



School of Entrepreneurship Skills
Session: 2019-20 (Summer Semester)
B. Voc. Program, III Semester,
1st In-Sem. Examination

Course Code: SES1301

Time: 1 Hour

Course Name: Enterprise Creation

Max. Marks: 20

Section – A

05X01 = 05 Marks

Answer following objective type questions, each question carries 01 mark.

Q1 Which of the following shows the process of creating something new?

- a) Business model
- b) Modeling
- c) Innovation
- d) Creative flexibility

Q2 Define Free Enterprise

- a) A business taking a risk to make a profit.
- b) A program administered by the Government.
- c) People in business trying to make a profit.
- d) A business adventure or undertaking.

Q3. The activity which occurs when the new venture is started is called:

- a) Motivation
- b) Business skills
- c) Departure point
- d) Goal orientation

Q.4 Having more than 50% ownership position that provides the entrepreneur with managerial control is called _____.

- a) Joint venture
- b) Majority interest
- c) Horizontal merger
- d) Diversified activity merge

Q.5. Essential features of sound enterprise should include

- a) Facilitates Adoption of New Technology
- b) Ensures Efficiency in Management
- c) Stimulates Creativity
- d) All of the above



Section – B

03X02 = 06 Marks

Answer following short answer type questions, each question carries 02 marks.

- Q.1 Distinguish between an idea and a business opportunity.
- Q.2 How to find the business that's right for you?
- Q.3 Why there is a need for enterprise location?

Section – C

03X03 = 09 Marks

Answer following essay type questions, each question carries 03 marks.

- Q.1 Write a short note on different stages of enterprise creation.
- Q.2 Ordinary people with their extraordinary business: Discuss the statement with suitable examples.
- Q.3 Discuss the various types of Growth Strategies adopted by a Small Business Firm?



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Section – B

03X02 = 06 Marks

Answer following short answer type questions, each question carries 02 marks.

Q.1 Distinguish between an idea and a business opportunity.

As one of the many reasons why startup businesses fail is often the confusion of an entrepreneur about two terms that are very important to them: business ideas and business opportunities.

Business Idea	Business Opportunity
Ideas are solutions to problems and are important providing creative spark for your business.	Opportunities, on the other hand, are something (ideas, circumstances, situation) that can lead to a desirable and viable business. They may or may not originate from an idea.
Although a business idea has the potential to make money, it has no commercial value initially.	A business opportunity on the other hand is a proven concept that generates on-going income. In other words, a business opportunity is a business idea that has been researched upon, refined and packaged into a promising venture that is ready to launch.

Q.2 How to find the business that's right for you?

Choosing an enterprise to start can be a difficult undertaking, especially if you have a lot of ideas. Following are the points one need to consider before starting a new enterprise:

Focus on your skills, experience and passion: An enterprise built upon a passion is usually more successful, because it allows you to do - on a regular basis - what you love.

Think of a product or service in demand but currently under-provided: Research your community for ideas, or maybe you have been in need of a product or service but cannot get it easily.

Be aware of your risk profile: If you create a truly revolutionary concept, the upside of your enterprise could be tremendous – but with the potential for success, the risk involved goes way up as well.

Make a lifestyle choice: For example, you may have thought about starting your own real estate enterprise, this type of enterprise demands that you work all day and into the evening.

Q.3. Why there is a need for enterprise location?

The location of a business positions it not only to attract a customer base but also to attract the right sort of talent to make the business a success. A business's location also helps it create a brand and image.

Placing your business in a part of town that reflects your brand and products can impact the success of your establishing.

Research has shown that the location of a business is one of its most important factors for success. Location has an even larger effect for microentrepreneurs, those entrepreneurs opening a small-scale business employing less than nine people. The importance of the location strategy is especially important for these small businesses because it impacts whether



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enough profits will be generated to sustain the business. The example of importance of location can be realized when one can think of Restaurants business.

Section – C

03X03 = 09 Marks

Answer following essay type questions, each question carries 03 marks.

Q.1 Write a short note on different stages of enterprise creation.

