



Innovation & Entrepreneurship **290 MCQ (15 tests)**

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CMATking I&E Test: 20 Questions

1. Which of these is not a type of entrepreneurship?

- a. Small business entrepreneurship
- b. Scalable entrepreneurship
- c. Large scale entrepreneurship
- d. Intrapreneurship

Answer: d

2. 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

Answer: a

3. According to Schumpeter, innovative entrepreneurs would:

- a. Thrive in the market
- b. Not survive and disappear from the market.
- c. Get absorbed within larger innovative businesses
- d. Get absorbed within non-innovative businesses

Answer: c

4. Which of these is not a challenge for the entrepreneur?

- a. Managing the cash flow of their business
- b. Recruiting new employees
- c. Choosing the product or service to sell in the market
- d. Formulating rules and regulations relating to conducting entrepreneurship in their country

Answer: d

5. Which of these theories involve taking a moderate amount of risk as a function of skill and not chance?

- a. Need for achievement
- b. Need for affiliation
- c. Need for authority
- d. Need for independence

Answer: b

6. Which of these is not a category of external forces that affects a business?

- a. Competitive forces
- b. Technological forces.
- c. Economic forces
- d. Socio-economic forces

Answer: b

7. Which among these is a money manager who is involved in making risk investments from equity capital with the objective of gaining better returns?

- a. Entrepreneur
- b. Businessperson
- c. Buyer
- d. Venture capitalist

Answer: d

8. Andrew Carnegie belonged to this century:

- a. 16th to 17th Century
- b. 20th to 21st Century.
- c. 17th to 18th Century
- d. 19th to 20th Century

Answer: d

9. Which of these is the first activity of a new business?

- a. Departure point
- b. Goal Orientation
- c. Business skill development
- d. None of the above

Answer: a

10. Who should be involved in preparing a firm's business plan?

- a. Accountant
- b. Engineer
- c. Entrepreneur
- d. None of the above

Answer: c

11. What should be the main worry of a company's founder who asks for capital in exchange for equity shares in their venture?

- a. Valuation
- b. Control
- c. Capitalisation
- d. Legal formalities

Answer: c

12. The process of creating something new is called:

- a. Creative flexibility
- b. Management
- c. Business
- d. Innovation

Answer: d

13. Ownership position of less than 50 per cent in a business is known as:

- a. Majority Interest
- b. Joint Venture
- c. Minority Interest
- d. None of the above

Answer: c

14. Which of these is also known as corporate venturing?

- a. Intrapreneurship
- b. Mergers
- c. Entrepreneurship
- d. Acquisition

Answer: a

15. If an entrepreneur takes decisions on behalf of their enterprise, it is known as _____:

- a. Routine decisions
- b. Strategic decisions
- c. Organisational decisions
- d. Personal decisions

Answer: c

16. Entrepreneurship Development Program is helpful for:

- a. First-generation entrepreneurs
- b. Future generation entrepreneurs
- c. Existing Entrepreneurs
- d. None of the above

Answer: a

17. These decisions are concerned with policy matters and they influence the goals and objectives of a business venture:

- a. Routine decisions
- b. Strategic decisions
- c. Organisational decisions
- d. Personal decisions

Answer: b

18. Ownership position of more than 50 per cent in a business is known as:

- a. Minority Interest
- b. Joint Venture
- c. Majority Interest
- d. None of the above

Answer: c

19. What is the purpose of a feasibility study for starting a new venture?

- a. Exploring for potential customers
- b. Estimate sales
- c. To understand if there are any barriers to success
- d. None of the above

Answer: c

20. An entrepreneur who is the owner of more than one business is called:

- a. Portfolio Entrepreneur
- b. Intrapreneur
- c. Corporate Entrepreneur
- d. None of the above

Answer: a

[CMATking I&E Test: 20 Questions](#)

1. The term intrapreneur was coined by _____

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

Answer: d

2. An individual who initiates, creates and manages a new business can be called _____

- a) A leader
- b) A manager
- c) A professional
- d) An entrepreneur

Answer: d

3. _____ applied the word entrepreneur to business for the first time.

- a) Robert Owen
- b) Joseph Schumpeter
- c) Richard Cantillon
- d) max weber

Answer: c

4. An entrepreneur who owns more than one business at a time is called _____

- a) An intrapreneur
- b) A corporate entrepreneur.
- c) A portfolio entrepreneur.
- d) None of the above.

Answer: c

5. Entrepreneurship is a creative activity - Said by _____

- a) Frederick Harbison
- b) B. F. Holtz
- c) B. Higgins
- d) Joseph

Answer : d

6. What is the hallmark of a successful entrepreneur?

- a) Risk-bearing capacity
- b) Persistence
- c) Flexibility
- d) Self-confidence

Answer: c

7. A corporate manager who starts a new initiative for their company that entails setting up a new distinct business unit and board of directors can be regarded as:

- a) Ecopreneur
- b) Technopreneur
- c) Intrapreneur
- d) Social Entrepreneur

Answer: c

8. Entrepreneurs are extremely task oriented.

- a) technical
- b) fabian
- c) induced
- d) business

Answer: a

9. _____ Entrepreneurs neither introduce new changes nor adopt new methods innovated by others.

- a) technical
- b) fabian
- c) induced
- d) business

Answer: b

10. EDP (Entrepreneurship Development Programs) is required to help _____

- a) Existing entrepreneurs
- b) First-generation entrepreneurs
- c) Future generation entrepreneurs
- d) None of the above

Answer: b

11. According to Schumpeter, Is the most important function of a modern entrepreneur _____

- a) innovation,
- b) invention,
- c) skill,
- d) creativity.

Answer: a

12. Which of the following risks is born by the entrepreneur:

- a) financial risks,
- b) personal risks,
- c) psychological risks,
- d) all of these

Answer: d

13. Which type of entrepreneur utilizes a chance to introduce a new technique or new product?

- a) Innovative entrepreneur

b) Instigated entrepreneur
c) Initiative entrepreneur
d) Fabian entrepreneur
Answer: a

14. Ownership capital is also known as?

- a) Debt
 - b) Equity
 - c) Loan
 - d) Mortgage
- Answer: b

15. In the 1995 - 96 periods what percentage of total entrepreneurs were women entrepreneurs?

- a) 10%
- b) 11.2%
- c) 13%
- d) 9%

Answer: b

16. What can be defined as an attractive project idea that an entrepreneur accepts as a basis for his investment decision?

- a) Possibility
- b) Business
- c) Opportunity
- d) Notion

Answer: c

17. Which of the following is a remedy to solve the problems of women entrepreneurs?

- a) Social attitude
- b) Finance cells
- c) Stiff Competition
- d) Supervision

Answer: b

18. Which of the following is not a quality of a successful entrepreneur specified by Mc Clelland?

- a) He is endowed with unusual creativeness
- b) He has a high degree of ambition
- c) He is enriched by a high propensity
- d) He also has a strong need for achievement.

Answer: b

19. The Institute of Entrepreneurship Development has trained around ____ youths in ____ programs till 1987 April.

- a) 300, 14
- b) 500, 20
- c) 200, 10
- d) 400, 13

Answer: d

20. Social attitude is one of the important problems of

a) _____ Entrepreneur.

- a) drone.
- b) business.
- c) women.
- d) adaptive.

Answer: c

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21. The term "Entrepreneur" has been derived from the word "entendre" which means:

- a) To give

- b) To undertake
- c) To choose
- d) To decide

Answer: b

22. Registration helps the entrepreneur to take necessary _____ steps to bring industrial units into existence

- a) provisional
- b) permanent
- c) both of these
- d) none of these

Answer: a

23. The entrepreneur who does not change the method of production already introduced s _____

- a) drone entrepreneur,
- b) fabian entrepreneur,
- c) classical entrepreneur,
- d) none of these.

Answer: a

24. 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.

Answer: d

25. IFCI stands for _____.

- a) Industrial finance corporation of India.
- b) Institutional finance corporation of India.
- c) Industrial funding corporation of India.
- d) Indian finance corporation and institution.

Answer: a

26. Large investment is made in fixed assets, the project will be termed as _____.

- a) Capital Intensive.
- b) Labor Intensive.
- c) Product Intensive.
- d) Market Intensive.

