

**Sample Question Paper  
Entrepreneurship (249)**

Time: 3 Hours

Maximum Marks: 100

**Note:**

- i. This question paper consists of 51 questions in all.
- ii. All questions are compulsory. Internal choices are given wherever required.
- iii. Marks are given against each question.
- iv. **Section A** consists of **Qu. 1 to 20** that are Multiple Choice Questions (MCQs) carrying 1 Mark each. Select and write the most appropriate option out of the four options given in each of these questions. An internal choice has been provided in some of these questions.
- v. **Section B** consists of Objective type questions **Qu. 21 to 35** carry 2 Marks each. Attempt these questions as per the instructions given for each of the questions.
- vi. **Section C** consists of
  - a. **Q.No. 36 to 41** – Very Short questions carrying 02 marks each to be answered in the range of 30 to 50 words.
  - b. **Q.No. 42 to 47** – Short Answer type questions carrying 03 marks each to be answered in the range of 50 to 80 words.
  - c. **Q.No. 48 to 51** – Long Answer type questions carrying 05 marks each to be answered in the range of 80 to 120 words.

**Section-A**

*Qu. 1 to 20 are Multiple Choice Questions. Internal choices are given wherever necessary.*

<b>1.</b>	SIDBI stands for A. Small Industries Development Bank of India B. Smart Industries Development Bank of India C. Social Industries Development Bank of India D. Small Industries Development Board of India	<b>(1)</b>	
<b>2.</b>	i. Which of the following is a social factor: A. Social Motive B. Prestige and Self-Esteem C. Cultural Value D. All of the above <b>OR</b> ii. Which of the following helps in developing entrepreneurial skills from infancy A. Level of Education B. Family Background C. Innovation D. None of the above	<b>(1)</b>	

3.	<p>An entrepreneur helps to remove regional disparities through</p> <p>A. Import Substitution  B. Export Promotion  C. Balanced Regional Development  D. Forward and Backward Linkages</p>	(1)	
4.	<p>i. It is believed that both small scale and large scale units contribute in balanced regional development but if an entrepreneur has less investment and infrastructure which of the following units should be established</p> <p>A. Small Scale Unit  B. Large Scale Unit  C. Medium Scale Unit  D. Capital Intensive Units</p> <p><b>OR</b></p> <p>ii. If the entrepreneur is located in the southern India, which of the following industry would be more suitable to operate there</p> <p>A. Agro-based industries  B. Poultry industry  C. Fishing industries  D. Wheat processing industries</p>	(1)	
5.	<p>Which of the following is not concerned with Push factors?</p> <p>(a) Job dissatisfaction  (b) Insufficient salary  (c) Zeal to work  (d) All of the above</p>	(1)	
6.	<p>i. Which of the following is the least degree of innovation?</p> <p>A. Radical  B. Incremental  C. Imitation  D. Continuous</p> <p><b>OR</b></p> <p>ii. Which of the following is an example of trademark?</p> <p>A. Name  B. Logo  C. Symbol  D. All of the above</p>	(1)	

7.	<p>i. Having an edge over the competitor is called</p> <p>A. Competitive advantage  B. Productivity  C. Effectiveness  D. Resource optimization</p> <p><b>OR</b></p> <p>ii. Which of the following can be included as a spiritual value</p> <p>A. Insight  B. Awareness  C. Truth  D. All of the above</p>	(1)	
8.	<p>The acronym “IPR” stands for</p> <p>A. Intellectual Proprietary Rights  B. Intelligent Property Rights  C. Intellectual Property Rights  D. Intelligence Protection Rights</p>	(1)	
9.	<p>i. If inventions are patentable which of the following can't be patented:</p> <p>A. Product designs  B. Business models  C. Business Idea  D. Working prototypes</p> <p><b>OR</b></p> <p>ii. Attributes like community, duty, justice, and security can be categorized as which of the following values</p> <p>A. Aesthetic value  B. Social value  C. Historical value  D. None of the above</p>	(1)	
10.	<p>An “out-of-the-blue” solution that cannot be compared to an existing solution implies</p> <p>A. Disruptive innovation  B. Radical innovation  C. Discontinuous innovation  D. Breakthrough innovation</p>	(1)	
11.	<p>What right would be violated if a product coming from a specific geographical origin and possessing qualities is not attributed to that place of origin?</p> <p>A. Geographical Indications  B. Trade Secret  C. Trademark  D. Design</p>	(1)	

