SCHOOL OF DISTANCE EDUCATION
UNIVERSITY OF CALICUT
BCM5 D01 -Basics of Entrepreneurship and Management

Multiple Choice Questions

1. Business activities are starts with production and ends with ----------
   a) Consumption
   b) Marketing
   c) Sales
   d) Both A and B
2. Among business, trade and commerce which of these is considered as
   a) Commerce
   b) Business
   c) Trade
   d) All Are considered as the same
3. Economic activities include
   a) Exchange
   b) Distribution
   c) Consumption
   d) All of these
4. The important exporting centre for wool and for importing horses in the ancient times was:
   a) Pataliputra
   b) Taxila
   c) Peshawar
   d) Madhura
5. FDI means
   a) Foreign Direct Investment
   b) Fixed Direct Investment
   c) Full Direct Investment
   d) Foreign Disinvestment
6. An activity performed with a view of obtaining profit is called
   a) Non-Economic activity

b) Business
c) Both
d) None

7. A chartered accountant providing services to his client is an example of
   a) Employment
   b) Profession
   c) Business
   d) Trade
8. A house wife doing household work in Mrs. Lalita's home is
   a) Economic Activity
   b) Non economic activity
   c) Bothe of these
   d) None of these
9. which of these is not a characteristics of business activites
   a) Profit earning
   b) Production or procurement of goods and services
   c) Fees
   d) Uncertainty of returns
10. _____ company needs to have only two directors.
   (a) Public Company
   (b) Sole Proprietorship
   (c) Private Company
   (d) None of the above
11. Which of the following business enterprises does not have a separate legal entity?
   (a) Sole Proprietorship
   (b) Partnership
   (c) Company
   (d) Cooperative Society
12. _____ company does not invite the public to subscribe to its share capital.
   (a) Both Private and Public Company
   (b) Public Company
   (c) Private Company
   (d) None of the above
13. Which of the following cooperative society is established to help small producers in selling their products?

(a) Producer cooperative society

(b) Marketing cooperative society

(c) Credit cooperative society

(d) Consumers cooperative society

14. The maximum number of partners allowed in the banking business are

(a) Ten

(b) No limit

(c) Twenty

(d) Two

15. It is a form of business organization which is owned, managed, and controlled by an individual who is the recipient of all profits and bearer of all risks. Identify the concept.

(a) Sole Proprietorship

(b) Cooperative Society

(c) Joint Hindu family business

(d) Partnership

16. What do you understand by the term unlimited liability?

(a) The personal assets of the owner can be sold when the assets of the business are not enough to

(b) The personal assets of the owner cannot be sold at all

(c) The personal assets of the owner can be sold, according to the wish of the creditors

(d) The personal assets of the owner can be sold, only to a limited extent

17. Hindu Succession Act was passed in _____

(a) 1960

(b) 1956

(c) 1952

(d) 1932

18. A prospectus is issued by

(a) Public company

(b) Private company

(c) Statutory Corporation

(d) Departmental undertaking

19. Which of the following forms of business enterprises suffer from a lack of public confidence because they are not required to publish their accounts legally?

(a) Partnership

(b) Cooperative Society

(c) Company

(d) None of the above

20. A company cannot come into existence without

(a) Issuing prospectus

(b) Electing directors

(c) Certificate of incorporation

(d) All of the above

21. Which of the following is not a feature of a Joint Stock Company?

(a) Artificial person

(b) Separate legal entity

(c) Formation

(d) Lack of business continuity

22. The life of sole proprietorship business is _____

(a) Very short life

(b) Stable

(c) Long life

(d) Unstable

23. The partnership deed generally includes the following

(a) Name of firm

(b) Nature of business

(c) Location of business

(d) All of the above

24. A prospectus is issued by

(a) A public company seeking investment, from public

(b) A private company

(c) A public company

(d) A public enterprise

25. Which of the following alone can ensure effective ethics programme in a business enterprise?

(a) Publication of a code

(b) Involvement of employees

(c) Establishment of compliance mechanisms

(d) None of them

26. Which of the following is capable of doing maximum good to society?

(a) Business success

(b) Laws and regulations

(c) Ethics

(d) Professional management

27. Carbon monoxide emitted by automobiles directly contributes to

(a) Water pollution

(b) Noise pollution

(c) Land pollution

(d) Air pollution

28. That an enterprise must behave as a good citizen is an example of its responsibility towards

(a) Owners

(b) Workers

(c) Consumers

(d) Community

29. Which one of the following is not principle business ethics?

(a) Principle of universality

(b) Principle of humanity

(c) Principle of autonomy

(d) Principle of dissatisfaction

30. .....applied the word entrepreneur to business for the first time.

a) Robert Owen

b) Joseph Schumpeter

c) Richard Cantillon

d) Max Weber

31. .....entrepreneurs are extremely task oriented.