Answer: a

27. Which one of the following describes unemployment?

- a) The number of people who voluntarily choose not to work.
- b) The number of people who are jobless and are actively seeking work.
- c) The number of people who are not actively seeking work.
- d) The number of people actively seeking work who find work.

Answer: b

28. Innovation can best be defined as _____.

- a) the generation of new ideas.
- b) the evolution of new ideas.
- c) the opposite of creativity.
- d) the successful exploitation of new ideas.

Answer: d

29. Which of these statements best describes the context for entrepreneurship?

- a) Entrepreneurship takes place in small businesses.
- b) Entrepreneurship takes place in large businesses.

- c) Entrepreneurship takes place in a wide variety of contexts.
d) Entrepreneurship does not take place in social enterprises.
Answer: c

30. Entrepreneurs are motivated by _____

- a) money.
b) personal values.
c) pull influences.
d) All the above.

Answer: d

31. 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

Answer: c

32. To provide financial assistance to entrepreneurs the government has set up a number of _____.

- a) Financial advisors.
b) Financial intermediaries.
c) Industrial estates.
d) Financial institutions.

Answer: d

33. Which industrial sector tends to naturally promote small-scale businesses and Entrepreneurship, and generally has lower barriers to market entry?

- a) Service.
b) Manufacturing.
c) Distribution.
d) Agriculture.

Answer: a

34. Which of the following is the reason for business failure _____

- a) Lack of market research.
b) Poor financial control.
c) Poor management.
d) All the above.

Answer: d

35. To provide financial assistance to entrepreneurs the government has set up a number of _____.

- a) financial advisors.
b) financial intermediaries.
c) Industrial estates.
d) financial institutions.

Answer: d

36. The use of informal networks by entrepreneurs to gather information is known as _____.

- a) Secondary research.
b) Entrepreneurial networking.
c) Informal parameters.
d) Marketing

Answer: b

37. Good sources of information for an entrepreneur about competitors can be obtained from _____.

- a) Websites.

- b) Product information leaflets.
c) Company reports and published accounts.
d) All the above.

Answer: d

38. The business development department of SIPCOT guides entrepreneurs in _____.

- a) applying for licenses.
b) approval on collaboration.
c) Allocation of scarce raw materials.
d) All the above.

Answer: d

39. According to Frederick Harbison, which of the following is not a function of a women entrepreneur?

- a) Explore the prospects of starting new enterprises.
b) Coordination, administration and control
c) The power to resist criticism
d) Supervision and providing leadership in all aspects of the business.

Answer: c

40. Which of the following is not a source of ideas for an entrepreneur?

- a) Cost of the project
b) Product profile
c) Imports and exports
d) Emerging technologies

Answer: a

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41. _____ type are entrepreneurs are found in the field of small trading and manufacturing concerns.

- a) Trading Entrepreneurs
b) First generation Entrepreneurs
c) Business Entrepreneurs
d) Innovative Entrepreneurs

Answer: c

42. Which of the following type of Entrepreneurs are also known as pure entrepreneurs because of their desire for self-fulfillment?

- a) Spontaneous Entrepreneurs
b) Technical Entrepreneurs
c) Business Entrepreneurs
d) Professional Entrepreneurs

Answer: a

43. To which type of entrepreneurs do Hero Motor Corp and Hyundai Corporation belong?

- a) Trading Entrepreneurs
b) First generation Entrepreneurs
c) Business Entrepreneurs
d) Industrial Entrepreneurs

Answer: d

44. Identify the type of entrepreneurs who develop alternative projects by selling the running business.

- a) Trading Entrepreneurs
b) Technical Entrepreneurs
c) Business Entrepreneurs
d) Professional Entrepreneurs

Answer: d

45. They enter into entrepreneurship because of various governmental supports provided in terms of financial assistance, incentives, concessions, and other facilities to the people who want to set up their new enterprises ". Which type of entrepreneur is being discussed in the above lines?

- a) Induced Entrepreneurs
- b) Motivated Entrepreneurs
- c) Spontaneous Entrepreneurs
- d) Imitative Entrepreneurs

Answer: b

46. Entrepreneur raises _____

- a) Thoughtful risk
- b) High risk
- c) Low risk
- d) General and fixed risk.

Answer: d

47. Which of the following is the political administration that Kilby describes as the entrepreneur? Not side _____

- a) Dismissal from government bureaucracy
- b) Management of human relations in the organization
- c) Bringing new products to production
- d) Managing customer-supplier relationships.

Answer: c

48. Which of the following behaviors is not associated with a successful entrepreneurship _____

- a) R&D
- b) Running your business on a day-to-day basis
- c) Continuous innovation and urgency
- d) Production as per customer's requirement

Answer: b

49. The Entrepreneurship Development Program in India is _____

- a) required
- b) Unnecessary
- c) Waste of time
- d) Waste of money.

Answer: a

50. Which of the following is not an entrepreneurial work in economics _____

- a) Taking risks
- b) Provision of capital and organization of production
- c) Innovation
- d) Conducting day-to-day business.

Answer: d

51. Which of the following statements does not explain the difference between entrepreneurship and management _____

- a) Entrepreneurs find the business, managers run it
- b) Entrepreneurs own their businesses, manage employees
- c) Entrepreneurs earn a profit, and managers get a salary
- d) Entrepreneur is a one-time job, and management is an ongoing process.

Answer: d

52. Which of the following is the political administration that Kilby describes as the entrepreneur? Not side _____

- a) Dismissal from government bureaucracy
- b) Management of human relations in the organization

- c) Bringing new products to production
- d) Managing customer-supplier relationships.

Answer: c

53. Provides Entrepreneurship Development Program _____

- a) Unemployment
- b) Employment
- c) Dishonesty
- d) Corruption.

Answer: b

54. Entrepreneur _____

- a) is born
- b) is created
- c) (a) and (b) both
- d) None of these.

Answer: c

55. Indian Entrepreneurship Development Institute is located _____

- a) In Ahmedabad
- b) In Mumbai
- c) In New Delhi
- d) In Chennai.

Answer: a

56. The future of entrepreneurship in India is _____

- a) In the dark
- b) Bright
- c) In difficulty
- d) None of these.

Answer: b

57. The Indian Appropriation Center was established _____

- a) By the Government of India
- b) By the Government of Madhya Pradesh
- c) By the Government of Maharashtra
- d) By the Government of Gujarat.

Answer: b

58. Venture capital (VC) is financial capital provided to _____ , high-potential, growth startup companies. The venture capital fund earns money by owning equity in the companies it invests in.

- 1. Before business starts
- 2. Early in business
- 3. Later on in business
- 4. Any of the stages

Answer: 4.

59. An enterprise or enterprises may be acquired by another enterprise is called _____

- 1. absorption.
- 2. Amalgamation
- 3. Joint venture
- 4. Diversification

Answer: 1

60. When two or more existing enterprises merge into one to form a new enterprise. It is called _____.

1. absorption.
2. Merger
3. Joint venture
4. Diversification

Answer: 2

CMATking I&E Test: 20 Questions

1. An individual who initiates, creates and manages a new business can be called _____.

- A. A leader
- B. A manager
- C. An entrepreneur
- D. A professional

ANSWER: C

2. Trademarks relate to _____.

- A. Practice and knowledge acquired through experience
- B. The protection of proprietary information of commercial value
- C. The right to reproduce ones own original work
- D. Brand identity

ANSWER: D

3. Which could provide an individual with the motivation to start a new business venture?

- A. The financial rewards.
- B. A desire to be independent.
- C. Risk-taking
- D. All the above.

ANSWER: D

4. Which of the following factors would not be included in a PESTLE analysis?

- A. Government re-cycling policy.
- B. Proposed reduction in interest rates.
- C. Competitor activity.
- D. Demographic changes.

ANSWER: C

5. Which industrial sector tends to naturally promote small-scale businesses and Entrepreneurship, and generally has lower barriers to market entry?

- A. Service.
- B. Manufacturing.
- C. Distribution.
- D. Agriculture.

ANSWER: A

6. 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.

ANSWER: D

7. A business arrangement where one party allows another party to use a business name and sell its products or services is known as _____.

- A. A cooperative.
- B. A franchise.
- C. An owner-manager business.
- D. A limited company.

ANSWER: B

8. Which of the following is the reason for business failure

- _____.
- A. Lack of market research.
 - B. Poor financial control.
 - C. Poor management.
 - D. All the above.