The nine stages of the Enterprise Creation stage which emerged are:

Stage 1 – Discovery: This first stage is centered around the focal competency of Opportunity recognition, creation and evaluation.

Stage 2 – Modeling: The second stage is about developing the business logic to create a business model. This is split into three parts and starts by setting out a Strategy, formulating a business model and setting the business processes.

Stage 3 – Startup: Once the resources detailed in the business plan are mobilized the entrepreneurial process can be affected and implementation can take place.

Stage 4 – Existence: At this stage the business has two core focuses; to gain enough customers to create a profitable business and, at the same time establishing product quality.

Stage 5 – Survival: At this stage the business should be a viable entity in terms of cash flow and resources, it has enough customers and satisfies them sufficiently with its products or services.

Stage 6 – Success: Entrepreneurs at this point have a number of options: capitalize on the company's accomplishments, expand or, keep the company stable and profitable.

Stage 7 – Adaptation: Businesses which reach this stage normally have a number of factors pushing them to adapt.

Stage 8 – Independence: A business at this stage should now has the advantages of size, financial resources, market share and managerial talent.

Stage 9 – Exit: The last of the Enterprise Creation stages is focused on exiting the business and making their separation permanent.

Q.2. Ordinary people with their extraordinary business: Discuss the statement with suitable examples

To elaborate on the point of "Ordinary people with their extraordinary business" I would like to take the example of below mentioned individuals who apply their vision, talents, creativity, and energy not only to their work but to their entire lives, changing the world for themselves and those around them.

Jamsetji Tata

Jamshetji Tata is the founder of the Tata Group, India's largest conglomerate which employs more than four lakh people and enjoys the revenue of over \$83 billion. Tata is regarded as the legendary "Father of Indian Industry". He was so influential in the world of industry that Jawaharlal Nehru referred to Tata as a One-Man Planning Commission. He started out by setting up cotton mills in Bombay and then Nagpur.

Verghese Kurien

Verghese Kurien used his entrepreneurial skills to enrich not only himself but also all of India. The "Father of the White Revolution," Kurien planned and implemented Operation Flood, the world's largest agricultural development program, which turned India into the world's largest milk producer. He is also the founder of the Amul brand of dairy products, which invented milk



powder processed from buffalo milk rather than cow milk.

Dhiru Bhai Ambani

India's largest private sector company. Created an equity cult in the Indian capital market. Reliance is the first Indian company to feature in Forbes 500 list. Dhirubhai Ambani was the most enterprising Indian entrepreneur. His life journey is reminiscent of the rags to riches story. He is remembered as the one who rewrote Indian corporate history and built a truly global corporate group.

Q.3. Discuss the various types of Growth Strategies adopted by a Small Business Firm?

Most small companies have plans to grow their business and increase sales and profits. However, there are certain methods companies must use for implementing a growth strategy. The method a company uses to expand its business is largely contingent upon its financial situation, the competition and even government regulation. Some common growth strategies in business include:

Market Expansion or Development: A market expansion growth strategy, often called market development, entails selling current products in a new market. There several reasons why a company may consider a market expansion strategy. First, the competition may be such that there is no room for growth within the current market. If a business does not find new markets for its products, it cannot increase sales or profits.

Product Expansion Strategy: A small company may also expand its product line or add new features to increase its sales and profits. When small companies employ a product expansion strategy, also known as product development, they continue selling within the existing market. A product expansion growth strategy often works well when technology starts to change. A small company may also be forced to add new products as older ones become outmoded.

Growth Through Diversification: Growth strategies in business also include diversification, where a small company will sell new products to new markets. This type of strategy can be very risky. A small company will need to plan carefully when using a diversification growth strategy. Marketing research is essential because a company will need to determine if consumers in the new market will potentially like the new products.

Acquisition of Other Companies: Growth strategies in business can also include an acquisition. In acquisition, a company purchases another company to expand its operations. A small company may use this type of strategy to expand its product line and enter new markets. An acquisition growth strategy can be risky, but not as risky as a diversification strategy.