(a)Technical

(b)Fabian

(c) induced

(d) Business

32. .....entrepreneurs neither introduce new changes nor adopt newmethods innovated by others.

a) Technical

b) Fabian

c) induced

d) Business

33. The term intrapreneur was coined by .....

a) Robert Owen
b) Joseph Schumpeter
c) Richard Cantillon
d) Gifford Pinchot

34. According to Schumpeter, Is the most important function of a modern entrepreneur.
a) Innovation
b) invention
c) skill
d) creativity

35. Which of the following risks is borne by the entrepreneur
a) Financial risks
b) personal risks
c) psychological risks
d) all of these

36. The entrepreneur who does not change the method of production alreadyintroduced is:
a) Drone entrepreneur
b) Fabian entrepreneur
c) Classical entrepreneur
d) none of these.

37. Person who works within an organization and having entrepreneurial capabilities is:
a) Entrepreneur
b) Intrapreneur
c) Manager
d) Chief Executive

38. ..... Units provide inputs to other industries.
a) Export
b) Small
c) Ancillary
d) None of these

39. The initial capital that is required to obtainloans from the financial institutionsis called .....
a) Seed capital
b) Incentive
c) Subsidy
d) None of these

40. Under the single roof of the .....all the services and support requiredby small and village entrepreneursare provided.
    a) KSIDC
    b) KITCO
    c) DIC
    d) KINFRA
41. Father of Modern Management theory is .....
    a) Henry Fayol
    b) F.W.Taylor
    c) Henry Gantt
    d) None
42. Management can be considered as.....
    a) Exact science
    b) Inexact science
    c) Psuedo science
    d) B or C
43. .....is that phase of business enterprise that concerns itself with the overall determination of institutional objectives and the policies necessary to be followed in achieving those objectives.
    a) Management
    b) administration
    c) Both of these
    d) None
44. According to functional foremanship, the speed boss, Inspector, foreman and gang boss are entrusted with the .....aspect of work.
    a) Planning
    b) Organizing
    c) Doing
    d) None of these
45. .....is undertaken to find out the one best way of doing the thing
    a) Job Analysis
    b) Merit rating
    c) Job enrichment
    d) None
46. The principle of Unity of command is contrary to Taylors.....

a) Rule of thumb
b) Unity of Direction
c) Functional foremanship
d) None of these

47. According to .....principle, each group of activities with the same objective must have one head and one plan
a) Unity of Direction
b) Unity of command
c) Either of these
d) None

48. Everything which goes to increase the importance of subordinates role is.....
a) Decentralization
b) Centralization
c) Either A or B
d) None

49. The Book " Functions of Executive" was written by .....
a) P.F. Drucker
b) Chester Barnard
c) Herbert Simon
d) None

50. .....is introduced to secure the benefits of division of labour or specialization at the supervising level under scientific management
a) Operating management
b) Functional foremanship
c) Either a or b
d) None

51. .....helps to determine a fair days work and rest period to complete it
a) Work study
b) Time study
c) Motion study
d) All of these

52. .....is the right of a superior to give orders to subordinates, take decisions etc.
a) Authority
b) Responsibility
c) Accountability

d) None

53. Authority and responsibility are .....to each other
    a) Supplementary
    b) Complementary
    c) Contradictory
    d) None
54. According to .....principle, there should always exist one head and one plan for a group of activities having the same objective
    a) Unity of direction
    b) Unity of command
    c) Esprit de corps
    d) None
55. .....is the character of communication, in a formal organization by virtue of which it is accepted by a member of the organization as governing the action he contributes
    a) Responsibility
    b) Authority
    c) Accountability
    d) Power
56. The two factor theory of Motivation was developed by .....
    a) A.H.Maslow
    b) Douglas Mc. Gregor
    c) Herzberg
    d) Rensis Likert
57. --------- is considered as the primary function of management?
    a) Organizing
    b) Planning
    c) Staffing
    d) Controlling
58. MBO stands for?
    a) Management of Business Objectives
    b) Management By Objectives
    c) Managing Business Operations
    d) None of these
59. -------- is the process of selecting one best alternatives from different alternatives.
    a) Planning

b) Organizing

c) Decision making

d) Forecasting

60. Operational guides to action is known as

a) Policies

b) Procedures

c) Plan

d) None of these

ANSWER KEY

Q.No	Ans	Q.No	Ans	Q.No	Ans	Q.No	Ans	Q.No	Ans	Q.No	Ans
1	a	11	a	21	d	31	a	41	a	51	a
2	b	12	c	22	d	32	b	42	d	52	a
3	d	13	a	23	d	33	d	43	b	53	b
4	c	14	a	24	a	34	a	44	c	54	a
5	a	15	a	25	b	35	d	45	a	55	b
6	b	16	a	26	c	36	a	46	b	56	c
7	b	17	b	27	d	37	b	47	a	57	a
8	a	18	a	28	d	38	c	48	a	58	b
9	c	19	a	29	d	39	a	49	b	59	c
10	c	20	c	30	c	40	c	50	b	60	b

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