

MGT 601- SMEs Management MCQ For Final Term Preparation

Technological obsolescence, low capacity utilization, non-availability of spares and poor machinery maintenance are the postoperative problems that can be emerged in which of the following areas?

Select correct option:

Production

Capital

Customer

Sale

How the large and small sectors are interlinked?

Select correct option:

By fostering changes

By subcontracting

By sharing risk

By serving the same market

Which of the following national institute had conducted a survey about the development of SME in Pakistan with the collaboration of United Nations Industrial Development Organization (UNIDO)?

Select correct option:

Lahore Chamber of Commerce

SME Bank

Ministry of Trade

SMEDA

How many years ago the first piece of writing about the small business was discovered?

Select correct option:

3000 years

3500 years

4000 years

4500 years

Which of the following titles represents the United Kingdom model for the development and improvement of SME sector?

Select correct option:

Protect Small First

Think Small First

Develop Small First

Design Small First

According to a research conducted by SMEDA and UNIDO, what is the percentage of large firms that avails the facility of loan from banks and other financial institutions?

Select correct option:

67%

80%

75%

83%

Question # 10 of 15 (Start time: 04:02:17 PM) Total Marks: 1

Which one of the following is NOT used as parameters to declare a business as a small business?

Select correct option:

Share in the economy

Resources control

Capacity of production

All of the given options

What is the percentage of those entrepreneurs whose get formal college education, according to survey conducted by world bank?

Select correct option:

10%

30%

60%

80%

What was the mean age of an enterprise in Pakistan if the mean age of an entrepreneur is 42 years, according to a survey conducted by World Bank?

Select correct option:

14 Years

16 Years

18 Years

None of the given option

How many major changes an entrepreneur of a small business can bring in the industry?

Select correct option:

3

4

5

6

Which of the following can be assessed by cash flow statement?

Select correct option:

Amount required for depreciation

Withdrawal of amount for personal use

Generation of positive cash flows

Need of cash for procurements

What is the average mean age of entrepreneur of Pakistan according to a survey conducted by World Bank?

Select correct option:

40 Years

43 Years

45 Years

None of the given options

Which of the following topic/s has/have pivoted importance for short to medium term issues?

Select correct option:

Delivery of Assistance and Access to Resources

Business Environment

Monitoring Developments

All of the given options

What kind of business transaction was reported in the first written material available on small business?

Select correct option:

Purchase of land for business

Loan from bank for business

Purchase of machinery for business

Purchase of machinery for business

Who is the secretary general of National Planning Committee (NPC) developed in 1938?

Select correct option:

MR. K.T. Shah

MR. K.Y. Shah

MR. K.S. Shah

MR. K.K. Shah

Which of the following year was considered as starting period of industrialization in Pakistan?

Select correct option:

1947

1950

1955

1960

Which of the following is an external source of information for new product idea?

Select correct option:

Analysis of concepts in the light of existing problems

Search of memories to find information related to the concept

Newspapers, trade journals, professional journals

Recombining the elements found in new and useful ways

Which of the following term is defined as: "The initial equity capital used to start a new venture or business"?

Select correct option:

Value Capital

Working Capital

Seed Capital

Gross Capital

What kind of management level training is required for SME a sector that is **not** provided by Pakistan institute of Management Sciences (PIMS)?

Select correct option:

Top Level Management

Middle Level Management

Low Level Management

Corporate Level Management

What was the outcome due to which the SME policy adopted by Pakistan in 1960 was rejected and was reverting to the Ayubian model of economic development?

Select correct option:

Inefficient labor

Political Instability

Society injustice

Technological revolution

Which of the following term is defined as: "The initial equity capital used to start a new venture or business"

Select correct option:

Venture Capital

Seed Money

Seed Capital

All of the given options

Which of the following is the MOST important parameter to declare a business as a small business?

Select correct option:

Number of workers

Share in the economy

Business turnover

Total assets

According to Gallup survey 2001, which of the following factor is responsible for the decline of export in Pakistan?

Select correct option:

Infrastructure

Law and order

Taxation

Literacy

UNIDO stands for:

Select correct option:

United Nation Industry and Development Organization

Universal Network Industry and Development Opportunity

United Nations Industrial Development Organization

Universal Network Institute of Development Opportunity

Which one of the following is NOT used as parameters to declare a business as a small business?

Select correct option:

Share in the economy

Resources control

Capacity of production

All of the given options

Which of the following titles represents the United Kingdom model for the development and improvement of SME sector?