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School of Entrepreneurship Skills

Third Semester, In-Sem. Summer Semester Examination

B. Voc. Program, Session (2019-20)

Course Code: SES 1302

Time: 1 Hour

Course Name: Govt. Schemes & Institutional Support (GSIS)

Max. Marks: 20

Instructions:

(i) Answer all questions from Section-A, each question carries One Mark. Answer all questions from Section-B, each question carries Two Marks. Answer all questions from Section-C, each question carries Three Marks.

(ii) Please write all the answers in **ENGLISH** only

Section – A

05X01 = 05 Marks

1. MSME-D act was introduced in the year
 - (a) 2004
 - (b) 2006
 - (c) 2008
 - (d) 2016
2. NSIC Means
 - (a) National School Information Centre
 - (b) Natural Science Improvement Centre
 - (c) National Small Industries Corporation
 - (d) National Small Industries Centre
3. Coir Board is established for the development of products made of
 - a) Jute Fiber
 - (b) Paddy Straw
 - (c) Mango Jelly
 - (d) Coconut Fiber
4. MSDE means
 - (a) Ministry of Science, Development & Education
 - (b) Ministry of Soil, Desert & Environment
 - (c) Ministry of Skill Development & Entrepreneurship
 - (d) Ministry of Social Development & Entertainment
5. 1800-180-6763 is
 - (a) Student Helpline
 - (b) Udyami Helpline
 - (c) Industries Helpline
 - (d) Bank Helpline

Section – B

03X02 = 06 Marks

1. What is Entrepreneurship? Define with an example.
2. List out 8 important schemes of MoMSME.
3. What is the vision and mission of MoMSME?

Section – C

03X03 = 09 Marks

1. Draw the flow chart of State Industries Department.
2. What is PMEGP? Explain in detail.
3. What is the revised classification of MSME? Explain.

**BHARTIYA SKILL DEVELOPMENT UNIVERSITY****School of Entrepreneurship Skills
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Section – A

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Section – B

03X02 = 06 Marks

1. What is Entrepreneurship? Define with an example.

“Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic, and social risks, and receiving the resulting rewards of monetary and personal satisfaction of independence.”... *Robert Hisrich*

or



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“Entrepreneurship is an act of initiative, drive, commitment, diligence, perseverance, organized effort, and achievement outlook, to undertake some specific functions of performing productive activities and the capacity to bear the risk associated with the investment”.

Ex: Ritesh Agarwal, OYO Rooms

2. What is the vision and mission of MoMSME?

Vision:

Sustainable development of globally competitive micro, small and medium enterprises as an engine of growth for the India economy.

Mission:

Promote growth and development of micro, small and medium enterprises, including Khadi, Village and Coir Industries so as to create new enterprises and more employment opportunities. The long term goal of the ministry is to enhance manufacturing base in the country by improving performance of MSMEs through skill and entrepreneurship development.

