


Unit 8: Small Business and Enterprises

<p>Entrepreneurship Development (ED): Concept, Characteristics and Need. Process of Entrepreneurship Development: Start-up India Scheme, ways to fund start-up. Intellectual Property Rights and Entrepreneurship</p>	<ul style="list-style-type: none"> • Understand the concept of Entrepreneurship Development (ED), Intellectual Property Rights
<p>Small scale enterprise as defined by MSMED Act 2006 (Micro, Small and Medium Enterprise Development Act)</p>	<ul style="list-style-type: none"> • Understand the meaning of small business
<p>Role of small business in India with special reference to rural areas</p>	<ul style="list-style-type: none"> • Discuss the role of small business in India
<p>Government schemes and agencies for small scale industries: National Small Industries Corporation (NSIC) and District Industrial Centre (DIC) with special reference to rural, backward areas</p>	<ul style="list-style-type: none"> • Appreciate the various Government schemes and agencies for development of small scale industries. NSIC and DIC with special reference to rural, backward area.

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KENDRIYA VIDYALAYA SANGTHAN BHOPAL REGION
SUBJECT – BUSINESS STUDIES
CLASS XI

1	<p>Assertion: Entrepreneurship plays a crucial role in economic development.</p> <p>Reason: Entrepreneurs create new businesses, generate employment opportunities, and contribute to innovation and economic growth.</p> <p>A. Both Assertion (A) and Reason (R) are true and Reason (R) is the correct explanation of Assertion (A).</p> <p>B. Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).</p> <p>C. Assertion (A) is true but Reason (R) is true.</p> <p>D. Assertion (A) is False but Reason (R) is true.</p>	1
ANS.1	<p>C. Assertion (A) is true but Reason (R) is true.</p> <p>Explanation: Entrepreneurship indeed plays a crucial role in economic development for several reasons. Entrepreneurs are the driving force behind the creation of new businesses, which in turn lead to job creation. Small businesses and startups often hire locally, thereby contributing directly to employment opportunities within communities. Moreover, entrepreneurs often introduce innovative products, services, and business models, which can stimulate economic growth and increase productivity in various sectors of the economy. Therefore, the assertion that entrepreneurship plays a crucial role in economic development is supported by the reason provided.</p>	1
2	<p>Startup India is an initiative of Government of India. The campaign was first announced by Prime Minister, Mr. Narendra Modi in his speech on :-</p> <p>a) 8th November 2016</p> <p>b) 15th August 2015</p> <p>c) 26th January 2015</p> <p>d) 15th June 2017</p>	1
Ans.2	<p>b) 15th August 2015</p> <p>Explanation : Startup India is an initiative launched by the Government of India aimed at fostering entrepreneurship and promoting startups in the country. The campaign was first announced by Prime Minister Narendra Modi in his Independence Day speech on 15th August 2015. The initiative aims to create a conducive ecosystem for startups to grow and thrive by providing various benefits such as tax exemptions, easier compliance, funding support, and access to mentors and incubators.</p>	1
3	<p>Assertion: Government policies and support are essential for fostering entrepreneurship.</p> <p>Reason: Government initiatives such as subsidies, tax incentives, and entrepreneurial education programs can encourage individuals to start their own businesses.</p> <p>A. Both Assertion (A) and Reason (R) are true and Reason (R) is the</p>	1