Select correct option:

Protect Small First

Think Small First

Develop Small First

Design Small First

What kind of resource utilized by small business as compare to large business?

Select correct option:

Primary Resources

Secondary Resources

Macro Resources

Surplus Resources

In technical feasibility, you can identify all of the following critical technical specifications EXCEPT:

Select correct option:

Durability

Reliability of performance

Safety

Sales volume and profitability

How many industrial estates were developed by Punjab Small Industries Corporation (PSIC)? (as per survey 2001)

Select correct option:

10

14

18

22

Which of the following can be abbreviated as ILO?

Select correct option:

International Labour Order

Industrial Legal Order

Industrial Labour Order

International Labor Organization

How many SMEs are the members of business associations?

Select correct option:

50%

52%

54%

56%

IMF stands for:

Select correct option:

International Monetary Forecast

International Monetary Finance

International Monetary Fund

International Monopoly Function

Which of the following enlists the 12 common barriers in the path of entrepreneurship?
Select correct option:

Vesper

Weber

Wilson

Vickie

Due to lack of experience, an entrepreneur may face all of the following post operative problems EXCEPT:

Select correct option:

Unfamiliarity in product or services line

Control over sales force

Inappropriate marketing strategy

High production costs

According to Viet Nam a business is said to be a small business if capital involved is less than US \$ 0.4 million and number of employees are .

Select correct option:

Less than 10

Less than 50

Less than 150

Less than 200

EPB stands for:

Select correct option:

Employee Promotion Bureau

Export Producing Benefits

Employee Pension Benefits

Export Promotion Bureau

In which year Small & Medium Development Authority (SMEDA) was established?

Select correct option:

July, 1994

August, 1988

October, 1998

December, 2001

What kind of resource utilized by small business as compare to large business?

Select correct option:

Primary Resources

Secondary Resources

Macro Resources

Surplus Resources

Which of the following is NOT a financial institution developed to promote SME in Pakistan?

Select correct option:

Small Business Fund Corporation (SBFC)

Youth Investment Promotion Scheme (YIPS)

Regional Development Finance Corporation (RDFC)

Industrialized Development Bank of Pakistan (IDBP)

Government of Pakistan, according to which "a business with employment size up to 250, paid up capital up to 25 million and annual sales up to 250 million is said to be small and medium business" coined the latest definition. In which year this definition has coined:

Select correct option:

SME Policy 2002

SME Policy 2004

SME Policy 2005

SME Policy 2007

Which of the following sector is most affected by poor electricity infrastructure and is not able to sustain?

Select correct option:

Micro Sector

Small Sector

Medium Sector

Large Sector

According to which country an industry will be a small industry if the number of employees is less than 10?

Select correct option:

USA

Russia

France

Japan

Question # 2 of 15 (Start time: 07:50:15 PM) Total Marks: 1

When National Planning Committee (NPC) was developed?

Select correct option:

1935

1936

1937

1938

Question # 1 of 15 (Start time: 07:48:47 PM) Total Marks: 1

The rate of interest charged for soft loan is at

Select correct option:

12%

Below market rate

Above market rate

Twice the market rate

Zero present rate

Question # 3 of 15 (Start time: 07:51:04 PM) Total Marks: 1

Which of the following term is defined as: "The initial equity capital used to start a new venture or business"

Select correct option:

Venture Capital

Seed Money

Seed Capital

All of the given options

Question # 4 of 15 (Start time: 07:52:12 PM) Total Marks: 1

Which model of SME was replicated in 1988?

Select correct option:

Indian Model of Economic Development

USA Model of Economic Development

Japanese Model of Economic Development

Ayubian Model of Economic Development

Question # 5 of 15 (Start time: 07:53:34 PM) Total Marks: 1

With which of the following ministries SMEDA is directly attached?

Select correct option:

Ministry of Commerce

Ministry of Economic Affairs & Statistics

Ministry of Industry and Production

Ministry of Planning & Development

Question # 6 of 15 (Start time: 07:55:00 PM) Total Marks: 1

Which of the following is the expressed form of PCSIR?