12.	The basic features of values do not include: A. Standards of morality B. Code of conduct of any activity C. Work ethics D. Corruption	(1)	
13.	A person may acquire his/her attitude from: A. Personal experiences B. Association C. Social learning D. All of the above	(1)	
14.	i. Which of the following is not a core value amongst entrepreneurs A. Honesty B. Foresightedness C. Dependence D. Reliability <b>OR</b> ii. Motivation of one person differs from the motivation of another person, even when both are engaged in same activity, because it is A. A Complex process B. Efficiency specific C. Not easily observed D. None of these	(1)	
15.	i. "Entrepreneurship is not a one-day activity. At times, it takes long to establish oneself in the market and create a brand image". Which of the following attitude is indicated in this statement? A. Imagination B. Change C. Networking D. Patience <b>OR</b> ii. It is hard to observe motivation directly, because it is A. External Feeling B. Internal Feeling C. Mixed Feeling D. Not felt	(1)	
16.	Grant of maternity leaves to a female employee of the organization is an appropriate example of A. Gender based discrimination B. Business ethics C. Tolerance level of entrepreneur D. Need for affiliation	(1)	

17.	<p>i. A person joined your organization and is highly motivated to get promotions. The said person gets promoted to the next level but is now unwilling to achieve further targets. This person needs to be motivated again because</p> <p>A. Motivation is a continuous process  B. Motivation is a one-time activity  C. The person is under pressure  D. The person is dissatisfied with promotion</p> <p><b>OR</b></p> <p>ii. Entrepreneurs search for continuous feedback of their actions, so that:</p> <p>A. They blame somebody else in time  B. They take corrective actions on time  C. They shut the business down  D. They can avoid new innovations</p>	(1)	
18.	<p>The analysis in which efforts are made to review the infrastructural facilities is known as</p> <p>A. Market Feasibility Analysis  B. Technical Feasibility Analysis  C. Financial Feasibility Analysis  D. Commercial Feasibility Analysis</p>	(1)	
19.	<p>i. Economic analysis involves</p> <p>A. Plant and other commercial aspects  B. Risk and uncertainty analysis  C. Technical viability  D. Cost and benefit analysis</p> <p><b>OR</b></p> <p>ii. Which of the following type of businesses has the least legal compliances</p> <p>A. Sole Proprietorship  B. Partnership  C. Limited Liability Partnership  D. Company</p>	(1)	
20.	<p>i. If a new entrepreneur wants to seek guidance and assistant for export of his products, he can approach:</p> <p>A. Centre for Entrepreneurship Development  B. Small Industries Development Organisation  C. Training and Development Organisation  D. Export Promotion Council</p> <p><b>OR</b></p> <p>ii. State-level financial institutions responsible for the growth of MSMEs in the concerned states are known as</p> <p>A. State Fiscal Corporations  B. State Financial Corporations  C. Skill Development Centres  D. National Bank for Agriculture and Rural Development</p>	(1)	

<b>SECTION-B</b>					
<i>Qu. 21 to 35 carry two marks each. Internal choices are given wherever necessary.</i>					
<b>21.</b>	<p><b>Match the following: (any two)</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;">           i. Self employment            ii. Push factor            iii. Five crore         </td> <td style="width: 50%; vertical-align: top;">           a. Teaching            b. Low salary            c. Micro enterprise            d. Zeal to work         </td> </tr> </table>	i. Self employment ii. Push factor iii. Five crore	a. Teaching b. Low salary c. Micro enterprise d. Zeal to work	<b>(1x2)</b>	
i. Self employment ii. Push factor iii. Five crore	a. Teaching b. Low salary c. Micro enterprise d. Zeal to work				
<b>22.</b>	<p>Fill in the blanks: (any one)</p> i. Generally migration takes place from _____ to _____ areas. ii. The quality of an entrepreneur to be able shift to the _____ areas is called _____ .	<b>(1x2)</b>			
<b>23.</b>	<p>Give one word answer: (any two)</p> i. Which right is most suited for the protection of items like literary, musical, artistic works? ii. When the share of enterprise sales is more in total market sales, what is it said to be? iii. SCAMMPERR technique is concerned with what?	<b>(1x2)</b>			
<b>24.</b>	<p>State true or false: (any two)</p> i. If you dislike uncertainty, you will fear being creative. ii. Blue hat stands for creativity and a creative solution to a problem is developed. iii. The term lateral thinking was coined by Edward de Bono.	<b>(1x2)</b>			
<b>25.</b>	<p>Choose the correct answer out of the choices given: (any two)</p> i. _____ can be positive as well as negative. ii. _____ needs pertain to the survival of human beings like food, shelter, clothing, air and water. iii. Habit thinking means a set way of thinking which tends to occur _____ .  (Motivation, creativity, indispensable, subconsciously, awareness, attentively, Physiological, Ego)	<b>(1x2)</b>			