ANSWER: D

9. The use of informal networks by entrepreneurs to gather information is known as _____.

- A. Secondary research.
- B. Entrepreneurial networking.
- C. Informal parameters.
- D. Marketing

ANSWER: B

10. Good sources of information for an entrepreneur about competitors can be obtained from _____.

- A. Websites.
- B. Product information leaflets.
- C. Company reports and published accounts.
- D. All the above.

ANSWER: D

11. A new venture's business plan is important because _____.

- A. It helps to persuade others to commit funding to the venture.
- B. Can help demonstrate the viability of the venture.
- C. Provides a guide for business activities by defining objectives.
- D. All the above.

ANSWER: D

12. Primary data is _____.

- A. the most important data.
- B. the data that is collected first.
- C. new data specifically collected for a project.
- D. data that is collected second.

ANSWER: C

13. Innovation can best be defined as _____.

- A. the generation of new ideas.
- B. the evolution of new ideas.
- C. the opposite of creativity.
- D. the successful exploitation of new ideas.

ANSWER: D

14. Which of these statements best describes the context for entrepreneurship?

- A. Entrepreneurship takes place in small businesses.
- B. Entrepreneurship takes place in large businesses.
- C. Entrepreneurship takes place in a wide variety of contexts.
- D. Entrepreneurship does not take place in social enterprises.

ANSWER: C

15. Entrepreneurs are motivated by _____.

- A. money.
- B. personal values.
- C. pull influences.
- D. All the above.

ANSWER: D

16. Which of the following are described as one of the Big Five personality traits?

- A. tolerance of others.
- B. need for achievement.
- C. propensity to leadership.

D. locus of control.

ANSWER: B

17. Which of the following is least likely to influence the timing of new business births?

- A. Government policies.
- B. Profitability.
- C. Consumer expenditure.
- D. Weather conditions.

ANSWER: D

18. Which of the following statements is false?

- A. Market segmentation is a useful process for small businesses to undertake.
- B. Selling is essentially a matching process.
- C. A benefit is the value of a product feature to a customer.
- D. It is a good idea for small businesses to compete solely on price.

ANSWER: D

19. The purpose of all good small business strategy is _____.

- A. to increase turnover.
- B. to increase profitability.
- C. to achieve competitive advantage.
- D. to achieve stated objectives.

ANSWER: D

20. Which of the following is a recognized disadvantage of setting up as a start-up as compared with other routes to market entry?

- A. less satisfaction of the owners.
- B. less help from various agencies.
- C. there are more funds required.
- D. there is a high failure rate.

ANSWER: D

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21. Someone legally appointed to resolve the financial difficulties of an insolvent firm is called _____.

- A. an administrator.
- B. a predator.
- C. an auditor.
- D. a turnaround consultant.

ANSWER: A

22. Goods or services reach the market place through _____.

- A. marketing channels.
- B. multilevel pyramids.
- C. monopolies.
- D. multiplication.

ANSWER: A

23. To provide financial assistance to entrepreneurs the government has set up a number of _____.

- A. financial advisors.
- B. financial intermediaries.
- C. Industrial estates.
- D. financial institutions.

ANSWER: D

24. State Industrial corporations engage in the development of _____.

- A. industrial estates.

B. institutional estates.

C. individual investors.

D. agricultural entrepreneurs.

ANSWER: A

25. _____ is the first development bank of the country.

- A. ICICI.
- B. IDBI.
- C. SFC.
- D. IFCL.

ANSWER: D

26. IFCL stands for _____.

- A. Industrial finance corporation of India.
- B. Institutional finance corporation of India.
- C. Industrial funding corporation of India.
- D. Indian finance corporation and institution.

ANSWER: A

27. IFCL has been converted into a _____.

- A. joint-stock company.
- B. co-operative society.
- C. partnership firm.
- D. sole proprietorship.

ANSWER: A

28. SIDBI was set up as a subsidiary of _____.

- A. IDBI.
- B. IFCL.
- C. ICICI.
- D. SFC.

ANSWER: A

29. Which of the following is a function of SIDBI?

- A. Extension of seed capital.
- B. Discounting of bills.
- C. Providing factoring services.
- D. All of the above.

ANSWER: D

30. SFC is prohibited from granting financial assistance to any company whose aggregate paid-up capital exceed _____.

- A. 1 crore.
- B. 1.5 crores.
- C. 2 crores.
- D. 2.5 crores.

ANSWER: A

31. SIPCOT's financial assistance is in the form of _____.

- A. term loan.
- B. seed capital scheme.
- C. underwriting the capital issues.
- D. All of the above.

ANSWER: D

32. The business development department of SIPCOT guides entrepreneurs in _____.

- A. applying for licences.
- B. approval on collaboration.
- C. allocation of scarce raw materials.
- D. All the above.

ANSWER: D

33. TIIC is sponsored by the _____.

- A. Government of Karnataka.
- B. Government of Andhra Pradesh.
- C. Government of Kerala.

D. Government of Tamil Nadu.

ANSWER: D

34. In backward areas, term loans for expansion or setting up a new unit are available at _____.

- A. concessional terms.
- B. differential terms.
- C. standard terms.
- D. specific terms.

ANSWER: A

35. A commercial banker would prefer a _____ debt-equity ratio over the years as it indicates financial strength of a unit.

- A. Declining.
- B. Increasing.
- C. Stable.
- D. Fluctuating.

ANSWER: A

36. EDPs course contents contains _____.

- A. General introduction to entrepreneurs.
- B. Motivation training.
- C. Managerial skills.
- D. All the above.

ANSWER: D

37. Entrepreneurial Guidance Bureau(EGB) was set up by _____.

- A. SISI.
- B. SIPCOT.
- C. IIC.
- D. SIDCO.

ANSWER: C

38. _____ can be defined as a specifically evolved work plan to achieve a specific objective within a specific period of time

- A. Idea generation.
- B. Opportunity Scanning.
- C. Project.
- D. Strategy.

ANSWER: C

39. Large investment is made in fixed assets, the project will be termed as _____.

- A. Capital Intensive.
- B. Labour Intensive.
- C. Product Intensive.
- D. Market Intensive.

ANSWER: A

40. PERT stands for _____.

- A. Programme Evaluation and Research Techniques.
- B. Project Evaluation and Review Techniques.
- C. Programme Evaluation and Review Techniques.
- D. Project Evaluation and Research Techniques.

ANSWER: C

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41. _____ is used to accomplish the project economically in the minimum available time with limited resources

- A. Project Scheduling.
- B. Network Analysis.
- C. Budget Analysis.

D. Critical Planning.

ANSWER: A

42. _____ is a form of financing especially for funding high technology, high risk and perceived high reward projects

- A. Fixed capital.
- B. Current capital.
- C. Seed capital.
- D. Venture capital.

ANSWER: D

43. In _____, machines and equipments are arranged in the order or sequence in which they are to be used for manufacturing the product

- A. Factory Layout.
- B. Product Layout.
- C. Process Layout.
- D. Combined Layout.

ANSWER: B

44. The term _____ denotes bonus or financial aid which is given by a government to an industry to help it compete with other units

- A. Incentive.
- B. Subsidy.
- C. Bounty.
- D. Concession.

ANSWER: C

45. The granting of cash subsidy on the capital investment is called _____.

- A. Concessional finance.
- B. Quantum of Subsidy.
- C. Interest Subsidy.
- D. Central Investment Subsidy.

ANSWER: D

46. New Small Scale industries are exempted from the payment of income tax under section 80J is called _____

- A. Development Rebate..
- B. Investment Allowance.
- C. Rehabilitation Allowance.
- D. Tax Holiday

ANSWER: B

47. _____ is primarily concerned with the identification of the project demand potential and the selection of the optimal technology.

- A. Techno-economic analysis.
- B. Feasibility analysis.
- C. Input analysis.
- D. Financial analysis.

ANSWER: A

48. _____ refers to some action which is a time consuming effort necessary to complete a specific event.

- A. A Network.
- B. An Activity.
- C. An Event.
- D. A Node.

ANSWER: B

49. _____ is a graphical representation of the various activity and event relating to a project.

- A. Network analysis.

- B. Scheduling technique.
- C. Logical Model.
- D. Network Diagram

ANSWER: D

50. Activities which must be finished before a given event can occur are termed as _____.

- A. Preceding Activities.
- B. Succeeding Activities
- C. Concurrent Activities
- D. Dummy Activities.