Select correct option:

Pakistan Centre of Systematic and Institutional Research

Pakistan Council for Scientific and Industrial Research

Pakistan Commission for Skill and Instructional Record

Pakistan Core Scientific Information Resources

Question # 8 of 15 (Start time: 07:57:15 PM) Total Marks: 1

How many industrial estates were developed by Punjab Small Industries Corporation

(PSIC)? (as per survey 2001)

Select correct option:

10

14

18

22

Question # 7 of 15 (Start time: 07:56:01 PM) Total Marks: 1

What is the percentage of those entrepreneurs whose get formal college education, according to survey conducted by world bank?

Select correct option:

10%

30%

60%

80%

Question # 9 of 15 (Start time: 07:58:10 PM) Total Marks: 1

Which of the following is the MOST important parameter to declare a business as a small business?

Select correct option:

Number of workers

Share in the economy

Business turnover

Total assets

Question # 10 of 15 (Start time: 07:59:34 PM) Total Marks: 1

In which city the head office of Regional Development Finance Corporation (RDFC) is located?

Select correct option:

Islamabad

Lahore

Karachi

Saikhkot

Question # 11 of 15 (Start time: 08:00:20 PM) Total Marks: 1

Which one of the following is the expressed form of BOI?

Select correct option

Board of Investment

Board of Investigation

Broad Opportunity of Investment

Bureau of Inquiry

Question # 12 of 15 (Start time: 08:00:47 PM) Total Marks: 1

To which category SME belongs if the number of employees is not more than 50, total assets up to 50 million and sales not exceeding Rs. 300 million.

Select correct option:

Manufacturing

Trading/Services

Industry

Exporting

Question # 13 of 15 (Start time: 08:02:07 PM) Total Marks: 1

What kind of link is occurred between small and business sectors IF some of all the material is procured by the small unit who manufactures a specific part needed by large company?

Select correct option

Merchandising

Purchase sub-contracting

Complementary products

Job sub-contracting

Question # 14 of 15 (Start time: 08:03:24 PM) Total Marks: 1

What is the percentage of new investment is generated by small and medium enterprises came from retained earning?

Select correct option:

40%

49%

57%

63%

Question # 15 of 15 (Start time: 08:04:30 PM) Total Marks: 1

What type of industry it will be if number of employees ranges from 36 to 99 and productive assets ranges from 20 to 40 million?

Select correct option:

Micro

Small

Medium

Macro

Question # 1 of 15 (Start time: 11:40:07 PM) Total Marks: 1

There are too many laws regarding labour force in Pakistan that causing problems for SME. It was proposed that existing labour legislation be simplified and rationalized into how many basic laws?

Select correct option:

Six

Ten

Fifteen

Twenty

Question # 2 of 15 (Start time: 11:40:41 PM) Total Marks: 1

When you submit an application for a loan, credential that introduces your business to the bank has a form called "Form-29". Under which condition you will provide this form to the bank.

Select correct option:

In case of Sole Proprietorship

In case of Private Limited Company

In case of Cooperation

In case of Partnership

Question # 3 of 15 (Start time: 11:41:11 PM) Total Marks: 1
Which of the following is NOT available in job description?
Select correct option:

Job content

Job environment

Abilities required

Conditions of employment

Question # 4 of 15 (Start time: 11:41:40 PM) Total Marks: 1
Which of the following problems is/are served as hurdle in the development of SMEs in Pakistan?
Select correct option:

56 Labours Laws

Labour Inspection

Exporter's Reservation regarding Labour

All of the given options

Question # 5 of 15 (Start time: 11:42:09 PM) Total Marks: 1

In which year "Environment Protection Ordinance" in Pakistan has been enacted.

Select correct option:

1993

1995

1997

1999

Question # 6 of 15 (Start time: 11:42:33 PM) Total Marks: 1

How the large and small sectors are interlinked?

Select correct option:

By foster changes

By risk sharing

By Merchandising

By serving the same marker

Question # 7 of 15 (Start time: 11:43:00 PM) Total Marks: 1

If a person is evaluated high on many traits because of a belief that the individual is high on one trait. This perception is affected by which of the following effects?

Select correct option:

Contrast

Dominance

Halo

Perceptual

Question # 8 of 15 (Start time: 11:43:27 PM) Total Marks: 1

All of the following are the problems that can be faced by an businessmen during the construction phase EXCEPT:

Select correct option:

Acquisition of land

Acquisition of machinery

Prospecting about marketing

Poor location

Question # 9 of 15 (Start time: 11:43:58 PM) Total Marks: 1

Which of the following term is defined as: "The initial equity capital used to start a new venture or business"?