26.	<p>Complete the statements: (any two)</p> <p>i. The two theories of motivation are _____.</p> <p>ii. The type of motivator needed to stimulate an employee depends upon _____.</p> <p>iii. Internal Locus of Control implies _____.</p>	(1x2)	
27.	<p>Fill in the blanks: (any one)</p> <p>i. _____ and _____ are examples of physical resources.</p> <p>ii. _____ and _____ are some well known methods of the business resources.</p>	(1x2)	
28.	<p>Answer the following: (any one):</p> <p>i. Give two traditional sources of funds.</p> <p>ii. Give two modern sources of funds.</p>	(1x2)	
29.	<p>State true or false: (any two)</p> <p>i. Angels often take an ownership stake in the enterprise in exchange of investing their personal funds.</p> <p>ii. Business incubator only provides financial services to the businesses and entrepreneurs.</p> <p>iii. While starting up a business, entrepreneur is the first person to invest in it.</p>	(1x2)	
30.	<p>Match the following: (any two)</p> <p>i. angel investor</p> <p>ii. Venture capital</p> <p>iii. Business incubator</p> <p>a. organisation offering a range of business development services access to small space on flexible terms to meet the needs of new firms</p> <p>b. process of raising capital from individuals and firms that invest in high growth and high risk firms</p> <p>c. an individual who invests in startups or entrepreneurships</p> <p>d. invest at the later stages of company and take interest in operational activities of the firm and help improve</p>	(1x2)	

31.	Complete the table below: (any one) <b>Business Registration Under which Act Registration at</b> i. Partnership firm ii. Cooperative Society	(1x2)	
32.	Complete the following statements: (any one) i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed _____ rupees and turnover does not exceed _____ rupees. ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed _____ rupees and turnover does not exceed _____.	(1x2)	
33.	Answer the following: (any two) i. For whom is Technology Business Incubator IIT established? ii. Which incubator has tied up with SIDBI? iii. Which incubator is tied up with DST?	(1x2)	
34.	Fill ups. (any one) 1. Business incubators provide Physical facility such as _____ and _____. 2. Business incubation as business support service provides _____ and _____.	(1x2)	
35	Complete the statements: (any two) i. Start-up Village is a _____ ii. Techno Park TBI _____ iii. Atal Incubation Centre _____	(1x2)	
<b>SECTION-C</b> <i>Answer Qu. 36 to 51 below. Internal choices have been given wherever necessary.</i>			
36.	Do you think that entrepreneurship can be chosen as a career option? If yes, mention any four factors make individuals choose entrepreneurship as a career option.	(2)	



37.	<p>i. "Time is changing and entrepreneurship is no more restricted to a gender" Enumerate the concept of women entrepreneurship in the light of the given statement.</p> <p><b>OR</b></p> <p>ii. Explain the role and importance of the government in promoting a healthy entrepreneurial environment in India.</p>	(2)	
38.	<p>"Angel's investors avoid investing in small start-ups or entrepreneurs" Do you agree with the given statement? Explain why?</p>	(2)	
39.	<p>i. "Service sector provides services rather than providing tangible goods". Do you agree with the given statement? If yes, give two examples of services.</p> <p><b>OR</b></p> <p>ii. Write a short note on State Financial Corporations (SFCs).</p>	(2)	
40.	<p>Can you mention the focus areas (any four) to promote and strengthen ease of doing business in India?</p>	(2)	
41.	<p>i. You stay in Kochi and want to become a student entrepreneur and also want your friends to join you in entrepreneurship. Which incubator would you approach for help?</p> <p><b>OR</b></p> <p>ii. How is NABARD useful for development of entrepreneurship?</p>	(2)	
42.	<p>Enumerate any three types of entrepreneurs on the basis of risk.</p>	(3)	
43.	<p>i. Do you think it is advantageous to indulge into self-employment rather than a job? If yes, list out three advantages of self not. If not, list out four disadvantages of self-employment.</p> <p><b>OR</b></p> <p>ii. Why are entrepreneurs important in socio-economic development?</p>	(3)	
44.	<p>"The six thinking hats technique advocates thinking about a problem or opportunity not by one perspective but by six different perspectives" If you agree with the given statement mention the colour of these hats and what do they represent.</p>	(3)	
45.	<p>i. What is locus of control? How is a person having internal locus of control different from a person having external locus of control?</p> <p><b>OR</b></p> <p>ii. Classify Human Motives and describe each type.</p>	(3)	
46.	<p>What do you understand by Private Equity Funds? Mention one advantage and one disadvantage of Private Equity Funds.</p>	(3)	