	<p>correct explanation of Assertion (A).</p> <p>B. Both Assertion (A) and Reason (R) are true and Reason (R) is not the correct explanation of Assertion (A).</p> <p>C. Assertion (A) is true but Reason (R) is true.</p> <p>D. Assertion (A) is False but Reason (R) is true</p>	
Ans.3	<p>C. Assertion (A) is true but Reason (R) is true.</p> <p>Explanation: Government policies and support are indeed crucial for fostering entrepreneurship. Initiatives like subsidies and tax incentives reduce the financial burden on entrepreneurs and make it easier for them to start and sustain businesses. Furthermore, entrepreneurial education programs provide aspiring entrepreneurs with the necessary skills and knowledge to navigate the challenges of starting a business. Therefore, both the assertion and the reason are valid in emphasizing the role of government support in promoting entrepreneurship.</p>	1
4	<p>Which of the following is a government initiative to support small businesses?</p> <p>A. Increasing corporate tax rates</p> <p>B. Imposing strict regulations</p> <p>C. Providing subsidies and grants</p> <p>D. Ignoring economic policies</p>	1
Ans.4	<p>C. Providing subsidies and grants</p> <p>Explanation: Governments often support small businesses through initiatives such as providing subsidies, grants, and tax incentives to reduce financial burdens and encourage growth.</p>	1
5	<p>When your brand NBC gets legal protection and no one else is allowed to use it, then this is called :-</p> <p>a) Copyright</p> <p>b) Trade mark</p> <p>c) Patent</p> <p>d) None of the above</p>	1
Ans.5	<p>b) Trade mark</p> <p>Explanation A trademark is a distinctive sign, symbol, word, or phrase that identifies products or services of a particular source from those of others. It serves as a form of intellectual property protection, providing exclusive rights to the owner to use the mark in commerce to distinguish their goods or services and prevent others from using a similar mark in a way that could cause confusion among consumers. Trademarks typically include logos, brand names, slogans, and sometimes even colors and sounds associated with a brand or product</p>	1
6	<p>this image represents the examples of which of the following options:</p> <p>A) Boot Strapping</p> <p>B) Angel investment</p> <p>C) crowd funding</p> <p>D) business incubators</p>	1

		
<p>Ans.6</p>	<p>C) crowd funding Explanation Crowdfunding refers to the practice of funding a project, venture, or cause by raising small amounts of money from a large number of people, typically via the internet or social media platforms. It is a collective effort where individuals or organizations solicit contributions or investments from a broad group of individuals who share an interest in supporting the initiative. Crowdfunding campaigns often offer incentives or rewards to backers based on their level of contribution, and they can be used for various purposes ranging from launching new products to supporting charitable causes or funding creative projects.</p>	<p>1</p>
<p>7</p>	<p>Which of the following is a key characteristic of entrepreneurship in small business development?</p> <p>A) High reliance on external financing B) Emphasis on risk aversion C) Innovation and creativity D) Centralized decision-making processes</p>	<p>1</p>
<p>Ans.7</p>	<p>C) Innovation and creativity Explanation: Small businesses and entrepreneurship are closely linked to innovation and creativity. Entrepreneurs often identify opportunities in the market and develop new products, services, or business models to meet those needs. Innovation allows small businesses to differentiate themselves from competitors, attract customers, and adapt to changing market conditions.</p>	<p>1</p>
<p>8</p>	<p>What role does the National Small Industries Corporation (NSIC) play in the development of small businesses?</p> <p>A) Providing venture capital to startups B) Offering marketing assistance and export promotion C) Conducting feasibility studies for large corporations D) Setting industry standards for technology integration</p>	<p>1</p>
<p>Ans.8</p>	<p>B) Offering marketing assistance and export promotion Explanation: NSIC supports small businesses by providing marketing assistance and export promotion services. It helps SMEs showcase their products and services to a broader audience and facilitates their entry into export markets.</p>	<p>1</p>
<p>9</p>	<p>What is the primary role of District Industrial Centre (DIC) in</p>	<p>1</p>

	<p>promoting small industries?</p> <p>A) Providing loans to large industrial units</p> <p>B) Facilitating infrastructure for large-scale manufacturing</p> <p>C) Promoting and supporting small and medium enterprises (SMEs)</p> <p>D) Conducting market research for multinational corporations</p>	
Ans.9	<p>C) Promoting and supporting small and medium enterprises (SMEs)</p> <p>Explanation:</p> <p>District Industrial Centre (DIC) plays a crucial role in promoting and supporting small and medium enterprises (SMEs) within a district. It provides various services such as registration, advisory, training, and financial support to help SMEs grow and thrive locally</p>	1
10	<p>Which government agency typically oversees the operations of District Industrial Centre (DIC) in India?</p> <p>A) Ministry of Finance</p> <p>B) Ministry of Micro, Small and Medium Enterprises</p> <p>C) Ministry of Heavy Industries and Public Enterprises</p> <p>D) Ministry of Commerce and Industry</p>	1
Ans.10	<p>B) Ministry of Micro, Small and Medium Enterprises</p> <p>Explanation:</p> <p>The Ministry of Micro, Small and Medium Enterprises (MSME) oversees the operations of District Industrial Centre (DIC) in India. DICs are established under the MSME Ministry to promote and support the development of small-scale industries at the district level</p>	1