ANSWER: A

51. Activities which can be accomplished simultaneously are termed as _____.

- A. Preceding Activities.
- B. Succeeding Activities.
- C. Concurrent Activities
- D. Dummy Activities.

ANSWER: C

52. EST stands for _____.

- A. Earliest Start Time.
- B. Event Start Time.
- C. Effective Start Time.
- D. Essential Start Time.

ANSWER: A

53. Additional time which a non-critical activity can consume without increasing the project duration is called _____.

- A. Total Float.
- B. Free Float
- C. Independent Float.
- D. Dependant Float

ANSWER: A

54. _____ is an event-oriented approach .

- A. CPM.
- B. GERT.
- C. PERT.
- D. WASP.

ANSWER: C

55. _____ is an activity-oriented approach.

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- A. GERT
- B. PERT
- C. CPM
- D. WASP

ANSWER: C

56. _____ is the analysis of costs and benefits of a proposed project with the goal of assuming a rational allocation of limited funds.

- A. Project formulation.
- B. Project evaluation.
- C. Project appraisal.
- D. Project Design.

ANSWER: C

57. _____ may be defined as the excess of the present value of project cash inflows over that of out flows.

- A. Net present value technique.

- B. Average rate of return.
- C. Benefit-Cost ratio.
- D. Internal rate of return

ANSWER: A

58. Decisions taken by an entrepreneur on behalf of his enterprise are known as _____.

- A. Organizational decisions.
- B. Personal decisions.
- C. Routine decisions.
- D. Strategic decisions

ANSWER: A

59. Decisions which are concerned with policy matters and exercise fundamental influence on the objectives of the organization are called as _____.

- A. Organizational decisions.
- B. Personal decisions.
- C. Routine decisions.
- D. Strategic decisions.

ANSWER: D

60. _____ is a problem -solving technique designed to produce numerous ideas in a short period

- A. Synectics.
- B. Delphi technique.
- C. Brain storming.
- D. Nominal group technique.

ANSWER: C

[CMATking I&E Test: 20 Questions](#)

61. . _____ is the systematic development of a project idea for the eventual purpose of arriving at an investment decision.

- A. Project identification.
- B. Project formulation.
- C. Project feasibility.
- D. Project evaluation.

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ANSWER: B

62. The process of preparing an inventory of skills needed for effective implementation of the project is called as _____.

- A. Economic viability.
- B. Financial feasibility.
- C. Technical feasibility.
- D. Managerial competence.

ANSWER: D

63. _____ implies the availability or otherwise of plant and machinery and technical know how to produce the product.

- A. Economic viability.
- B. Financial feasibility.
- C. Technical feasibility.
- D. Managerial competence

ANSWER: C

64. CPM stands for _____.

- A. Continuous Path Method.
- B. Clear Path Method.

C. Critical Path Method.

D. Critical Probabilistic Method.

ANSWER: C

65. _____ is granted to small scale units under section 33B of the Income tax act, 1961.

A. Depreciation Allowance.

B. Development Debate.

C. Investment Allowance.

D. Rehabilitation Allowance.

ANSWER: D

66. DGTD stands for _____.

A. Directorate General of Technical Development.

B. District General of Technical Development.

C. District General of Taxation Deduction.

D. Directorate General of Taxation Deduction.

ANSWER: A

67. A provisional SSI registration certificate is valid for a period of _____.

A. four Years.

B. three Years.

C. two Years.

D. one year.

ANSWER: D

68. National Alliance of Young Entrepreneurs (NAYE) Sponsored an Entrepreneurial Development scheme with Bank of India in _____.

A. January 1920.

B. August 1920.

C. January 1972.

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D. August 1972.

ANSWER: D

69. Which of the following is not one of the 4 Ms?

A. motivation.

B. management.

C. materials.

D. money.

ANSWER: C

70. Which of the list below does not form Intellectual Property?

A. Trade marks.

B. Patents.

C. Tangible assets.

D. Copyright.

ANSWER: C

71. The 'T' in a PESTLE analysis refers to _____.

A. Time.

B. Technology.

C. Training.

D. Talent.

ANSWER: B

72. A business arrangement where one party allows another party to use a business Name and sell its products or services is known as _____.

A. A cooperative.

B. A franchise.

C. An owner-manager business.

D. A limited company.

ANSWER: B

73. What is the role of a Business Angel?

A. To provide small business advice.

B. To set up a franchise business.

C. To provide capital for business development in exchange for a stake in the Business ownership.

D. To assist an entrepreneur to open a lifestyle business.

ANSWER: C

74. A key aspect of the financial section of the business plan is _____.

A. A statement of management skills.

B. A realistic sales forecast.

C. Production capacity.

D. A description of competitors.

ANSWER: B

75. Which one of the following describes unemployment?

A. The number of people who voluntarily choose not to work.

B. The number of people who are jobless and are actively seeking work.

C. The number of people who are not actively seeking work.

D. The number of people actively seeking work who find work.

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ANSWER: B

76. Idea of new product is tested in potential consumers to determine consumer acceptance at _____ stage.

A. Concept.

B. Product development.

C. Test marketing.

D. Commercialization.

ANSWER: C

77. Which one of the following is not considered as one of the building blocks of the model entrepreneur?

A. technical skills.

B. management competencies.

C. business awareness.

D. personal attributes.

ANSWER: C

78. Which of the following factors does the macro-environment not include?

A. political and regulatory factors.

B. customer needs in a given market.

C. social and demographic factors.

D. technological changes.

ANSWER: B

79. Which of the following statements is false? Electronic commerce:

A. can allow new ventures to compete on more or less equal terms with large firms.

B. can lead to small businesses having reduced contact with its customers.

C. is rarely used in small businesses.

D. is used in many different industries and markets.

ANSWER: C

80. Strategic entrepreneurial marketing has been summarised as the 4Is: identification of target markets, interactive marketing methods, informal intelligence gathering and what is the fourth?

- A. innovation.
- B. instructiveness.
- C. independence.
- D. internet.

ANSWER: A

CMATking I&E Test: 20 Questions

81. An entrepreneur who owns more than one business at a time is called _____.

- A. an intrapreneur.
- B. a corporate entrepreneur.
- C. a portfolio entrepreneur.
- D. None of the above.

ANSWER: C

82. Industries producing complete articles for direct consumption & also processing industries is called as _____.

- A. Manufacturing industries.
- B. Feeder Industries.
- C. Service Industries.
- D. Mining or Quarrying.

ANSWER: A

83. _____ is primarily concerned with the identification, qualification and evaluation of the project resources.

- A. Techno-economic analysis.
- B. Feasibility analysis.
- C. Input analysis.
- D. Financial analysis.

ANSWER: B

84. LOB stands for _____.

- A. Line of Business.
- B. Line of Balance.
- C. Loss of Business.
- D. Loss of Balance

ANSWER: B

85. Underestimation of project cost leads to _____.

- A. Time under run.
- B. Cost under run
- C. Time over run.
- D. Cost over run

ANSWER: D

86. New entrepreneurs entering the field of medium industry for the first time can have market studies with the subsidiary of _____.

- A. 75% of the cost or Rs.15000 whichever is less.
- B. 75% of the cost or Rs.15000 whichever is high
- C. 50% of the cost or Rs.15000 whichever is less.
- D. 50% of the cost or Rs.15000 whichever is high

ANSWER: A

87. Decisions which are concerned with policy matters and exercise fundamental influence on the objectives of the organization are called as _____.

- A. Organizational decisions.
- B. Personal decisions.
- C. Routine decisions.

D. Strategic decisions.

ANSWER: D

88. Section 80 HHB provides for a deduction of _____ of profits and gains earned by a resident Indian company.

- A. 65%.
- B. 50%
- C. 55%.
- D. 60%.

ANSWER: B

89. Decisions which are non-repetitive and novel nature and required to solve unstructured problem is called as _____.

- A. Programmed decisions.
- B. Non-programmed decisions.
- C. Routine decisions.
- D. Strategic decisions.

ANSWER: B

90. The application for registration of a small scale unit should be submitted to the _____.

- A. General manager, DIC.
- B. Director, DIC.
- C. General manager. NSIC.
- D. Director, NSIC.