Select correct option:

Value Capital

Working Capital

Seed Capital

Gross Capital

Question # 10 of 15 (Start time: 11:44:16 PM) Total Marks: 1

For what purposes the activity of performance appraisal is NOT done in an organization?

Select correct option:

To punish employee

To motivate employee

To evaluate employee

To give reward to employee

Question # 11 of 15 (Start time: 11:44:50 PM) Total Marks: 1

What is the maximum limit of loan that Punjab Small Industries Corporation (PSIC) can issue? (As per survey 2001)

Select correct option:

5 Lac

7.5 Lac

10 Lac

12.5 Lac

Question # 12 of 15 (Start time: 11:45:08 PM) Total Marks: 1

Is a business term means an extraordinary event or circumstance beyond the control entrepreneur such as war, strike, crime, flood, earthquake which prevents him from continuing the business.

Select correct option:

Force Majeure

Force Mortigue

Force Montague

Force Meringue

Question # 13 of 15 (Start time: 11:45:30 PM) Total Marks: 1

In recent years, how much per worker productivity of Pakistani labour force has decreased as compared to India.

Select correct option:

25%

30%

35%

40%

Question # 14 of 15 (Start time: 11:45:46 PM) Total Marks: 1

In which year first appropriate definition of small business was introduce by an Indian?

Select correct option:

1935

1940

1945

195

Question # 15 of 15 (Start time: 11:46:04 PM) Total Marks: 1

Which of the following is/are the result/s of implementation of Ayubian model of economic development during 1980s?

Select correct option:

Promotion of large-scale units

Expansion of large-scale enterprises

Large loans offered by financial institutions

All of the given options

Question # 1 of 15 (Start time: 10:37:50 AM) Total Marks: 1

What was the outcome due to which the SME policy adopted by Pakistan in 1960 was rejected and was reverting to the Ayubian model of economic development?

Select correct option:

Inefficient labor

Political Instability

Society injustice

Technological revolution

Question # 2 of 15 (Start time: 10:39:18 AM) Total Marks: 1

Which of the following can be assessed by cash flow statement?

Select correct option:

Amount required for depreciation

Withdrawal of amount for personal use

Generation of positive cash flows

Need of cash for procurement

Question # 3 of 15 (Start time: 10:40:50 AM) Total Marks: 1

In which year Small & Medium Development Authority (SMEDA) was established?

Select correct option:

July, 1994

August, 1988

October, 1998

December, 2001

Question # 4 of 15 (Start time: 10:41:17 AM) Total Marks: 1

How many labor laws that exist in Pakistan to control the labor issues?

Select correct option:

50

52

54

56

Question # 5 of 15 (Start time: 10:42:03 AM) Total Marks: 1

Which of the following is an expressed form of YIPS? Select correct option:

Youth Investment Promotion Scheme

Youth International Project Scheme

Youth Information Platform Sector

Youth Inclusive Program System

Question # 6 of 15 (Start time: 10:42:52 AM) Total Marks: 1

According to research conducted in MIT Harvard University, USA, following are the main objectives for a technology entrepreneur EXCEPT:

Select correct option:

Creating something novel and useful

Creditability

Building long-term value

Freedom

Question # 7 of 15 (Start time: 10:44:11 AM) Total Marks: 1

SME Stands for

Select correct option:

Self Managed Entrepreneur

Small Manageable Enterprise

Small and Medium Enterprise

Self Manageable Enterprise

Question # 9 of 15 (Start time: 10:46:10 AM) Total Marks: 1

All of the following are the components managed under "Operational Expenditure" heading during the preparation of Financial Requirement Statement EXCEPT:
Select correct option:

Material

Rent, Interest

Insurance, Taxes

Patents

Question # 10 of 15 (Start time: 10:47:16 AM) Total Marks: 1

The acronym UNDP stands for:
Select correct option:

United Nation Diagnostic Plan

United Nation Development Program

United Nation Dynamic Profit

United Nation Democratic Proposal

Question # 11 of 15 (Start time: 10:47:56 AM) Total Marks: 1

What kind of an entrepreneur will he/she be, IF he/she follows the old traditions, avoids risk taking and responds to change only in situations where it becomes necessary to do so?

Select correct option:

Innovative

Imitating

Fabian

Drone

Question # 12 of 15 (Start time: 10:49:32 AM) Total Marks: 1

Which of the following international organization conducted a survey regarding the salient features of entrepreneurs of Pakistan?

