



M.A. I Semester Degree Examination, April/May - 2024

ECONOMICS

Innovation and Entrepreneurship (SEC1)

(NEP)

Time : 1 Hour

Maximum Marks : 30

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- Instructions :** 1. *The nearest answer is considered as the right answer.*
2. *Double answer will not be considered*
3. *No negative marks*
4. *Each question carries **ONE** mark*
5. *Answer **all** questions.*
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1. What is the primary function of entrepreneurship ?
(A) Profit maximization
(B) Cost minimization
(C) Innovation and value creation
(D) Resource allocation
2. What does BIOS stand for in the context of entrepreneurship ?
(A) Basic Input Output System
(B) Business Innovation and Opportunity Selection
(C) Biological Information Organization System
(D) Business Input and Output Strategy
3. Which of the following is a type of entrepreneur who focuses on social impact rather than profit ?
(A) Serial entrepreneur (B) Intrapreneur
(C) Social entrepreneur (D) Technopreneur
4. Who proposed the Theory of Innovation ?
(A) Peter Drucker (B) Joseph Schumpeter
(C) Michael Porter (D) Adam Smith
5. What is the first step in the entrepreneurial idea generation process ?
(A) Idea validation (B) Market analysis
(C) Opportunity identification (D) Business plan development



6. What does IPR stand for in the context of entrepreneurship ?
(A) Intellectual Property Rights (B) International Product Regulation
(C) Innovative Product Research (D) Internal Process Review
7. What is the purpose of a feasibility study in new venture planning ?
(A) Assessing market trends
(B) Evaluating the technical feasibility of the venture
(C) Analysing the financial viability
(D) Identifying competitors
8. Which aspect is NOT included in the preparation of a new venture plan ?
(A) Organisational Plan (B) Economic Aspects
(C) Political Strategies (D) Market Plan
9. What is the Indian Scenario of entrepreneurship characterized by ?
(A) High government regulations (B) Low innovation
(C) Large informal sector (D) Limited access to capital
10. Which of the following is NOT a competency of an entrepreneur ?
(A) Risk-taking ability (B) Leadership skills
(C) Creativity (D) Dependency
11. What is the first step in entrepreneurial idea generation ?
(A) Market analysis (B) Idea evaluation
(C) Problem identification (D) Product development
12. Which aspect of opportunity assessment evaluates the potential profitability of a business venture ?
(A) Market analysis (B) Financial analysis
(C) Technical analysis (D) Legal analysis
13. Which type of IPR protects original works of authorship ?
(A) Trademarks (B) Patents (C) Copyrights (D) Trade secrets



14. Who is considered a social entrepreneur ?
(A) Profit-driven individual (B) One who focuses on social issues
(C) Government official (D) Traditional business owner
15. How does innovation contribute to entrepreneurial ventures globally ?
(A) By maintaining traditional business practices
(B) By avoiding new technologies
(C) By disrupting existing markets and creating opportunities
(D) By discouraging change.
16. Which of the following is not a form of entrepreneurship ?
(A) Small business entrepreneurship
(B) Scalable entrepreneurship
(C) Large scale entrepreneurship
(D) Intrapreneurship
17. Which of these actions of an entrepreneur will most likely result in creative destruction ?
(A) Developing a new product
(B) Taking over a competitor's business
(C) Issuing shares to individuals and institutions
(D) Lowering prices of your product or service
18. The duty of entrepreneur is :
(A) To imagine a business idea (B) To study project feasibility
(C) To setup enterprise (D) All the above
19. Which of the following is a function of SIDBI ?
(A) Extension of seed capital (B) Discounting of bills
(C) Providing factoring services (D) All the above
20. The two important personality traits that entrepreneurs possess are _____ and _____.
(A) Optimism, Uncertainty (B) Creativity, Gloom
(C) Motivation, Distrust (D) Perception, Intuition



- 21.** Which of the following shows the process of creating something new ?
- (A) Business model (B) Modelling
(C) Creative flexibility (D) Innovation
- 22.** Why should an entrepreneur do a feasibility study for starting a new venture ?
- (A) To identify possible sources of funds
(B) To see if there are possible barriers to success
(C) To estimate the expected sales
(D) To explore potential customers
- 23.** Promoter is a person who _____.
- (A) Takes part in the incorporation of a company
(B) Is a director
(C) Is a relative of the managing director
(D) Works in the company
- 24.** The time period between placing an order, its receipt in stock is known as :
- (A) Lead time (B) Carrying time
(C) Shortage time (D) Over time
- 25.** Entrepreneurship is a creative activity - Said by _____.
- (A) Frederick Harbison (B) B.F. Holtz
(C) B. Higgins (D) Joseph
- 26.** What is the hallmark of a successful entrepreneur ?
- (A) Risk-bearing capacity (B) Persistence
(C) Flexibility (D) Self-confidence
- 27.** According to Schumpeter, _____ is the most important function of a modern entrepreneur.
- (A) Innovation (B) Invention (C) Skill (D) Creativity



28. Why are small businesses important to a country's economy ?
- (A) They give an outlet for entrepreneurs
 - (B) They can provide specialist support to larger companies
 - (C) They can be innovators of new products
 - (D) All the above
29. Which of the following type of Entrepreneurs are also known as pure entrepreneurs because of their desire for self-fulfilment ?
- (A) Spontaneous Entrepreneurs
 - (B) Technical Entrepreneurs
 - (C) Business Entrepreneurs
 - (D) Professional Entrepreneurs
30. The future of entrepreneurship in India is _____.
- (A) In the dark
 - (B) Bright
 - (C) In difficulty
 - (D) None of these

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