3. List out any 8 important schemes of MoMSME.

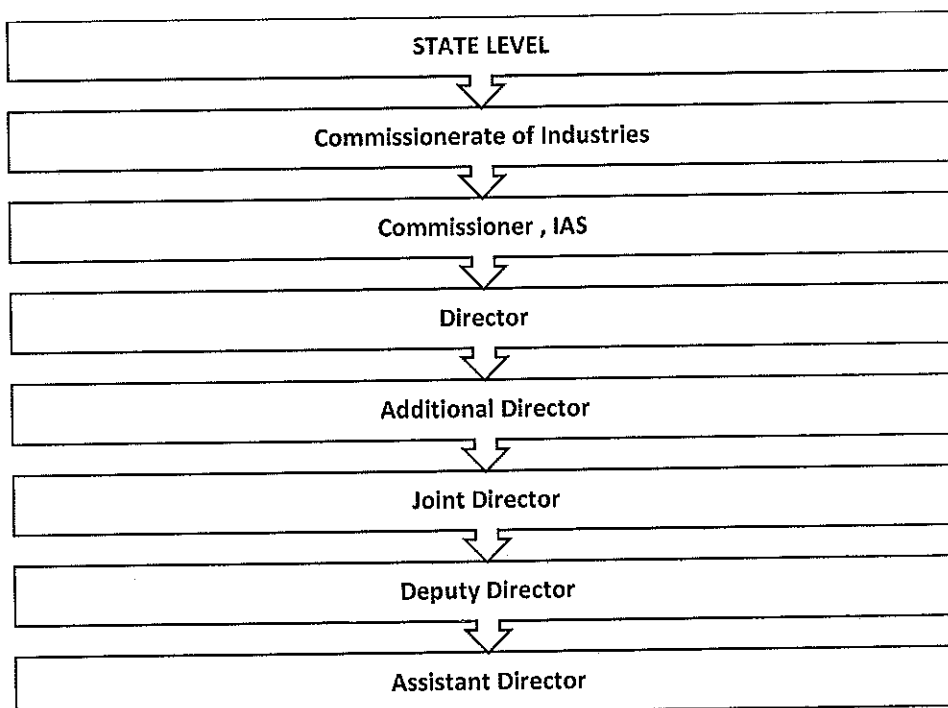
There are around 40 schemes implemented by MoMSE for the promotion of micro enterprises in the country. The following are some of the important schemes.

- Prime Minister Employment Generation Program (PMEGP)
- Micro & Small Enterprises Cluster Development Programme
- Incubator Scheme
- Intellectual Property Rights for MSMEs
- ISO 9000/14001 Certification Fee Reimbursement Scheme
- Marketing Assistance (Bar Code)
- Export Promotion
- National Awards

Section – C

03X03 = 09 Marks

1. Draw the flow chart of State Industries Department.



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2. What is PMEGP? Explain in detail.

Prime Minister's Employment Generation Programme is one of the important scheme of Ministry of MSME.

❖ **OBJECTIVE:**

- To generate employment opportunities in Rural and Urban areas
- To provide continuous and sustainable employment to a large segment of artisans and unemployed youth

❖ **COST OF PROJECT:**

- Rs 25 Lakhs under manufacturing sector
- Rs 10 Lakhs under service sector

❖ **MARGIN MONEY (Middle Ended Subsidy):**

	<u>Beneficiary Contribution</u>	<u>Subsidy</u>	
		<u>URBAN</u>	<u>RURAL</u>
1) General Category	10%	15%	25%
2) Special – SC, ST, OBC Women, PC, Ex-Servicemen	5%	25%	35%

Who Can Apply ?

Age: Above 18 years

Qualification: At least VIII pass for projects costing above Rs 10 Lakh in the manufacturing sector, and above Rs 5 Lakh in the Service/Business sector.

- a. SHGs (including those belonging to BPL, provided that they have not availed benefits under any other scheme)
- b. Institutions registered under Societies Registration Act, 1860
- c. Production Co-operative Societies
- d. Charitable Trusts are also eligible

3. What is the revised classification of MSME? Explain.

Category Manufacturing Enterprises	Investment limit in Plant & Machinery	Annual Turnover
	Existing	Proposed
Micro Enterprises	Up to Rs 25 Lakh	Upto Rs 5 Cr
Small Enterprises	Above Rs 25 Lakh & upto Rs 5 Cr	More than Rs 5 Cr but does not exceed Rs 75 Cr
Medium Enterprises	Above Rs 5 Crore & upto Rs 10 Cr	More than Rs 75 Cr but does not exceed Rs 250 Cr
Category Service Enterprises	Investment limit in Equipment	Annual Turnover
	Existing	Proposed
Micro Enterprises	Up to Rs 10 Lakh	Up to Rs 5 Cr
Small Enterprises	Above Rs 10 Lakh & upto Rs 2 Cr	More than Rs 5 Cr but does not exceed Rs 75 Cr
Medium Enterprises	Above Rs 2 Crore & upto Rs 5 Cr	More than Rs 75 Cr but does not exceed Rs 250 Cr



School of Entrepreneurship Skills
Session: 2019-20 (Summer Semester)
B. Voc. Program, III Semester,
1st In-Sem. Examination

Course Code: SES1303
Course Name: Business Accounting and Finance

Time: 1 Hour
Max. Marks: 20

Section – A

05X01 = 05 Marks

Answer following objective type questions, each question carries 01 mark.

