

QB365 Question Bank Software Study Materials

Government Schemes For Entrepreneurial Development Important 2,3 & 5 Marks Questions With Answers (Book Back and Creative)

12th Standard

Commerce

Total Marks : 55

2 Marks

8 x 2 = 16

1) Name any two Governmental Entrepreneurial schemes.

Answer : (i) Startup India

(ii) Make in India

(ii) Digital India

(iv) Standup India

2) Give a note on 'Digital India'.

Answer : The digital India initiative has been launched to modernize the Indian Economy to make all government services available electronically. The initiative aims at transforming India into digitally empowered society and knowledge economy with universal access to goods and services.

3) List down the two types of finance for Entrepreneur.

Answer : (i) Longterm finance

(ii) Shortterm finance

4) State any three entrepreneurial development schemes of Government of TamilNadu.

Answer : 1. New Entrepreneur Enterprise development scheme (NEEDS)

2. Interest subsidy scheme.

3. Generator subsidy.

5) Mention the time period of Provision Registration Certificate.

Answer : It is for a period of one year subject to renewal of two periods of six months duration.

6) Write a note on Arrangement of finance.

Answer : Entrepreneur requires two types of finance namely long term and short term. While long-term requirements are needed for acquiring fixed assets, short-term requirement are meant for meeting working capital needs. Entrepreneur has to bring in promoters contribution (seed capital) prescribed by financing agencies.

7) What do you mean by Economic viability?

Answer : It essentially involves compilation of demand for domestic and export market, installed capacity of machines, market share, revenue expected, and suitable price structure.

8) A great scheme for micro and small enterprises, which provides an exemption from payment of earnest money deposit(EMD). Name the government scheme?

Answer : Single Point Registration Scheme (SPRS)

3 Marks

8 x 3 = 24

9) What is 'Startup India'?

Answer : (i) Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.

(ii) Since its launch in January 2016, the initiative has successfully given a head start to numerous aspiring entrepreneurs.

(iii) A 'Fund of Funds' has been created to help startups gain access to funding.

- 10) Expand the following: i) STEP ii) JAM iii) SEED
Answer : (i) STEP - Support to Training and Employment Programme for Women
(ii) JAM - Jan Dhan - Aadhaar - Mobile
(iii) SEED - Science for Equity Empowerment and Development

- 11) Write a short note on the following
a) Dairy Entrepreneurship development scheme.
b) Project report.

Answer : (i) Dairy Entrepreneurship Development Scheme:

Dairy Entrepreneurship Development Scheme aims at helping entrepreneurs in the field of Agriculture, pets, and animals, and social impact to set up small dairy farms and incentives are provided to cover the cost of the required equipment or establishment of the facility.

(ii) Project Report:

(a) Project reports need to be prepared according to the format prescribed in the loan application form of term lending institutions.

- 12) What is the procedure for getting power connection for an Entrepreneurial venture.

Answer : Entrepreneur has to make application to Assistant Divisional engineer of State Electricity Board for power connection after paying a security deposit and fulfilling the official formalities prescribed.

- 13) Write a short note on
(i) Statutory License
(ii) Power Connection

Answer : (i) Statutory License: Entrepreneur has to obtain Municipal License from the authority. concerned. Then the Entrepreneur has to register the unit with the Central and Sales Tax Department.

(ii) Power Connection: Entrepreneur has to make application to Assistant Divisional Engineer of State Electricity Board for power connection after paying Security Deposit and fulfilling the official formalities prescribed.

- 14) What is designing capital structure?

Answer : (i) Entrepreneur has to determine the source of finance for funding the venture.

(ii) He/she may mobilise funds from his own savings loans from friends and relatives, term loans from banks and financial institutions.

- 15) What do you meant by statutory license?

Answer : (i) Entrepreneur has to obtain Municipal License from the authority concerned.

(ii) Then the Entrepreneur has to register the unit with the central and sales Tax Department.

(iii) If a unit comes within the provisions of Factories Act, he/she to register it with inspector of factories or it has register the unit under the shops and establishment Act.

- 16) What is the Financial viability?

Answer : It should cover the aspects like:

(i) Non-recurring cost such as land and building, plant and machinery, etc.

(ii) Recurring expenses like Wages, salaries and overheads, etc.

(iii) Probable cost of production.

(iv) Profit on expected sales.

5 Marks

3 x 5 = 15

- 17) Explain any five Government Entrepreneurial schemes.

Answer : (i) Make in India:

(a) This scheme is designed to transform India into global design and manufacturing hub, the Make in India initiative was launched in September 2014.

(b) It came as a powerful call to India's citizens and business leaders, and an invitation to potential partners and investors around the world to centraliz information about opportunities in India's manufacturing sector

(ii) Atal Innovation Mission (AIM):

AIM is the Government of India's endeavour to promote a culture of innovation and entrepreneurship, and it serves as a platform for promotion of world-class Innovation

Hubs, Grand Challenges, start-up businesses and other self-employment activities, particularly in technology driven areas.