Select correct option:

World Bank

World Trade Organization

International Monetary Fund

UNO

Question # 13 of 15 (Start time: 10:50:46 AM) Total Marks: 1

Which of the following statement is important for an entrepreneur, provides information about the sources from which cash has been generated and how it has been spent during a specific period of time?

Select correct option:

Income Statement

Balance Sheet

Cash Flow Statement

Owner's Equity Statement

Question # 14 of 15 (Start time: 10:52:16 AM) Total Marks: 1

In recent years, how much per worker productivity of Pakistani labour force has decreased as compared to India.

Select correct option:

25%

30%

35%

40%

Question # 15 of 15 (Start time: 10:53:21 AM) Total Marks: 1

If you divide the SME industry into wholesale, retail, manufacture and service sectors, then the definition of SME will be based on which of the following?

Select correct option:

Financial Basis

Classification Basis

Man Power Basis

Asset Basis

Question # 1 of 15 (Start time: 10:03:43 AM) Total Marks: 1

What is the average mean age of entrepreneur of Korea according to a survey conducted by World Bank?

Select correct option:

40 Years

44 Years

48 Years

None of the given options

Question # 2 of 15 (Start time: 10:05:07 AM) Total Marks: 1

Which of the following is our major long-term issue in the development of SMEs?

Select correct option:

Education

Taxation

Finance

Labour

Question # 3 of 15 (Start time: 10:06:27 AM) Total Marks: 1

Which of the following term is defined as: "The initial equity capital used to start a new venture or business"?

Select correct option:

Value Capital Working

Capital

Seed Capital

Gross Capital

Question # 4 of 15 (Start time: 10:07:56 AM) Total Marks: 1

What is the percentage of new investment is generated by small and medium enterprises came from retained earning?

Select correct option:

40%

49%

57%

63%

Question # 5 of 15 (Start time: 10:09:00 AM) Total Marks: 1

Which of the following term is used for the head of board of directors of Punjab Small Industries Corporation (PSIC)?

Select correct option:

CEO of PSIC

Governor of Punjab

Chief Minister of Punjab

Minister of Planning and development, Punjab

Question # 6 of 15 (Start time: 10:09:34 AM) Total Marks: 1

The relationship between government and SME seems to be fundamentally flawed due to which of the following reason/s?

Select correct option:

Government under estimates potential of SME sector

Policy makers have preference towards large-scale industry

Implementation is not a continuous process

All of the given options

Question # 7 of 15 (Start time: 10:11:03 AM) Total Marks: 1

During which year Punjab Small Industries Corporation (PSIC) was established?

Select correct option:

1970

1972

1974

1976

Question # 8 of 15 (Start time: 10:11:41 AM) Total Marks: 1

Which of the following can be expressed as PITAC?

Select correct option:

Pakistan Industrial Technical Assistance Center

Pakistan Industrial Technological Aid Council

Pakistan Industrial Training Aid Commission

Pakistan Industrial Teaching Association Council

Question # 9 of 15 (Start time: 10:12:29 AM) Total Marks: 1

Following are the financial institutions developed to promote SME in Pakistan EXCEPT:

Select correct option:

Segmented Business Fund Corporation (SBFC)

Youth Investment Promotion Scheme (YIPS)

Regional Development Finance Corporation (RDFC)

Industrial Development Bank of Pakistan (IDBP)

Question # 10 of 15 (Start time: 10:13:21 AM) Total Marks: 1

Which of the following is the MOST important parameter to declare a business as a small business?

Select correct option:

Number of workers

Share in the economy

Business turnover

Total assets

Question # 11 of 15 (Start time: 10:13:51 AM) Total Marks: 1

What was the mean age of an enterprise in Pakistan if the mean age of an entrepreneur is 42 years, according to a survey conducted by World Bank?

Select correct option:

14 Years

16 Years

18 Years

None of the given options

Question # 12 of 15 (Start time: 10:15:16 AM) Total Marks: 1

In which year World Bank had conducted a survey in Pakistan about SMEs.

Select correct option:

2000

2001

2002

2003

Question # 13 of 15 (Start time: 10:16:43 AM) Total Marks: 1

Which of the following is true about today's global economy?

Select correct option:

Knowledge Based Economy

Industrial Based Economy

Economy of Socialism

Capital Economy

Question # 14 of 15 (Start time: 10:17:01 AM) Total Marks: 1

What is the debt equity ratio for loan up to Rs. 7.5 Lac in Punjab Small Industries Corporation (PSIC)? (as per survey 2001)

Select correct option:

80:20

70:30

60:40

50:50

Question # 15 of 15 (Start time: 10:17:50 AM) Total Marks: 1

How the large and small sectors are interlinked?