Q1 Which of these is not included as a separate item in the basic accounting equation?

- a) Assets
- b) Outside Liabilities
- c) Revenues
- d) Owners Capital

Q2. Which account is not a liability account?

- a) Creditors
- b) Cash
- c) Term Loan
- d) Bills Payable

Q.3 The money which is withdrawn by the owner for personal uses is called.....

- a) Drawings
- b) Asset
- c) Term Loan
- d) Bank

Q.4. Accounting Equation is =

- a) Assets = Liabilities
- b) Liabilities = Assets
- c) Assets= Liabilities+ Capital
- d) None

Q 5. The Owner and the Business Entity are two separate existence entities.

- a) True
- b) False
- c) None
- d) Can't say

Section – B



Answer following short answer type questions, each question carries 02 marks.

Q.1 Name any two Liabilities?

Q.2 Name any two Assets?

Q.3. What are Tangible Real Account?

Section – C

03X03 = 09 Marks

Answer following essay type questions, each question carries 03 marks.

Q.1 What is Business Entity Concept?

Q.2.What is Double Entry System?

Q.3. What do you mean by Capital?



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- c) Revenues
- d) Owners Capital (c)

Q2. Which account is not a liability account?

- a) Creditors
- b) Cash
- c) Term Loan
- d) Bills Payable (b)

Q.3 The money which is withdrawn by the owner for personal uses is called.....

- a) Drawings
- b) Asset
- c) Term Loan
- d) Bank (a)

Q.4. Accounting Equation is =

- a) Assets = Liabilities
- b) Liabilities = Assets
- c) Assets= Liabilities+ Capital
- d) None (c)

Q 5. The Owner and the Business Entity are two separate existence entities.

- a) True
- b) False



c) None

d) Can't say

(a)

Section – B

03X02 = 06 Marks

Answer following short answer type questions, each question carries 02 marks.

Q.1 Name any two Liabilities?

Ans. Term Loan and Creditors

Q.2 Name any two Assets?

Ans. Cash and Furniture

Q.3. What are Tangible Real Account?

Ans. Tangible real accounts are related to things that can be touched and felt physically.

Few examples of tangible real accounts are building, machinery, stock, land, etc.

Section – C

03X03 = 09 Marks

Answer following essay type questions, each question carries 03 marks.

Q.1 What is Business Entity Concept?

Ans. The business entity concept states that the transactions associated with a business must be separately recorded from those of its owners or other businesses. Doing so requires the use of separate accounting records for the organization that completely exclude the assets and liabilities of any other entity or the owner. Without this concept, the records of multiple entities would be intermingled, making it quite difficult to discern the financial or taxable results of a single business.

Q.2. What is Double Entry System?

Ans: The double-entry system of accounting or bookkeeping means that for every business transaction, amounts must be recorded in a minimum of two accounts. The double-entry system also requires that for all transactions, the amounts entered as debits must be equal to the amounts entered as credits. Example of a Double-Entry System: let's assume that a company borrows Rs. 10,000 from its bank. The company's Cash account must be increased by Rs.10,000 and a liability account must be increased by Rs.10,000. To increase an asset, a debit entry is required. To increase a liability, a credit entry is required. Hence, the account



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Cash will be debited for Rs.10,000 and the liability Loans Payable will be credited for Rs.10,000.

Q.3. What do you mean by Capital?

Ans: Capital can include cash or other assets introduced into a business by the owners. Generally speaking, the term 'capital' refers to any financial resources or assets owned by a business that are useful in furthering development and generating income. However, in different contexts, the term can have a variety of other meanings. Here are a few: Capital can refer to funds raised to support a particular business or project. Capital can also represent the accumulated wealth of a business, represented by its assets less liabilities. Capital can also mean stock or ownership in a company.

