



MORE QUESTIONS SOLVED

I. Very Short Answer Type Questions [1 MARK]

Question 1. Name the person who firstly introduced the term 'Entrepreneur'.

Answer: Richard Cantillon.

Question 2. What do you mean by entrepreneurship?

Answer: Entrepreneurship involves any deliberate activity that initiates, maintains and grows a profit-oriented enterprise for production or distribution of economic goods or services.

Question 3. How has Richard Cantillon defined the term 'entrepreneur'?

Answer: According to Richard Cantillon: As a person, who pays a certain price to a product to resell it at an uncertain price, thereby making decisions about obtaining and using the resources while consequently admitting the risk of enterprise.

Question 4. How has Adam Smith defined the term 'entrepreneur'?

Answer: According to Adam Smith, "An individual, who undertakes the formation of an organization for commercial purposes by recognizing the potential demand for goods and services, and thereby acts as an economic agent and transforms demand into supply."

Question 5. How has Joseph Schumpeter defined the term 'entrepreneur'?

Answer: According to Joseph Schumpeter "Entrepreneurs are innovators, who use the process of entrepreneurship to shatter the status quo of the existing products and services, to set new products, new services. He describes entrepreneurs as innovators.

Question 6. How Peter F. Drucker has defined the term 'entrepreneur'?

Answer: According to Peter F. Drucker, "An entrepreneur is one who always searches for changes, responds to it and exploits it as an opportunity. He believes in increasing the value and consumer satisfaction. Thus, a professional manager who mobilises resources and allocates them to make a commercial gain from an opportunity, is also called an entrepreneur."

Question 7. Name some product based business ventures.

Answer: Some product based business ventures - manufacturing of cars, production of dress material, watches etc. .

Question 8. Name some idea-centric and need-based companies mushrooming all over the countries.

Answer: Mumbai's Dabbahwalaah, creches, ready to eat food, instant noodles are the examples of idea-centric and need-based companies.

Question 9. Who plays the role of an entrepreneur in a capitalist and developed country?

Answer: In capitalist and developed countries, private entrepreneurs play an important role in economic development.

Question 10. Who plays the role of an entrepreneur in India?

Answer: In India, private entrepreneurs as well as government plays an important role of an entrepreneur.

Question 11. "The key to success in business is only inheritance". Do you agree? Give reasons.

Answer: No, I don't agree because the key to success in business is not just inheritance; it is creation of more wealth and the constant innovation, from the prevailing to the next best practices.

Question 12. Why private entrepreneurship is not encouraged in under-developed countries?

Answer: In under-developed countries, private entrepreneurship is not encouraged because of the degree of risk involved in it.

Question 13. What changes were introduced in 1991 to encourage private entrepreneurship in India?

Answer: To encourage private entrepreneurs in India, Indian government has introduced liberal economic policies since 1991.

Question 14. Name the entrepreneur who introduced the logo given below and state the idea behind the same.



ELEPHANT POO PAPER...
*Made using only the finest dung
available in India*

Answer: Mahima Mehra started Hathi Chaap. It was totally a new venture where different raw materials were tried out to make handmade paper. After researching a lot, they found that elephant dung had more fibre content which made it easy to make handmade paper.

Question 15. Name various other products produced using elephant dung.

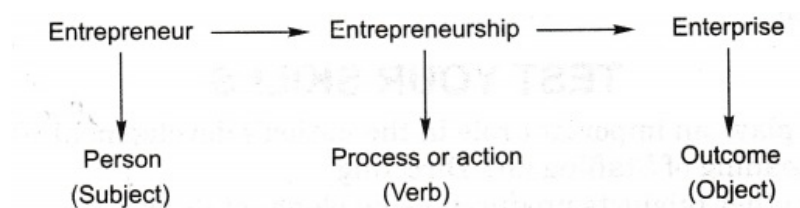
Answer: Various products made using elephant dung are as follows:

- (i) Bags
- (ii) Frames
- (iii) Photo Albums
- (iv) Notebooks
- (v) Stationery
- (vi) Cards

II. Short Answer Type Questions [2&3 Marks]

Question 1. Explain the concept of an entrepreneurship with the help of a diagram.

Answer: The Concept of Entrepreneurship



Entrepreneur is an individual person or a group of persons who take initiative, skill for innovation and bears risk, puts up new viable project that creates wealth and provides employment opportunity and leads to growth of all sectors of an economy. He/she performs various activities by adopting a process of action called entrepreneurship and carries out creative innovation for fulfilling his objectives. Hence, the process/steps of entrepreneurship is creative, innovative and objective-oriented. Entrepreneur is one who provides factor of production responsible for setting up a business/enterprise. As the fourth factor he organises, manages, utilises and control all factors of production (resources) like land, labour, capital, raw-materials machinery, energy and space. Enterprise is an organisation of structure, rules policies, culture and communication system.

Question 2. Match the entrepreneur and his/her enterprise from the following table given below:

Enterprise	Entrepreneur
1. Wipro	A Ambani
2. Credit Card	B Sunil Mittal
3. Nirma	C Azimji Premji
4. Reliance	D Aditya Puri
5. HCL Technologies	E Shiv Nadar
6. Bharti	F Karsan Bhai Patel
7. Café Coffee Day	G V.G Siddhartha
8. Amul	H Kiran Mazumdar Shaw
9. Biocon Industries	I G.R. Gopinath
10. Air Deccan	J Varghese Kurien

Answer:

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Question 3. How an enterprise gives benefit to society, country and an entrepreneur?

Answer:

- Entrepreneur will be able to produce goods and services and able to earn maximum profit.
- Entrepreneur provides goods and services and creates employment opportunities benefiting to society.
- He contributes to national income, leads to growth of other sectors, more exports by that increase in the foreign exchange and also responsible for over-all economic development.

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