Select correct option:

By fostering changes

By subcontracting

By sharing risk

By serving the same market

Question No: 1 (Marks: 1) - Please choose one

Who introduced the first ever business laws to protect the customers from unscrupulous traders?

Hammurabi

Samsu-Iluna
Shamshi Adad
Sin-muballit

Question No: 2 (Marks: 1) - Please choose one

Following are the main internal factors for an entrepreneur described by Albert Shapiro in his psychological analysis EXCEPT:

Vision
Determination
Decision making power

Fate

Question No: 3 (Marks: 1) - Please choose one

Following are the different functions an innovative entrepreneur performs EXCEPT:

Launches new products
Discovers new markets
Establishes new methods of production

Duplicate the technology

Question No: 4 (Marks: 1) - Please choose one

According to a survey conducted by World Bank, what is the percentage of entrepreneurs who get formal education in colleges?

10%

30%

60%
80%

Question No: 5 (Marks: 1) - Please choose one

Following are the factors that promoted the trend of development of SME in Pakistan during 1980s EXCEPT:

High level financing
Uneven profit distribution
Technological revolution

Monopoly of resources

Question No: 6 (Marks: 1) - Please choose one

Under what condition an entrepreneur enjoys extra time favor from bank or government to fulfill the requirements of the contract?

Force Majeure

Fraud

Bankrupt

None of the given options

Question No: 7 (Marks: 1) - Please choose one

Following are the basic reasons behind low tax base in Pakistan EXCEPT?

High cost of book keeping

Harassment of tax authorities

Non cooperative role of CBR

High physiological cost

Question No: 8 (Marks: 1) - Please choose one

While making different strategies for socio-economic development, which of the following is at the top priority of Government of Pakistan?

Poverty Reduction Strategy Paper (PRSP)

Micro Finance Sector Development Program

Reform of Financial Sector

Reforms in Tax Administration

Question No: 9 (Marks: 1) - Please choose one

Which of the following can be defined as: "The additional value of a commodity over the cost of commodities used to produce it from the previous stage of production"?

Value Added

Value Imbedded

Value Extracted

Value Injected

Question No: 10 (Marks: 1) - Please choose one

In recent years, how much per worker productivity of Pakistani labour force has decreased as compared to China.

25%

30%

35%

40%

Question No: 11 (Marks: 1) - Please choose one

Which of the following is correct regarding per worker productivity?

Pakistan < India < China

China < India < Pakistan

Pakistan < China < India

India < China < Pakistan

Question No: 12 (Marks: 1) - Please choose one

Which of the following is NOT a main hurdle for the up-gradation of technology, in Pakistan?

Inadequate R&D facilities

Lack of skills & experience

Insufficient information on technological cooperation

Abundance of appropriate metrology and testing equipments

Question No: 13 (Marks: 1) - Please choose one

Which of the following has biggest scope in term of capital and asset?

Sole Proprietorship

Partnership

Private Limited Company

Public Limited Company

Question No: 14 (Marks: 1) - Please choose one

In "Financial Requirement Statement", you keep some amount in reserve as safeguard against possible losses. Under which of the following heading you will show this amount in the statement?

Contingency Fund

Miscellaneous Fund
Adversity Fund
Concealed Fund

Question No: 15 (Marks: 1) - Please choose one

The personal credentials that will be attached with loan application may include all of the following EXCEPT:
Brochure of Business
Your Profile

Family Information

Previous Lending History

Question No: 16 (Marks: 1) - Please choose one

In a bank loan application, your personal profile has a document called "CV". What does it stands for?

Curriculum Vitae

Customer Verification
Client Validity
Computerized Valuation

Question No: 17 (Marks: 1) - Please choose one

Which of the following is defined as "A formal statement of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals"?

Business Plan

Business Strategy
Business Forecast
Business Sketch

Question No: 18 (Marks: 1) - Please choose one

According to which country, an industry will be a small industry if the number of employees is less than 100?

USA

Russia
France
Japan

Question No: 19 (Marks: 1) - Please choose one

According to Singapore, a business is said to be a small business, if capital involved is less than US \$ 85 million and number of employees are .

