

unit - Test - 03

Write a short note on technical & financial feasibility study.  
Define Entrepreneur & functions of Entrepreneur.

① Functions of Entrepreneur,

① Planning of the project

② Management.

③ To face the risks.

④ Distribution of rewards.

⑤ Sale of products

⑥ Scale of production.

⑦ Joint stock organization.

Entrepreneur: Entrepreneur is a person who has the risk of establishing enterprise. The person who establishes the enterprise and, entrepreneur bears the risk of operating organization, introduces something new to the market. He plays major role in economical development of the country.

Planning of the project: Entrepreneur has to ~~plan~~ <sup>plan</sup> the project and explain to others, & convince the idea of project.

Management: Entrepreneur also has to take care of management.

To face risks: Entrepreneur bears the risks of uncertainty, also faces the risk of new dealers entering into the market.

Distribution of rewards: On the success of project entrepreneur distributes rewards in the form of rent, wages, etc. and in failure takes the risk.

Sale of products: ~~Entrepreneur~~ Entrepreneur also has the responsibility about sales, and thinks to get high sales ~~in~~ by placing product in the market.

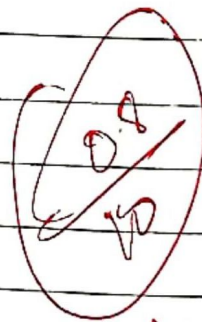
Scale of production: Entrepreneur plans the production by means of the Capital, and knows when and where, how to produce goods.

Joint stock organization: Board of directors,

Financial feasibility study: It is important, whether the proposed project is under the financial limits, whether the proposed project ~~is~~ satisfies the need of those who provide Capital.

- ① Current financial risk,
- ② Sale of products,
- ③ Import and export,
- ④ Cost of production,
- ⑤ Means of financing
- ⑥ Project profitability.
- ⑦ Break Even point
- ⑧ Level of risk,

Technical feasibility study:



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