ANSWER: A

91. The type of diversification in which the company adds complementary to the existing product or service line is _____.

- A. conglomerate diversification.
- B. horizontal integration.
- C. vertical integration.
- D. concentric integration.

ANSWER: C

92. Which of the following is not an aspect of appraisal of term loans by commercial banks?

- A. Financial feasibility.
- B. Technical feasibility.
- C. Economic feasibility.
- D. Societal feasibility.

ANSWER: D

93. The type of diversification in which the company adds up same type of products at the same level of production is _____.

- A. conglomerate diversification.
- B. horizontal integration.
- C. vertical integration.
- D. concentric integration.

ANSWER: B

94. When a firm enters into some business which is related with its present business in terms of technology, marketing or both it is called as _____.

- A. conglomerate diversification.
- B. horizontal integration.
- C. vertical integration.
- D. concentric integration.

ANSWER: D

95. When a firm enters into business which is unrelated to its existing business both in terms of technology and marketing

- _____.
- A. conglomerate diversification.
 - B. horizontal integration.
 - C. vertical integration.
 - D. concentric integration

ANSWER: A

96. District Industries Centres are located _____.

- A. in each district.
- B. in each state.
- C. only in selected districts.
- D. only in selected states.

ANSWER: A

97. The purpose of soft loan scheme is to encourage units to undertake _____.

- A. modernization of plant and machinery.
- B. replacement of plant and machinery.
- C. renovation of plant and machinery.
- D. all the above

ANSWER: D

98. Seed capital assistance _____.

- A. a long-term assistance.
- B. initial assistance
- C. a help for the purchase of seeds.
- D. a short-term assistance.

ANSWER: B

99. EXIM bank is a _____.

- A. State-level institution.
- B. Regional -level institution.
- C. All India institution.
- D. International institution.

ANSWER: C

CMATking I&E Test: 20 Questions

100. DIC is headed by General Manager in the rank of _____.

- A. Joint Director of industries.
- B. Assistant Director of industries.
- C. Non-departmental officer.
- D. Departmental officer.

ANSWER: A

101. Institutional agencies grant financial assistance to small scale industries for _____.

- A. participation in equity capital only.
- B. acquisition of fixed assets.
- C. working capital assistance.
- D. all of the above.

ANSWER: D

102. Under section 80J of the income tax act, 1961, small-scale industries are exempted from the payment of income tax on their profits at _____.

- A. 6% p.a.
- B. 6% p.m.
- C. 5% p.a.
- D. 5% p.m.

ANSWER: A

103. The policy which stressed the role of cottage and small-scale industries for balanced industrial development of the

country is _____.

- A. IPR 1940.
- B. IPR 1948.
- C. IPR 1956.
- D. IPR 1977.

ANSWER: B

104. The policy which emphasized the need of promoting small-scale industries through integrated industrial development is _____.

- A. IPR 1948.
- B. IPR 1956.
- C. IPR 1977.
- D. IPR 1980.

ANSWER: C

105. The small scale unit wishing to export has to obtain exporters code number from _____.

- A. The Reserve Bank of India.
- B. The Central Bank of India.
- C. Any Regional Bank.
- D. Any International Bank.

ANSWER: A

106. The expenses incurred on the setting up of the enterprise are called as _____.

- A. Cost of financing.
- B. Cost of promotion..
- C. Cost of fixed assets.
- D. Cost of current assets.

ANSWER: B

107. Over – capitalization arises due to _____.

- A. excess of assets over the liabilities.
- B. excess of liabilities over the assets.
- C. actual earnings are lower than the expected earnings.
- D. actual earnings are higher than the expected earnings.

ANSWER: C

108. Under-capitalization arises due to _____.

- A. excess of assets over the liabilities.
- B. excess of liabilities over the assets.
- C. actual capitalization is higher than the proper capitalization.
- D. actual capitalization is lower than the proper capitalization.

ANSWER: D

109. Which of the following leads to over-capitalization?

- A. under-estimation of the initial rate of earnings.
- B. acquiring fixed assets on excessive amounts.
- C. using lower-rate of capitalization.
- D. underestimation of required funds.

ANSWER: B

110. Which of the following leads to under-capitalization?

- A. raising of more money by issue of shares.
- B. acquiring fixed assets on excessive amounts.
- C. over-estimation of earnings for enterprise.
- D. under-estimation of the initial rate of earnings.

ANSWER: D

111. Business means _____.

- A. Commerce.
- B. industry and commerce.
- C. trade and commerce.
- D. selling and buying of goods.

ANSWER: B

112. A valid definition of a business purpose is to ____.

- A. create a customer.
- B. maximize profits.
- C. serve the society.
- D. increase the wealth of the firm.

ANSWER: B

113. Reserve bank of India is a/an ____.

- A. statutory corporation.
- B. company limited by guarantee.
- C. company limited by shares.
- D. unlimited company.

ANSWER: A

114. A public corporation means ____.

- A. public company.
- B. government company.
- C. statutory corporation.
- D. department of union government

ANSWER: C

115. 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 to publicity to the company.

ANSWER: A

116. The term Capitalization is used in relation to ____.

- A. sole-proprietorship.
- B. Partnership.
- C. joint-stock companies.
- D. co-operative societies

ANSWER: C

117. Which of the following sources is not use for medium-term financing?

- A. Issue of equity shares.
- B. Issue of debentures.
- C. Term loans from banks.
- D. Sale of current asset.

ANSWER: A

118. Which of the following securities proves a burden on the finances of the company, when the company is not earning profits?

- A. Equity shares.
- B. Preference shares.
- C. Redeemable preference shares.
- D. Debentures.

ANSWER: D

119. Investment in which of the following is most risky?

- A. Equity shares.
- B. Preference shares.
- C. Debentures.
- D. Land.

ANSWER: C

CMATking I&E Test: 20 Questions

120. A project, which may not add to the existing profits, should be financed by ____.

- A. debentures.

B. preference share capital.

C. equity capital.

D. public deposits.

ANSWER: A

121. Business risks can be ____.

- A. reduced.
- B. avoided.
- C. ignored.
- D. erased.

ANSWER: A

122. O & M refers to ____.

- A. overall efficiency of business.
- B. efficiency of office and administrative work.
- C. office work measurement.
- D. office and management study.

ANSWER: D

123. The oldest form of business organization is ____.

- A. Partnership.
- B. sole proprietorship.
- C. joint-stock company.
- D. co-operative undertaking.

ANSWER: B

124. Memorandum of association of a firm contains ____.

- A. rules regarding the internal management of the company.
- B. rules regarding the constitution and activities of the company.
- C. rules regarding the external management.
- D. rules regarding the constitution.

ANSWER: B

125. A Company is called an artificial person because ____.

- A. it does not have the shape of a natural person.
- B. it cannot be used in the court of law.
- C. it is invisible and intangible.
- D. it exists only in contemplation of law.

ANSWER: C

126. The charter of a company is its ____.

- A. prospectus.
- B. statement lieu of prospectus.
- C. memorandum of association.
- D. articles of association.

ANSWER: A

127. A person owning and running a small firm, is known as ____.

- A. A manager-owner.
- B. An owner-manager.
- C. A professional adapter.
- D. An enterprise worker.

ANSWER: B

128. Which of the following is a characteristic typical of ____? Most entrepreneurs

- A. Choose high-risk ventures.
- B. Choose low-risk ventures.
- C. Choose moderate (or calculated) risk ventures.
- D. Choose no risk ventures.

ANSWER: C

129. The UK government has implemented a number of policies to encourage Entrepreneurship in schools.

One such initiative is ____.

- A. Young Enterprise.
- B. Youth venture.
- C. Young Business.
- D. Young Initiative.

ANSWER: A

130. One of the disadvantages of a franchise business for a franchisee is _____.

- A. Lack of independence.
- B. Franchise businesses typically have a high failure rate.
- C. Lack of brand identity.
- D. Training is not normally provided by the franchisor.

ANSWER: A

131. The Markets and Competitors section of a business plan should contain _____.

- A. A statement of the target market.
- B. The size of each market segment.
- C. The key characteristics of buyers in each business segment.
- D. All the above.

ANSWER: D

132. As a new company grows, the entrepreneur will need to _____.

- A. be responsive to changes in the market.
- B. ensure financial controls are maintained.
- C. build a management team.
- D. all the above.