(iii) Support to Training and Employment Programme for Women (STEP) : STEP was launched by the Government of India's Ministry of Women and Child Development to train women who have access to formal skill training facilities, especially in rural India.

(iv) Digital India :

(a) The Digital India initiative has been launched to modernize the Indian economy to make all government services available electronically.

(b) The initiative aims at transforming India into a digitally-empowered society and knowledge economy with universal access to goods and services.

(v) Science for Equity Empowerment and Development (SEED):

(a) SEED aims to provide opportunities to motivated scientists and field level workers to undertake action-oriented, location specific projects for socio economic gain, particularly in rural areas.

(b) SEED emphasizes equity in development, so that the benefits of technology accrue to a vast section of the population, particularly the disadvantaged.

18) Describe the steps promoting Entrepreneurial venture.

Answer : The various steps involved in starting a venture have been highlighted.

(i) Selection of the product:

An entrepreneur may select a product according to his aspiration, capacity, and motivation after a thorough scrutiny of the micro and macro environment of business.

(ii) Selection of form ownership:

Entrepreneur has to choose the form of organization suitable and appropriate for his venture namely family ownership, partnership, and private limited company.

(iii) Selection of Site:

(i) Entrepreneur has to choose suitable plot for accommodating his venture.

(ii) Entrepreneur may buy private land and develop it for industrial use. While choosing the site, consider Nearness to native place, Incentives provided by the Government, Nearness to market, Infrastructure Facilities.

For example Nearness to native place, Incentives provided by the Government, Near to market.

(iv) Designing Capital Structure:

Entrepreneur has to determine the source of finance for funding the venture, He/she may mobilize funds from his own savings, loans from friends and relatives, term loans from banks and financial institutions.

(v) Acquisition of Manufacturing know-how:

Entrepreneur can acquire manufacturing know-how from Government research laboratories, research and development divisions of industries, and individual consultants.

(vi) Preparation of project report:

Project reports needs to be prepared according to the form prescribed in the loan application form of term lending institutions. An entrepreneur can get the report prepared either by technical consultancy organization or by auditors or by consultants or by development agencies.

19) Discuss the preparation of a project report.

Answer : (i) The project reports need to be prepared according to the format prescribed in the loan application form of term lending institutions.

(ii) An entrepreneur can get the report prepared either by technical consultancy organisation or by auditors or by consultants or by development agencies.

(iii) This report should cover aspects like sources of finance, technical know-how, sources of labor and raw materials, market potential and profitability.

The project report should include the following

Technical Feasibility:

It should mention the following

(i) Description of product specification

(ii) Raw materials availability

(iii) Manufacturing process

(iv) Quality control measures

(v) Availability of water, power, transport ,and communication facilities.

Economic Viability:

It essentially involves compilation of demand for domestic and export market, installed capacity of machines, market share, revenue expected, and suitable price structure.

Financial Viability:

It should cover aspects like

(i) Non-recurring cost such as Land and Building, Plant and Machinery, etc.

(ii) Recurring expenses like wages, salaries, and overheads, etc.

(iii) Probable cost of production

(iv) Profit on expected sales.

Managerial Competency

1. Entrepreneur has to include the mechanism for managing the venture in the project report.

2. In the case of small sized ventures, the owner or partners may take care of managerial activities while a team of managerial personnel is to be brought in for manning various managerial positions across different levels of management in the case of corporate form of organisation.

3. He has to provide details of the organisational structure contemplated in the project report for implementing the venture.

Provisional Registration Certificate

1. Entrepreneur has to apply for Provisional Registration certificate. It will be issued to entrepreneur after the fulfilment of certain conditions for a period of one year subject to renewal of two periods of six months duration.

2. If an entrepreneur is not able to commence production beyond the extension period, further extension will not be granted

Permanent Registration Certificate

Once the venture has commenced production or when it is ready to commence production, it is eligible to get permanent registration certificate.

Statutory Licence

1. Entrepreneur has to obtain Municipal License from the authority concerned.

2. Then the Entrepreneur has to register the unit with the Central and Sales Tax Department.

3. If a unit comes,within the provisions of Factories Act, he/she has to register it with Inspector of Factories or it has to register the unit under the Shops and Establishment Act.

Power Connection

Entrepreneur has to make application to Assistant Divisional Engineer of State Electricity Board for power connection after paying Security Deposit and fulfilling the official formalities prescribed.

Arrangement of Finance

1. Entrepreneur requires two types of finance namely long term and short term.

2. While long-term requirements are needed for acquiring fixed assets, short term requirement are meant for meeting working capital needs.