Less than 100

Less than 50
Less than 200

Less than 150

Question No: 20 (Marks: 1) - Please choose one

IF you follow the old traditions, avoids risk taking and responds to change only in situations where it becomes necessary to do so, then what kind of an entrepreneur you will be?

Innovative

Imitating

Fabian

Drone

Question No: 21 (Marks: 1) - Please choose one

In which year, Sindh Small Industries Corporation (SSIC) was established?

1970

1972

1974

1976

Question No: 22 (Marks: 1) - Please choose one

Which of the following is the key change in SMEDA after restructuring?

One Window Operations

Lengthy Legal Documentations

Unilingual Documents

Conversion of Sectors into Industry

Question No: 23 (Marks: 1) - Please choose one

Which of the following is NOT the basic reason in the improvement of tax base?

High tax rate

High cost of book keeping

High bargaining role of tax collector

High cost of consultancy

Question No: 24 (Marks: 1) - Please choose one

Which one of the following statements is TRUE about the HR institutions developed to train the workforce?

There is mismatch between the output of these institutions and need of the SME

industry.

These institutions are fully aware of the needs of the SME industry.

The output of these institutions is fully capable to run the industry.

There is equilibrium between the demand of SME industry and supply of these institutions.

Question No: 25 (Marks: 1) - Please choose one

If you are interested in protecting a title, slogan, or other short word phrase, generally you want which of the following?

Trademarks

Copyrights

Patents

All of the given options

Question No: 26 (Marks: 1) - Please choose one

Following are the examples of intellectual property rights EXCEPT:

Copyright

Patent

Trademark

Brand Image

Question No: 27 (Marks: 1) - Please choose one

Following are the activities related to cash outflow of a firm EXCEPT:

Depreciation

Dividend

Interest Payment

Tax

Question No: 28 (Marks: 1) - Please choose one

A bank can reject your application for a short-term loan to meet your daily expenses. Which of the following may be the least important factor for rejection?

Your negative cash flow

Non-availability of adequate security

Your shopping round activity

Less liquidity ability of an asset

Question No: 29 (Marks: 1) - Please choose one

A bank raises some objection against your application for a short-term loan to pay the salaries of employees. Which of the following may be the most important factor for rejection?

Your shopping round activity

Too much cautious attitude for risk sharing

Mistrust on bank policy

Shorter due date of payable against receivable

Question No: 30 (Marks: 1) - Please choose one

In the rental car industry, there is a practice in which automobile companies repurchase their cars at a set price after a negotiated period of time. This practice is an example of which of the following?

Buy Back Agreement

Sell Back Agreement

Purchase Return Agreement

Sell Return Agreement

The location of the business is especially important for what type of start-up businesses?

❖ Manufacturing.

❖ Service.

❖ Computer-based service.

❖ Retail

Question No: 2 (Marks: 1) - Please choose one

A key characteristic of a successful entrepreneur is:

❖ Never hang failed.

❖ Expert technical knowledge of the product.

❖ Learning to fail intelligently.

❖ Earning at least a 25% return for investors.

Question No: 3 (Marks: 1) - Please choose one

The key ingredient-the crucial element-to avoiding the failure of a new business is:

❖ The business plan.

❖ **Knowing the business.**

❖ Technical expertise regarding the product.

❖ Differentiating the business and product from the competition.

Question No: 4 (Marks: 1) - Please choose one

The key to effective financial management in a start-up is:

❖ Excellent controls.

❖ The use of ABC accounting processes.

❖ **Have sufficient start-up capital.**

❖ Have an adequate inventory on hand.

Question No: 5 (Marks: 1) - Please choose one
Which of the following is true about avoiding business failure?

- ❖ You must understand financial statements.
- ❖ You need to learn how to manage others.
- ❖ You must differentiate your product from the competition.

❖ You must do all of these.