ANSWER: D

133. An entrepreneur into the hosiery business found out the reason his hosiery was not selling was due to its color. What could be the best source of this information?

- A. Supplier.
- B. Retailer.
- C. Competition.
- D. Government bureau.

ANSWER: B

134. Entrepreneurship can best be described as _____.

- A. a process that requires setting up a business.
- B. taking a significant risk in a business context.
- C. having a strong vision.
- D. a process involving innovation, new products or services, and value creation.

ANSWER: D

135. _____, which is included in the project cost, is estimated on the basis of the year when the enterprise breaks even.

- A. working capital
- B. cost of capital
- C. cost of production
- D. cost of equity

ANSWER: A

136. The minimum amount of _____, irrespective of such private participation, could be specified at a minimum 17.5 per cent of project costs by lending institutions.

- A. bank loans
- B. promoters contribution
- C. fixed capital
- D. working capital

ANSWER: B

137. _____ set up for the purpose of financing, facilitating,

and promoting foreign trade of India.

- A. Repco bank
- B. SBI
- C. EXIM bank
- D. HDFC

ANSWER: C

138. Which of the following is not considered to be a characteristic of a project?

- A. An established objective
- B. Complex tasks
- C. A clear beginning and end
- D. Only for internal use

ANSWER: D

139. Project management is ideally suited for a business environment requiring all of the following except _____.

- A. Flexibility
- B. Innovation
- C. speed
- D. Repetability

ANSWER: D

140. Integration of project management with the organization takes place with the _____.

- A. master budget
- B. strategic plan
- C. Process of managing actual projects
- D. both b and c

ANSWER: D

CMATking I&E Test: 10 Questions

141. The content of the final report typically includes the following topics _____.

- A. Executive summary
- B. review and analysis
- C. recommendations
- D. If all the above are correct.

ANSWER: D

142. Project mission and objectives, procedures and systems used, and organization resources used typically appear in the _____ section of the final project report.

- A. Analysis
- B. Recommendation
- C. lessons learned
- D. financial feasibility

ANSWER: A

143. what are the components of the project report _____.

- A. requirement of funds
- B. location
- C. manpower
- D. all the above

ANSWER: D

144. market potential of the project report includes _____.

- A. demand and supply conditions
- B. market strategy
- C. after-sales service
- D. all the above

ANSWER: D

145. Every entrepreneur should draw an _____ for his project to ensure the timely completion of all activities involved in setting up an enterprise.

- A. cost structure
- B. implementation plan
- C. market structure
- D. production structure

ANSWER: B

146. _____ describes the direction, the enterprise is going in, what its goals are, where it wants to be, and how it is going to get there.

- A. project report
- B. technical analysis
- C. market analysis
- D. financial analysis

ANSWER: A

147. Today, many companies are using managerial techniques that are designed to encourage _____.

- A. increasing profits
- B. legal compliances
- C. Ethical behaviour
- D. shareholders value

ANSWER: C

148. Entrepreneurial development is the key to achieve all-round _____ through acceleration of industrial and entrepreneurial activities.

- A. increase in profits
- B. economic development
- C. shareholders value
- D. business development

ANSWER: B

149. SWOT Analysis is a _____ tool

- A. Conceptual
- B. Modern
- C. Scientific
- D. Traditional

ANSWER: A

150. NABARD is a Bank for _____ development

- A. Urban
- B. Agricultural and Rural
- C. Scientific
- D. Agriculture and research

ANSWER: B

CMATking I&E Test: CMAT 2021 (I)

Question 101

Some one legally appointed to sell off the assets of a bankrupt firm is called

- A An Auctioneer
- B A Liquidator
- C A Terminator
- D An advocate

Answer: B

Question 102

Mixed Economy refers to

- A Coexistence of small and large industries
- B Coexistence of agriculture and industry
- C Coexistence of public and private sector

D Coexistence of domestic and foreign enterprises

Answer: C

Question 103

The term bootstrapping is often associated with

- A Start-ups
- B Venture Capital Funds
- C Financial institutions
- D Non-Financial Institutions

Answer: A

Question 104

Ru Pay has been launched by

- A National Securities Depository Limited
- B National Payments Corporation of India
- C Central Depository Services Limited
- D Reserve Bank of India

Answer: B

Question 105

A startup defined as an entity that is headquartered in India, which was opened less than 10 years ago, and has an annual turn over less than

- A Rs. 10 crore
- B Rs. 100 crore
- C Rs. 50 crore
- D Rs. 1 crore

Answer: B

Question 106

Who has launched the UPI-based payments app in the country by the name of 'Tez'?

- A IBM
- B Google
- C Microsoft
- D TCS

Answer: B

Question 107

"a marketable product" signifies:

- A A product that appeals to buyers and sell at a certain price range to generate profit
- B A product that appeals to investors and help them get their money back
- C A product whose market value is increasing continuously and becoming difficult for buyers to buy the same
- D A product that is appreciated by the media houses and earn revenue from advertisements

Answer: A

Question 108

The phrase "and few are worth the paper they are printed on" as exists in the above passage means

- A The ideas are good
- B Hardly any idea is good
- C Some ideas are good
- D The few ideas that are good can get others to invest in it

Answer: B

Question 109

"Exit strategies", as mentioned in the passage, signifies:

- A An entrepreneur's strategic plan to sell his or her ownership in a company to investors or another company
B An entrepreneur's strategic plan to execute the daily plan for his/her business
C An entrepreneur's strategic plan to conduct exit interviews for employees who plan to leave
D An entrepreneur's strategic plan to analyse market and exit from one product to another

Answer: A

Question 110

According to the passage which are the essential ingredients for developing a business idea?

- A Identify market but hide the idea from others
B Consult widely. Share your ideas with entrepreneurs. Identify markets
C Always share your ideas and go for joint ventures
D Always speak to your investors first even before you develop your idea

Answer: B

Question 111

According to the given passage which of the following is NOT a correct statement?

- A Ethics need to be carefully sewn into the fabric of any start-up
B Share your ideas with those who have done it before
C It also shows that the phenomenon is heterogeneous
D In other words, funding comes just when you do not need it

Answer: C

Question 112

A. It is hard for even the best venture capitalists to identify the potential successes.

B. Focus on validating your idea and building it up.

A According to the above passage, both A and B are true

B According to the above passage, both A and B are false

C According to the above passage A is true and B is false

D According to the above passage B is true and A is false

Answer: A

Question 113

What are the two business ideas that are shared in the passage as examples?

A Starting a school and creating a web portal for selling grocery

B Starting a clothing store and creating a web portal for household services

C Starting a hospital and manufacturing a product

D Starting a restaurant and creating a software product

Answer: D

Question 114

Which of the following statements is true as per the given passage?

A Investors always respond promptly to funding applications

B Venture Capitalist is a sure source of funding for new businesses

C Ethics need to be carefully sewn into the fabric of any start-up

D The process of obtaining funding will proceed at a fast pace

Answer: C

Question 115

Which of the following advices are given by the writer in this passage?

A Make sure that you have enough money before you start your business

B Make sure you have secured an educational degree before you start your business

C Make sure that there is a real need for your product. Start small

D Make sure that you have approached an angel investor before you start your business

Answer: C

Question 116

The legal term for brand is :

A Patent

B Licence

C Trademark

D None of the above

Answer: C

Question 117

Entrepreneurs are risk

A Averse

B Haters

C Takers

D Lovers

Answer: C

Question 118

Entrepreneurial intent is linked to:

A Personality traits and the likelihood that an individual would set up a new venture

B High rewards and low risks

C Tapping opportunities and seeking recognition

D Managing resources and family context

Answer: A

Question 119

What type of financing do "Angel investors" usually provide?

A Debt

B Equity

C Stock sales

D None of the above

Answer: B

Question 120

Market segments should comprise of customers who:

A Share similarities

B Do not share similarities

C Have bought the product/service previously

D Have not bought the product/service previously

Answer: A

Question 121

The conclusion part of the business plan will identify the

A Feasibility of the business.