47.	<p>i. Your friend is going to participate in a debate competition on the topic “Micro, small and medium enterprises are the pillars of economic growth” but does not know what exactly is MSME. Help your friend by enumerating definition of MSME in India.</p> <p style="text-align: center;">OR</p> <p>ii. Identify the various central government organizations responsible for entrepreneurship development in the country? Explain about any two organizations in details.</p>	(3)	
48.	<p>If creativity is the capacity to produce ideas that are both new and useful through divergent thinking how can one increase the creative power of an individual and group through different techniques?</p>	(5)	
49.	<p>i. Need hierarchy theory suggests one need is more urgent at one point of time than others. Explain the statement with the help of the pyramidal structure of Maslow’s need hierarchy theory.</p> <p style="text-align: center;">OR</p> <p>ii. Companies practice ethics on their own to maintain their reputation and higher standards in the market. Discuss the factors that factors govern business ethics.</p>	(5)	
50.	<p>“Resource mobilisation refers to the coordination of all activities involved in securing new and additional resources for an organisation.” In the light of this statement explain the human and physical resource mobilisation of an organization.</p>	(5)	
51.	<p>i. Do you think business incubation has emerged as an organization established to accelerate the growth and success of an entrepreneur through various kinds of support? If yes, explain the role of business incubators to support your answer.</p> <p style="text-align: center;">OR</p> <p>ii. Discuss the Role of government organizations in Entrepreneurship development of the country.</p>	(5)	

**Entrepreneurship (249)**  
**Suggestive Marking Scheme**

**Section-A**

Ques No.	Details	Notes	Marks
1	A		1
2	i.D ii.B		1
3	C		1
4	i.A ii.C		1
5	C		1
6	i.C ii.D		1
7	i.A ii.D		1
8	C		1
9	i.C ii.B		1
10	D		1
11	A		1
12	D		1
13	D		1
14	i.C ii.A		1
15	i.D ii.B		1
16	B		1
17	i.A ii.B		1
18	B		1
19	i.D ii.A		1
20	i.D ii.B		1
<b>Section-B</b>			
21	i. a ii.- d iii.- c		1x2
22	i.rural, urban ii.profitable, migratory		1x2
23	i.IPR ii.Market share		1x2

	iii. Brainstorming		
24	i. True ii. False ii. True		1x2
25	i. Motivation ii. Physiological iii. subconsciously		1x2
26	i. Maslow's Theory of Hierarchical Needs, McClelland's Theory of Needs ii. The person's status/position in the organization iii. Individuals drive their destiny		1x2
27	i. Land, building ii. Technical know-how iii. Trade secrets		1x2
28	i. Owner's funds, money lender's funds ii. Incubator funds, venture capital		1x2
29	i. True ii. True iii. True		1x2
30	i. C ii. B iii. A		1x2
31	i. The Partnership Act, 1932 /Registrar of Company ii. The Cooperative Societies Act, 1912 /Registrar of Cooperatives		1x2
32	i. One crore, five crore ii. 10 crore, fifty crore		1x2
33	i. Innovation and Technology Transfer, 2000 ii. Indian Angel Network iii. Techno Park		1x2
34	i. Rental space, electricity ii. Marketing assistance, access to loans		1x2
35	i. Public private enterprise run by Govt. of Kerala ii. Is India's first non academic business incubator iii. Is government of India's flagship initiative to promote culture of innovation and entrepreneurship in the country.		1x2
<b>Section-C</b>			
36	<b>Factors which make individuals choose entrepreneurship as a career:</b> 1. Frustration or dissatisfaction in the present job 2. Displacement from a job 3. Not getting a job of choice or difficulty in finding a job 4. Realizing the present job is in jeopardy due to moving towards closure 5. Desire to start own business due to new business opportunity 6. Conducive atmosphere including family history of	Any four	2

