, i - T, j - T

2.Match the columns:

I.

Group A	Group B
1.Social Interest	a) Survival
2.Traditional Concept	b) Social Welfare
3.Human Objectives	c) Working Conditions
4.National Objectives	d) Emphasis on Profit
5.Organic Objectives	e) Modern Concept of Business

Ans- 1 – e , 2 – d , 3 – c , 4 – b , 5 – a

II.

Group A	Group B
1.Social Objectives	a) Merger and Takeover
2.Economic Objectives	b) Forward Integration
3.Intensification Strategy	c) Market Development Strategy
4.Diversification Strategy	d) Profit
5.Restructuring Strategy	e) Community Development

Ans- 1 – e , 2 – d , 3 – c , 4 – b , 5 – a

3.Select the most appropriate option given in the bracket and rewrite the statement:

- a) Business is a organised activity. (organised, social, national)
- b) Non-insurable risks cannot be insured. (non-insured, insurance, disaster)
- c) Personnel function is concerned with management of the people in the organisation.
(Personnel, Personal, Public Relations)
- d) Extractive industries are concerned with extracting materials or minerals from natural resources. (Extractive, Genetic, Construction)
- e) Commerce is concerned with expansion of markets. (Commerce, Industry, Research)
- f) Entrepot is concerned with importing of goods, and then selling the same to another country.
(Entrepot, Import, Export)

- g) Advertising fills the knowledge gap. (Advertising, Public Relation, Research & Development)
- h) Modern concept of business is concerned with customer satisfaction. (Modern, Traditional, Product)
- i) Analysis of internal environment indicates strengths and weakness of the organisation. (internal, external, international)
- j) Liberalisation refers to reduction of Government control over business sector. (Liberalisation, Privatisation, Globalisation)

Module II:

Q1. State whether the following statements are True or False:

1. Analysis of external environment indicates strengths and weaknesses of the firm.
2. GATT replaced WTO in 1995.
3. At present there are 17 members of European Union.
4. The SAARC stands for South Asian Association for Research and Commerce.
5. ASEAN consists of nations belonging to South Asia.
6. Environment is an integral part of business.
7. Analysis of internal environment indicates strengths and weaknesses of the firm.
8. The international business environment is influenced by International forums like WTO and UNCTAD.
9. Political stability brings consistency and firmness in Government policies.
10. NAFTA stands for North American Free Trade Association.

Answers: False: (1, 2, 3, 4, 5) True: (6, 7, 8, 9, 10)

Q2. Match the Columns:

Group A	Group B
1. NAFTA	a. 27 member Nations
2. ASEAN	b. South Asian Countries
3. WTO	c. TRIPs Agreement
4. SAARC	d. 10 Member Nations
5. EUROPEAN NATIONS	e. Mexico

II.

Group A	Group B
1. Macro Environment	a. SAFTA
2. Micro Environment	b. Group of Countries
3. Internal Environment	c. Mission
4. Trading Bloc	d. Customer
5. SAARC	e. Cultural Environment

Answers:

I. (1 - e) (2 - d) (3 - c) (4 - b) (5 - a)

II. (1 - e) (2 - d) (3 - c) (4 - b) (5 - a)

Q3. Select the most appropriate option given in the brackets and rewrite the statements:

1. _____ environment is influenced by economic policies of the Government.
(Economic, Socio-economic, Demographic)
2. _____ environment is concentrated with different aspects of population.
(Demographic, Sociographic, Political)
3. _____ environment brings consistency and firmness in Government policies.
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4. WTO is a forum over _____ countries.
(150, 100, 50)
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6. Customers form a part of _____ environment.
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7. WTO replaced GATT in the year _____.
(1995, 2000, 2005)
8. _____ is a trading bloc consisting of South Asian countries.
(SAARC, ASEAN, APEC)
9. Trading blocs result in _____ creation.
(Trade, Disputes, Restricted Area)
10. _____ environment has direct and indirect impact on the working of business firms.
(Business, Educational, Situational)

Answers:

1. Economic 2. Demographic 3. Political 4. 150 5. TRIMs
6. Micro 7. 1995 8. SAARC 9. Trade 10. Business

Module III: Project Planning

Q1. State Whether The Following Statements Are True Or False:

1. The business planning process starts with formulating alternative strategies.
2. There is no need to conduct period review of performance.
3. A project report is a written document containing complete information on the completed project.
4. The feasibility study has no practical significance.
5. The project report is of importance only to the entrepreneur.
6. A feasibility study is a preliminary study undertaken to determine a project's viability.
7. Generally, the first step in business unit promotion is to identify business opportunity.
8. The business describes the future direction of the business.
9. Law and order situation is an important factor to be considered in plant location.
10. Business firms need to consider the attitude of the state Governments before locating a plant in a particular state.

Answers:

False: (1, 2, 3, 4, 5) True: (6, 7, 8, 9, 10)

Q2- Match the Columns:

Group A	Group B
1. Project Report	(a) Project Viability
2. Composite Credit	(b) DGFT
3. Seed Capital	(c) Promoters' equity capital
4. Importers Exporters Code Number	(d) Fixed capital and working capital
5. Feasibility Study	(e) Information of proposed project

Answers: (1-e) (2-d) (3-c) (4-b) (5-a)

Q3. Select the most appropriate option given in the brackets and rewrite the answers:

1. Analysis of working condition in an element of _____ environment analysis. (internal, external, international)
2. Analysis of competitors strategies in an element of _____ environment analysis. (internal, external, international)
3. _____ acts as a reference guide during the execution of the project. (project report, feasibility report, legal report)
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5. _____ feasibility is concerned with current work practices and procedure. (Operational, Financial, economic)
6. Decision on location is an important element of _____. (Setting up a business unit, market research, manufacturing process)
7. Proximity to a plant to sources of raw material is desirable in case of _____ materials. (Gross, net, wholesale)
8. Proximity to market of a plant is required in case of _____ products. (fragile, durable, luxury)
9. _____ number is required for directors of a company. (DIN, TIN, TAN)
10. _____ is required for tax deduction at sources. (TAN, TIN, DIN)

Answers:

1. Internal
2. External
3. Project report
4. Safety
5. Operational
6. Setting up a business unit
7. Gross
8. Fragile
9. DIN
10. TAN

Module IV: Entrepreneurship

Q1. State whether the following statements are True

or False:

1. Entrepreneurs place more emphasis on formalities rather than results.
2. Only economic factors contribute to the growth of entrepreneurs.
3. Non-monetary factors include higher salaries, bonus etc.
4. The primary motives of a manager are independence and innovation.
5. NIESBUD is concerned with marketing of goods of small business units.
6. Entrepreneurship is a process concerned with creating something new.
7. Most successful entrepreneurs are innovators.

8. Social entrepreneurs are profit oriented.
9. Entrepreneurs create economic and social wealth.
10. Intrapreneur is an entrepreneur within an existing Organisation.

Answers:

False: (1, 2, 3, 4, 5)

True: (6, 7, 8, 9, 10)

Q2. Match the Columns:

Group A	Group B
1. Economic Development	a. Development of new processes
2. Social Development	b. Power Generation
3. Regional Development	c. Development of backward areas
4. Infrastructure Development	d. Community Development
5. Technological Development	e. GDP growth

Answers:

(1 - e) (2 - d) (3 - c) (4 - b) (5 - a)

Q3. Select the most appropriate option given in the brackets and rewrite the statements:

1. The most successful entrepreneurs are _____. (Innovators, Decision-Makers, Procrastinators)
2. An entrepreneur exploits change into an _____. (Opportunity, Threat, Strengths)
3. Entrepreneurs concerned with welfare of the people are called as _____. (Social, Economic, Business)
4. Entrepreneurs need to take _____ decisions. (Proactive, Reactive, Quick)
5. Funding provided by Venture capitalists which is a combination of debt _____ and equity is called as _____ funding.
(Mezzanine, Debt, Equity)
6. _____ is an entrepreneur within an existing organisation. (Intrapreneur, Manager, Leader)
7. The key strength of _____ type of entrepreneurs is imagination. (Visionary, Opportunist, Adventurer)
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