B Market description

C Administrative aspects of the business

D Business suppliers

Answer: A

Question 122

The idea and actions that explain how an entrepreneur will make his/her venture profitable and impactful is commonly referred to as

A Mission

B Goal
C Strategy
D Objective
Answer: C

Question 123
Among the barriers to entering an industry are:
A Patents
B Switching costs
C Status symbols
D All of the above
Answer: A

Question 124
Team members need a:
A Similar set of competencies
B Identical competencies
C Diverse set of competencies
D Unusual set of competencies
Answer: C

Question 125
A word, symbol, name, or device that a business uses to identify its goods and distinguish itself from others is called a
A Trade Mark
B Brand
C Asset
D Trade Secret
Answer: A

CMATking I&E Test: CMAT 2021 (2)

Question 101
What is the title of the Authorised Biography of J.R.D. TATA?
A My Times: An Autobiography
B Beyond the Last Blue Mountain
C Ace Against Odds
D Wings of Fire
Answer: B

Question 102
The process of gathering information about market or socio-economic trends is called
A Need for achievement
B Tenacity
C Neuroticism
D Environmental Scanning
Answer: D

Question 103
India's first live Payments Bank was launched by
A Aditya Birla Idea
B Cholamandalam
C Bharti Airtel
D Paytm
Answer: C

Question 104
Which one of the following Ministry publishes the Economic Survey of India?
A Ministry of Finance
B Ministry of External Affairs
C Ministry of Commerce and Industry

D Ministry of Statistics and Programme Implementation
Answer: A

Question 105
Which city is ranked as one of the world's five fastest growing startup cities?
A Cochin
B Ahmedabad
C Bangalore
D Nagpur
Answer: C

Question 106
Which country is No 1 in ease of doing business from last four years from 2017?
A Canada
B Norway
C United States
D New Zealand
Answer: D

Question 107
Once a minority-owned business is established, self-help networks contribute which of the following to that business?
A Information regarding possible expansion of the business into nearby communities
B Encouragement of a business climate that is nearly free of direct competition
C Opportunities for the business owner to reinvest profits in other minority-owned businesses
D Contact with people who are likely to be customers of the new business
Answer: D

Question 108
The passage best supports which of the following statements?
A A minority entrepreneur who had no assistance from family members would not be able to start a business
B Self-help networks have been effective in helping entrepreneurs primarily in the last 50 years
C Minority groups have developed a range of alternatives to standard financing of business ventures
D Successful minority-owned businesses succeed primarily because of the personal strengths of their founders
Answer: C

Question 109
The passage claims that small-scale individual entrepreneurs
A Actually avoid banks because they assume that commercial institutions charge unreasonably high interest rates
B Rushes to banks and other financial institutions for loan
C Avoid National Banks but believe in the private ones
D Never uses own savings for entrepreneurship and depends on Govt. loan
Answer: A

Question 110
Which of the following shows the working of a self-help support network, as it is described in the passage?
A A public high school offers courses in book-keeping and accounting as part of its open enrollment adult education program
B The local government in a small city sets up a program that helps teen-agers find summer jobs

C A neighborhood-based fraternal organization develops a program of on-the-job training for its members and their friends
D A community college offers country residents training programs that can lead to certification in a variety of technical
Answer: C

Question 111

According to the passage the sociological analysis contends that development
B Minority business ownership is not a group-level phenomenon, in that it is largely dependent upon social-group resources for its development
C Minority business ownership is an individual phenomenon, in that it is not dependent upon social-group resources for its development
D Minority business ownership is an individual phenomenon, in that it is independent of social-group resources for its development
Answer: A

Question 112

Which of the following can be inferred from the passage about the Irish building and loan associations?
A They were started by third- or fourth-generation immigrants
B They originated as offshoots of church-related groups
C They frequently helped Irish entrepreneurs to finance business not connected with construction
D They contributed to the employment of many Irish construction workers
Answer: D

Question 113

Based on the information in the passage, it would be LEAST likely for which of the following persons to be part of a self-help network?
A The entrepreneur's childhood friend
B The entrepreneur's aunt
C The entrepreneur's religious leader
D The entrepreneur's banker
Answer: D

Question 114

Which of the following statement is NOT correct as per the above passage?
A A major function of self-help networks is financial support
B Within the larger ethnic community, rotating credit associations have been used to raise capital
C This analysis indicates that support networks play a critical role in starting and maintaining minority business enterprises by providing owners with a range of assistance
D When you need venture funding no one will give any money until you already have a marketable product; in other words, funding comes just when you don't need it
Minority business ownership is a group-level phenomenon, in that it is largely dependent upon social-group resources for its A
Answer: D

Question 115

According to the passage that traditional analyses of minority business would be LEAST likely to do which of the following?
A Examine businesses primarily in their social contexts
B Focus on current, rather than historical, examples of business enterprises

C Focus on the maintenance of businesses, rather than means of starting them
D Focus on the role of individual entrepreneurs in starting a business
Answer: A

Question 116

A business where an individual is both the owner and conductor of the business affairs is called
A Proprietorship Firms
B Partnership Firms
C Private Limited Company
D None of the above
Answer: A

Question 117

A recently registered enterprise started first time the business of online food delivery services using drones in its locality. This type of business can be an example of
A A new enterprise based on new business concept
B An existing enterprise based on existing business concept
C A New enterprise based on existing business concept
D Existing Enterprise based on new business concept
Answer: A

Question 118

Which of the following is not one of the traits of an entrepreneur?
A Opportunity Exploration
B Perseverance
C External locus of control
D Risk Taking
Answer: C

Question 119

The executive summary of business plan should be prepared
A Before writing the entire business plan
B To describe the proposed business in detail
C So that it is at least 10 pages in length
D After you have written the entire business plan
Answer: D

Question 120

Which of the following describes a mission statement of start up?
A It describes the viability of the business
B It provides direction and purpose for the start up
C It should be written as the first step in developing a business plan
D All of the above
Answer: B

Question 121

At the early stage of start-up, entrepreneurs often focus on sales, but then discover that they need to equally focus on
A Overtrading
B Outsourcing
C Managing Cash flow
D Taking loan
Answer: C

Question 122

_____ grants the holder the right to exclude others from making, selling, using or offering for sale or importing the invention.
A Trademark

B Patent
C Copy
D Trade secret
Answer: B

Question 123
Innovation management involves managing
A People
B Ideas
C Information
D All of the above
Answer: D

Question 124
The ————— plan shows whether the business is economically feasible or not.
A Human Resource
B Business
C Economic
D Operational
Answer: B

Question 125
Which of the following is NOT included in the financial section of a business plan?
A Projected income statements
B Break-even point
C Start-up costs
D None of the above
Answer: D

CMAT 2022 Questions

Question ID:- 563
The five phases of the entrepreneurial process are: Options:-
. Opportunity evaluation, planning, idea generation, growth, company formation/launch , Option ID :- 2249,
. Idea generation, growth, opportunity evaluation, planning, company formation/launch , Option ID :- 2250,
. Idea generation, growth, company formation/launch, opportunity evaluation, planning , Option ID :- 2251,
. Idea generation, opportunity evaluation, planning, company formation/launch, growth , Option ID :- 2252,
Answer Given:- Idea generation, opportunity evaluation, planning, company formation/launch, growth , Option ID :- 2252

Question ID:- 555
An entrepreneur can get a lot of quality information about competitors from _____. Options:-
. Company reports and published accounts , Option ID :- 2217,
. Product information leaflets , Option ID :- 2218,
. Websites , Option ID :- 2219,
. All the above , Option ID :- 2220,
Answer Given:- All the above , Option ID :- 2220

Question ID:- 565
Sequoia capital is a/an: Options:-
. Angel investor, Option ID :- 2257,
. Venture capital firm, Option ID :- 2258,
. Fintech Start-up, Option ID :- 2259,
. None of the above, Option ID :- 2260,
Answer Given:- Venture capital firm, Option ID :- 2258

Question ID:- 562
'Shishu', 'Kishore' and 'Tarun' are the three products created by _____ to signify the stage of growth/development and funding needs of the beneficiary micro unit/entrepreneur and also provide a reference point for the next phase of graduation/growth.. Options:-
. MUDRA Yojana, Option ID :- 2245,
. Jan Dhan Yojana, Option ID :- 2246,
. Ayushman Bharat Yojana, Option ID :- 2247,
. None of the above, Option ID :- 2248,
Answer Given:- MUDRA Yojana, Option ID :- 2245