	entrepreneurship, financial stability, availability of infrastructure		
37	<p><b>i. Women Entrepreneurship</b></p> <p>The Government of India defines women entrepreneurship as, “a business enterprise which is owned, managed and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of employment generated in the enterprises to women.” Schumpeter defines women entrepreneurship as, “based on women’s participation in equity and employment of a business enterprise.”</p> <p>ii. To boost the enthusiasm of entrepreneurs, Central and state governments are providing assistance by way of infrastructure, finance, marketing, training, technology, research and other verticals. Ministry of MSME, Ministry of Skill Development &amp; Entrepreneurship, Ministry of Rural Development, Ministry of Agriculture &amp; Family Welfare, Department of Science and Technology, Ministry of Food Processing Industries, Ministry of Corporate Affairs, Ministry of Commerce and Industry, Ministry of Textiles, etc. are promoting Entrepreneurship by providing incentives and implementing various schemes for entrepreneurs.</p>		2
38	<p><b>Disagree</b></p> <p>Angel’s investors invest in small start-ups or entrepreneurs. They are typically one of the earliest equity investments made in new startup companies usually in exchange for convertible debt or ownership equity. The angel investor is defined as “an individual who invests in small start-ups or entrepreneurs.” Angels are high net worth individuals who invest their personal funds instart-ups.</p>		2
39	<p>i. Retail, banks, hotels, real estate, education, health, social care, computer services, recreation, media, communications, electricity, gas and water supply</p> <p>ii.: In order to provide financial assistance to all types of industrial enterprises (proprietary and partnership firms as well as companies) most of the states of our country have set up SFCs. The primary objective of these corporations is to accelerate the pace of industrial development in their respective states. SFCs provide finance in the form of long-term loans or through subscription of debentures, offer guarantee to loans raised from other sources and take up underwriting of public issues of shares and debentures made by companies.</p>	Any Two	2
40	<p>EoDB focus areas</p> <p>Starting a Business</p> <p>Dealing with Construction Permits</p> <p>Getting Electricity</p> <p>Registering Property</p> <p>Getting Credit</p> <p>Protecting Minority Investors</p> <p>Paying Taxes</p> <p>Trading across Borders</p>	Any four	2

	Enforcing Contracts Resolving Insolvency		
41	<p><b>Start-up Village</b> It is a not-for-profit business incubator in Kochi. It was started in April 2012. Start-up Village is a public-private enterprise run by Government of Kerala. The government earmarked Rs.100 crore for Start-up Village and wants to incubate over a thousand start-ups in 10 years. Interestingly, student entrepreneurs are offered various perks to be a part of this incubator including getting attendance at college, grace marks and even tax exemption for business generated by start-ups incubated within Start-up Village premises.</p> <p>ii.National Bank for Agriculture and Rural Development (NABARD):The basic goal of this bank is rural development through rural business, agricultural support, development of small industries, cottage and village industries, and other related issues.</p>		2
42	<p><b>i. Based on Risk</b></p> <p><b>(a) Innovative Entrepreneurship</b> Entrepreneur comes up with new ideas and turns them into viable business and find new ways to market the products that make their business stand out from the crowd and sometimes create a new crowd. Examples are Steve Jobs and Bill Gates.</p> <p><b>(b) Imitative Entrepreneurship</b> implements current techniques from which they copy certain business ideas and improve upon them as to gain an upper hand in the market. Imitative entrepreneurship is characterized by the adoption of exogenously changing technologies. Examples are development of small shopping complexes and small car manufacturers.</p> <p><b>(c) Fabian Entrepreneurship</b> is concerned with such business organizations in which the individual owner does not take initiative in visualizing and implementing new ideas and innovation. Dealings are determined by customs, religion, trading and past practices. They are not too interested in taking risks or changes and they try to follow the beaten track created by their predecessors.</p> <p><b>(d) Drone Entrepreneurship</b> is concerned with such businesses in which owners are satisfied with the existing mode and speed of business activity and show no inclination in gaining market leadership. They refuse to make any modification in the existing production methods inspite of incurring recurring losses.</p>		3
43	<p><b>i.</b></p> <p><b>Advantages:</b></p> <ul style="list-style-type: none"> <li>• Freedom to choose exact type of work</li> <li>• Flexible working hours</li> <li>• Educational degrees or certificates are optional</li> <li>• Potential to make an unlimited amount of money</li> <li>• No formal leave or retirement dates</li> <li>• Get the benefits of tax deduction and exemption under tax laws</li> </ul>	Any three points of either advantages or disadvantages	3