Question ID:- 550
Match List I with List II.
List I (Profession) List II (Task/Outcome)
(A) Entrepreneur (i) Utility Maximization
(B) Manager (ii) Get the work done
(C) Retailer (iii) Calculated Risk taking
(D) Customer (iv) Value Addition
Choose the correct answer from the options given below:
Options:-
. (A)-(iii), (B)-(ii), (C)-(iv), (D)-(i) , Option ID :- 2197,
. (A)-(ii), (B)-(iii), (C)-(iv), (D)-(i) , Option ID :- 2198,
. (A)-(iv), (B)-(ii), (C)-(i), (D)-(iii) , Option ID :- 2199,
. (A)-(iii), (B)-(ii), (C)-(i), (D)-(iv) , Option ID :- 2200,
Answer Given:- (A)-(iii), (B)-(ii), (C)-(iv), (D)-(i) , Option ID :- 2197

Question ID:- 549
Please select the most appropriate reason for the government's increasing role in business globally. Options:-
. Costs of production have continued to increase, Option ID:- 2193,
. People's attitudes have changed, Option ID :- 2194,
. Products have become very technical, Option ID :- 2195,
. Competition in the marketplace has changed, Option ID :- 2196,
Answer Given:- People's attitudes have changed, Option ID :- 2194

Question ID:- 553
Shruti wants to start a small floral shop. As a part of her business plan, he prepared an "entertaining MS PowerPoint Presentation" to garner interest among potential investors and trigger discussion. This format of business plan is known as. Options:-
. Business Talk , Option ID :- 2209,
. Business Plan , Option ID :- 2210,
. Pitch deck , Option ID :- 2211,
. Presentation , Option ID :- 2212,
Answer Given:- Pitch deck , Option ID :- 2211

Question ID:- 551
A professional or manager who takes a new initiative for his/her organisation and establish a new distinct business unit for the same organisation can appropriately be referred as: Options:-
. Business Leader, Option ID :- 2201,
. Industrialist, Option ID :- 2202,
. Entrepreneur, Option ID :- 2203,
. Intrapreneur, Option ID :- 2204,
Answer Given:- Intrapreneur, Option ID :- 2204

Question ID:- 567
Given below are two statements:
Statement I : Ideas should not be examined for their real life use and application.

Statement II : Business opportunity can be described as an economic idea that can be implemented to create business enterprises and earn profits. In light of the above statements, choose the correct answer from the options given below.

Options:-

- . Both Statement I and Statement II are true, Option ID :-2265,
- . Both Statement I and Statement II are false, Option ID :-2266,
- . Statement I is true but Statement II is false, Option ID :-2267,
- . Statement I is false but Statement II is true, Option ID :-2268,

Answer Given:- Statement I is false but Statement II is true, Option ID : -2268

Question ID:- 566

Given below are two statements:

Statement I : 'Diversification' means adding new lines of business.

Statement II : Differentiation means creating specialized products that gain competitive advantage with a particular segment of the market.

In light of the above statements, choose the correct answer from the options given below

Options:-

- . Both Statement I and Statement II are true, Option ID :-2261,
- . Both Statement I and Statement II are false, Option ID :-2262,
- . Statement I is true but Statement II is false, Option ID :-2263,
- . Statement I is false but Statement II is true, Option ID :-2264,

Answer Given:- Statement I is true but Statement II is false, Option ID : -2263

Question ID:- 552

According to Schumpeter, which of the following is the primary function of a new age entrepreneur. Options:-

- . Creativity, Option ID :- 2205,
- . Innovation, Option ID :- 2206,
- . Invention, Option ID :- 2207,
- . Skill, Option ID :- 2208,

Answer Given:- Innovation, Option ID : -2206

Question ID:- 564

Founders translate company ideas into business model hypotheses, test assumptions about customers' needs, and then create a _____ to try out their proposed solution on customers. Options:-

- . Beta version, Option ID :- 2253,
- . Brand, Option ID :- 2254,
- . Minimum viable product, Option ID :- 2255,
- . Service, Option ID :- 2256,

Answer Given:- Minimum viable product, Option ID : -2255

Question ID:- 568

Match List I with List II.

- | | |
|---------------|---------------------------------|
| (A) Raymond | (i) A gift for someone you love |
| (B) Weekender | (ii) The complete man |
| (C) Amul | (iii) I'm loving it |
| (D) McDonald | (iv) Wear your attitude |

Choose the correct answer from the options given below:

Options:-

- . (A)-(i), (B)-(iv), (C)-(iii), (D)-(ii) , Option ID :- 2269,
- . (A)-(iii), (B)-(i), (C)-(iv), (D)-(ii) , Option ID :- 2270,
- . (A)-(ii), (B)-(i), (C)-(iv), (D)-(iii) , Option ID :- 2271,
- . (A)-(ii), (B)-(iv), (C)-(i), (D)-(iii) , Option ID :- 2272,

Answer Given:- (A)-(ii), (B)-(iv), (C)-(i), (D)-(iii) , Option ID : -2272

Question ID:- 554

Which one of the following factors is not relevant for judging the adequacy of market? Options:-

- . Total Present Domestic Market, Option ID :- 2213,
- . Competitors and their market shares, Option ID :- 2214,
- . Export Market, Option ID :- 2215,
- . Labour Market, Option ID :- 2216,

Answer Given:- Labour Market, Option ID : -2216

Question ID:- 558

Document that projects the income, expenses, and profits of a business over a multi-year period

Options:-

- . Technical Plan, Option ID :- 2229,
- . Marketing Plan, Option ID :- 2230,
- . Financial Plan, Option ID :- 2231,
- . Management Plan, Option ID :- 2232,

Answer Given:- Financial Plan, Option ID : -2231

Question ID:- 561

ATAL Innovation Mission aims to create and promote culture of: Options:-

- . Innovation & energy conservation, Option ID :- 2241,
- . Innovation & Entrepreneurship, Option ID :- 2242,
- . Entrepreneurship & energy conservation, Option ID :-2243,
- . Strategy and Entrepreneurship, Option ID :- 2244,

Answer Given:- Innovation & Entrepreneurship, Option ID :-2242

Question ID:- 559

Which of the following terms appropriately refers to the attractive idea that an entrepreneur invests in?

Options:-

- . Opportunity, Option ID :- 2233,
- . Possibility, Option ID :- 2234,
- . Business, Option ID :- 2235,
- . Notion, Option ID :- 2236,

Answer Given:- Opportunity, Option ID : -2233

Question ID:- 556

Having more than one customer segment: Options:-

- . Can never be beneficial as this makes an entrepreneur lose focus , Option ID :- 2221,
- . Can never be beneficial as it brings in undesired complexity , Option ID :- 2222,
- . Can be beneficial as it helps maintain consistent business throughout the year , Option ID :- 2223,
- . Can be beneficial as it helps reduce costs , Option ID :-2224,

Answer Given:- Can be beneficial as it helps reduce costs , Option ID : -2224

Question ID:- 560

Match List I with List II.

- | | |
|------------------------|----------------------|
| (A) OYO Rooms | (i) Vineeta Singh |
| (B) Sugar Cosmetics | (ii) Warren Buffet |
| (C) Berkshire Hathaway | (iii) Peeyush Bansal |
| (D) Lenskart | (iv) Ritesh Agarwal |

Choose the correct answer from the options given below: Options:-

- . (A)-(ii), (B)-(iii), (C)-(iv), (D)-(i) , Option ID :- 2237,
- . (A)-(iv), (B)-(ii), (C)-(i), (D)-(iii) , Option ID :- 2238,
- . (A)-(iv), (B)-(i), (C)-(ii), (D)-(iii) , Option ID :- 2239,
- . (A)-(i), (B)-(ii), (C)-(iii), (D)-(iv) , Option ID :- 2240,

Answer Given:- (A)-(iv), (B)-(i), (C)-(ii), (D)-(iii) , Option ID : -2239

Question ID:- 557

Please provide the full form for CGTMSE, a scheme meant for
Micro and Small Enterprises

Options:-

.Credit Guarantee Trust for Micro and Small Enterprises, Option ID
:- 2225,

. Credit Guarantee Fund Trust for Micro and Small Enterprises,
Option ID :- 2226,

. Credit Guarantee Fund towards Micro and Small Enterprises,
Option ID :- 2227,

. Collateral Guarantee Trust for Micro and Small Enterprises,
Option ID :- 2228,

Answer Given:- Credit Guarantee Trust for Micro and
Small Enterprises, Option ID : -222