	<ul style="list-style-type: none"> <li>• Self-esteem of being capable as a professional</li> </ul> <p><b>Disadvantages:</b></p> <ul style="list-style-type: none"> <li>• Busy business schedule each day</li> <li>• Business income varies, but expenses are more constant</li> <li>• Stressful for business success</li> <li>• No enjoyment of formal retirement planning</li> </ul> <p>ii.</p> <ol style="list-style-type: none"> <li>i. Mobilisation of Capital</li> <li>ii. Generation of Employment:</li> <li>iii. Forward and Backward Linkages:</li> <li>iv. Balanced Regional Development:</li> <li>v. Equal distribution of Economic Power:</li> <li>vi. Increase in Per Capita Income:</li> <li>vii. Better Standard of Living:</li> <li>viii. Import Substitution and Export Promotion</li> </ol>		
44	<p>The hats and its colour represents the following:</p> <ul style="list-style-type: none"> <li>• White hat: neutral</li> <li>• Red hat: fire, warmth</li> <li>• Black hat: caution</li> <li>• Yellow hat: sunshine</li> <li>• Green hat: growth</li> <li>• Blue hat: sky</li> </ul>		3
45	<p><b>i.Locus of control</b> is the extent to which an individual believes s/he has control over the outcomes of her/his actions in life. Individuals may have internal locus of control or external locus of control. Individuals with internal locus of control believe that they drive their destinies.They believe that whatever results they derive in life are due to their own actions.</p> <p>On the other hand, individuals with external locus of control blame or praise external factors rather than their own efforts.</p> <p>ii.Human motives give a reason to do something. Motives drive human beings to go ahead. For example, if you want to become a dancer, you have to dance and strive towards mastery in atleast one dance form. Human motives are broadly classified as: 1. Biological motives or physiological motives: These are basic motives and these are needed to satisfy human needs. Example:thirst, hunger. You need water to satisfy your thirst and food to satisfy your hunger. 2. Psychosocial or social motives: These are mostly acquired from family, friends, social groups, etc. These needs arise from: i. Need for affiliation ii. Need for power iii. Need for achievement 3. Curiosity and exploration: The curiosity to explore more and search for better techniques will always fuel motivation.</p>		3
46	<p><b>Meaning:</b> Private equity fund is a collective investment scheme. It is typically a limited liability partnership contract with a term of 10 years, generally with annual renewals. In other words, private equity is an alternative investment class and consists of capital that is not listed on a public exchange market. It comprises of funds and</p>		3

	<p>investors that directly invest in private companies.</p> <p><b>Advantages</b></p> <ol style="list-style-type: none"> <li>1. Allows firms more liquidity unlike other conventional modes of funds i.e. high risk bank loans, or listing to public exchanges.</li> <li>2. Certain specific private equities finance new ideas and provide funding at initial stages.</li> </ol> <p><b>Disadvantages</b></p> <ol style="list-style-type: none"> <li>1. It can be difficult to liquidate holdings if the firm winds up. 2. Prices of shares of the company are determined by mutual negotiations between buyers and sellers and not by market demand and supply forces, which mostly leads to under-pricing of the holdings.</li> </ol>		
47	<p>i.</p> <ol style="list-style-type: none"> <li>1. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;</li> <li>2. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees;</li> <li>3. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.</li> </ol> <p>ii. Some of the important government organisations:</p> <ol style="list-style-type: none"> <li>1. District Industries Centres (DICs)</li> <li>2. MSME Development Institutes (MSME-DIs)</li> <li>3. Khadi and Village Industries Commission (KVIC)</li> <li>4. National Small Industries Corporation (NSIC)</li> <li>5. National Bank for Agriculture and Rural Development (NABARD)</li> <li>6. Small Industries Development Bank of India (SIDBI)</li> <li>7. State Financial Corporations (SFCs)</li> <li>8. Skill Development Centres</li> <li>9. Entrepreneurship Development Institutes</li> <li>10. Export Promotion Councils and Commodity Boards</li> </ol> <p>A) National Bank for Agriculture and Rural Development (NABARD) is an agricultural and rural development bank owned by Government of India. It looks after the development of the rural- and agriculture-based small industries in the country. NABARD has schemes for both farm and off-farm sectors.</p> <p>B) National Small Industries Corporation (NSIC) is a Government of India Enterprise under Ministry of Micro, Small and Medium Enterprises (MSME). It operates through a countrywide network of offices and Technical Centres in the country. NSIC helps MSMEs by providing marketing support like tender marketing. NSIC also does Single Point Registration for Government Purchase. It provides marketing intelligence to MSMEs, organises exhibitions and technology fairs and buyer-seller meets.</p>		3



48	<p>Techniques of enhancing creativity</p> <ul style="list-style-type: none"> <li>• <b>Brainstorming:</b> This technique was developed by Alex F. Osborn in 1957. Brainstorming means, a team of members generates a large amount of alternative fruitful ideas on a specific problem without any criticism and then evaluates each idea with pros and cons. This is done with the active cooperation of team mates and the chairperson, and makes a comprehensive checklist to eliminate the ideas that are clearly unworkable but retain all that is worth further consideration.</li> <li>• <b>Mind-mapping:</b> This technique was developed by Tony Buzan and is also called spider diagram drawn to represents ideas and notes in continuous tree-diagrams. Mind maps are drawn on paper or a white board. The starting point is the central idea written at center of a large paper or white board representing the theme for which the mind-map is to be drawn. Then, subtopics are written as an extension of the main topic representing a separate branch of the tree emerging from the central topic. Further the same way keeps adding sub-topics and next levels finer sub-branches. Ideas can be put at more than one place and then be linked to show relationships and also using colour pencils further relationships can be shown.</li> <li>• <b>Lateral thinking:</b> This term was coined in 1967 by Edward de Bono who suggests that solutions to problems can be found by unorthodox methods. When a problem is presented, the audience is asked to think laterally as to how similar problems are solved in different settings. Thus, lateral thinking means, leaving behind traditional modes of thought and throwing away preconceptions. It is a method of solving problems through an indirect and creative approach.</li> </ul>		5
49	<p><b>i. Maslow's Need Hierarchy Theory</b></p> <ol style="list-style-type: none"> <li><b>1. Physiological Needs:</b> These needs pertain to the survival of human beings like food, shelter, clothing, air and water. These needs are the starting point for motivation theory.</li> <li><b>2. Safety and Security Needs:</b> People want a certain level of security in their lives to maintain a given economic level. Safety needs include both physical and economic safety. Physical needs may include safety from diseases and accident while economic safety implies security of income and provisions for old age.</li> <li><b>3. Social Needs:</b> Humans are social animals. They need to interact, to share their feelings, to exchange thoughts and ideas, to share joys and sorrows. So as soon as the first two needs are satisfied, we start looking for some sort of companionship.</li> <li><b>4. Ego Needs:</b> Ego needs can be of two types. They can be internally located or externally located. Internally oriented needs include self-confidence, knowledge and competence while external ego needs are related with the feeling of status or prestige that one commands by virtue of his position.</li> <li><b>5. Self-Fulfillment Needs:</b> This is a need to be fulfilled as a mission</li> </ol>		5

	<p>of life. This need, if satisfied, results in psychological satisfaction. After the four needs are fulfilled the person has desire for personal achievement.</p> <p>ii. The following factors govern business ethics:</p> <ol style="list-style-type: none"> <li>1. Legislative framework: In earlier times, ethics were followed voluntarily, but due to many unethical practices, laws came into force. These laws provide basic standards for any organisation to be followed.</li> <li>2. Regulatory framework of the government: The government from time to time check whether the business houses are following ethical practices or not. The government sets the minimum basic standards for product quality, weight, etc. The government also do campaigning to make customers aware about the corporate defaults. For Example, Jago Grahak Jago campaign.</li> <li>3. Corporate ethical codes: Most of the times, companies plan out their own ethical standards to be followed. These standards are circulated to all employees in the organisation and must be followed by them.</li> <li>4. Societal obligations: Social pressures have significantly impacted the ethical structure of any corporate. For example, Maternity leave.</li> <li>5. Entrepreneurial vision and mission: The vision and mission of any entrepreneur also influence the ethical standards of his business. For Example, Tata is known for its ethical standards.</li> </ol>		
50	<p><b>Human Resource</b></p> <p>After finance, it is the most important resource which utilises other resources. The success of an organisation heavily depends upon the skills and abilities of the human resource employed by them. Thus, human resource employment decision should be taken carefully. Acquiring the right number of employees of a right type and placing the right person is the challenge which is being taken up by the entrepreneur under this category. It includes skilled as well as unskilled employees through all hierarchical rungs.</p> <p>Human resource management looks forward to settle the following aspects: • Total manpower required • Identifkey key required skills • Need for training and development • Legal compliances attached with mobilising human resource • Estimation of future demand</p> <p><b>Physical resources</b></p> <p>The physical resource mobilisation process development broadly depends upon the needs of business structure. Some businesses do not require much more physical resources like a mobile app programmers whereas some manufacturing units require a huge physical resource investment like sugar industry, oil refineries etc. Also the quantum of physical resources depends on the size of the organisation too. Larger the firm, higher would be the requirement and vice versa. For example Amazon and Wal-Mart heavily rely on physical resource in terms of warehouses, stores and human resource workplaces as they are one of the biggest business giants in there industry</p> <p>The physical resource mobilisation broadly includes considering the</p>		5

	following aspects: • Infrastructure • Land and building • Plant and machinery • Technological know-how • Franchise • Lease agreement or acquisition • Furniture and fixtures		
51	<p><b>i.Role of business incubators</b></p> <p><b>Physical facility support:</b> Business incubators provide a) Physical facility eg. Rentalspace, electricity, high speed internet access, market research facilities, conference hall facilities.</p> <p><b>Support service:</b> Business incubation as business support service like (a) They provide Marketing assistance. (b) Providing access to bank loans, loan funds and guarantee. (c) Incubators help with presentation skills. (d) They link to higher education resources. (e) They link to strategic partners. (f) They provide Access to angel investors or venture capital. (g) They organise comprehensive business training programmes. (h) They act as Advisory boards and mentors. (i) They help in Management team identification. (j) They help with business etiquette. (k) They provide technology commercialisation assistance. (l) They help with regulatory compliance. (m) They provide Intellectual property management. (n) Incubators help in accounting facilities/financial management (o) Incubators help in Market Research</p> <p><b>Networking facilities:</b> Business incubators provide networking facilities to the members. It encompasses a set of relationships with various agents or organisations. Building networks shortens and accelerates the firms' learning process.</p> <p><b>ii.</b>Entrepreneurs contribute to the socio-economic development of any country by providing employment, regional development, promoting exports, improving the Balance of Payment, developing small scale units and rural industries, to mention a few. To boost the enthusiasm of entrepreneurs, Central and state governments are providing assistance by way of infrastructure, finance, marketing, training, technology, research and other verticals. Ministry of MSME, Ministry of Skill Development &amp; Entrepreneurship, Ministry of Rural Development, Ministry of Agriculture &amp; Family Welfare, Department of Science and Technology, Ministry of Food Processing Industries, Ministry of Corporate Affairs, Ministry of Commerce and Industry, Ministry of Textiles, etc. are promoting Entrepreneurship by providing incentives and implementing various schemes for entrepreneurs. Some of the government support measures and institutes for entrepreneurial growth are:</p> <ol style="list-style-type: none"> <li>1. National Bank for Agriculture and Rural Development (NABARD):The basic goal of this bank is rural development through rural business, agricultural support, development of small industries, cottage and village industries, and other related issues.</li> <li>2. Rural Small Business Development Centre (RSBDC): It assists small and medium enterprises and socially and economically disadvantaged individuals and groups.</li> <li>3. National Small Industries Corporation (NSIC):Its basic aim is the growth of small business units. It helps to procure, supply and distribute indigenous and imported raw materials. It also helps to develop software technology parks and create awareness about</li> </ol>		5

	<p>technology upgradation.</p> <p>4. Small Industries Development Bank of India (SIDBI): It provides financial assistance to small entrepreneurs and business organisations to meet their credit requirements.</p> <p>5. The National Commission for Enterprises in the Unorganized Sector (NCEUS): It helps in generating more employment opportunities in rural areas and also to enhance the competitiveness of the sector in the changing world.</p>		
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