Question No: 6 (Marks: 1) - Please choose one
U.S. economic structure is moving:

- ❖ Away from agricultural to a industrial economy

❖ Away from an industrial to a knowledge-based one

- ❖ Back to agricultural economy
- ❖ Away from an agricultural to a knowledge-based one

Question No: 7 (Marks: 1) - Please choose one
A knowledge based business economy favors small business because:

- ❖ The cost of managing and transmitting knowledge is very low
- ❖ Small businesses are more successful
- ❖ Information technology is driving cost of managing and transmitting knowledge lower

❖ Both a & c

Question No: 8 (Marks: 1) - Please choose one
Money driven and wild risk takers are both:

- ❖ Common characteristics of entrepreneurs
- ❖ Entrepreneur's techniques to success

❖ Common misconceptions of entrepreneurs

- ❖ None of the given options

Question No: 9 (Marks: 1) - Please choose one
Small businesses are those that employ:

- ❖ More than 100 employees
- ❖ Fewer than 20 employees
- ❖ Fewer than 100 employees

❖ Number doesn't matter

Question No: 10 (Marks: 1) - Please choose one
The most important change due to Expansion occurs in:

◆Organizational structure

- ◆Inventory and financial control procedures
- ◆Managerial expertise
- ◆Personnel assignments

Q # 02: The mental ability of a successful entrepreneur consists of all of the following EXCEPT:

Intelligence

Creative Thinking
Analytical Ability

Emotional Stability

Q # 03: The emergent entrepreneur of new century is eager to lead business world, despite he is energetic, risk bearer and have inclination towards achievement but he must be a gambler.

- A
True
- B

False

Q # 04: Which of the following is NOT a distinctive quality of a successful entrepreneur?

- A
Exhibit Mental Ability (Intelligence, Creative Thinking and Analytical Ability)
- B
Have Technical Knowledge (Analysis and interpretation of financial records)
- C

Risk Taker like Gambler (Go for profit, put every thing in business)

- D
Demonstrate Human Relationships (Emotional stability, sociability, tactfulness, empathy)

Q # 05: For an entrepreneur money is cavalier, i.e. money is not a principal obsession and he values money but not for itself but for as a measure of his accomplishment

- A

True

- B
False

Q # 01: You are studying SME Management as a course because entrepreneurial education:

- A
Has become extremely popular
- B
Universities are not able to meet the demand
- C
More courses are being offered in entrepreneurship
- D

All of the Given Options

Q # 02: Entrepreneurs seem to be characterized by:

- A
A desire for money
- B
An inability to organize but strong conceptual skills
- C
A desire to work alone because of weak management skills and a need for control
- D

A high energy level

Q # 03: The owners of small businesses start their business because they believe that:

A

They work harder on their own than if they worked for someone else

- B
They earn less than if they worked for someone else
- C
They are less satisfied than if they worked for someone else
- D
They have high inclination towards power and autonomy

Q # 04: More businesses are started by individuals between than at any other age.

- A
Under 25
- B
25-34
- C

35-44

- D
45-54

Q # 05: Family businesses face which of the following as a major threat?

- A
Having Kids
- B
Unbalance Social Life
- C

Management Succession

- D
There is no such Threat

Q # 01: Two characteristics common to entrepreneurs are creativity and an eye for opportunity.

- A

True

- B
False

Q # 02: Forces driving the entrepreneurial trend in our economy include which of the following?

- A
Technological advancement
- B
Shift to a service economy
- C
World Wide Web
- D

All of the given options

Q # 03: People who once saw launching a business risky now see it as an ideal way to create their own job security.

A

True

B
False

Q # 04: Which of the following is NOT a common characteristic of entrepreneurs?

A
Desire for responsibility

B

Business plan expertise

C
Preference for moderate risk

D
High energy level

Q # 05: In start-ups, it is often safest to be a "me-too" business, follow the leaders in the market until sufficient cash flow develops to permit R & D into new and innovate products.

A
True

B

False

Q # 02: Money driven and wild risk takers are both:

A

Common characteristics of entrepreneurs

B

Entrepreneur's techniques to success

C

Common misconceptions of entrepreneurs

D

Familiar requirements of every entrepreneur

Q # 03: Small businesses create more jobs than either medium or large businesses.

A

True

B

False

Q # 04: Small businesses thrive in every industry, but the majority of them are in which of the following?

A

General Construction Industry

B

Retail Businesses

C

Manufacturing

D

Service Industries

Q # 05: In most of the cases, the primary cause of business failure is related to which of the following?

- A
Improper managerial attitude
- B
Poor financial controls
- C

Incompetent management

- D
Location

Q # 03: The personal objectives of small business owners tend to be , as opposed to those of managers of large firms, who tend to be

- A
Prestige oriented; independence oriented
- B

Achievement oriented; prestige oriented

- C
Power oriented; prestige oriented
- D
Prestige oriented; achievement oriented

Q # 01: Which of the following is NOT a common barrier in the path of entrepreneurship?

- A
Not Have of Viable Concept
- B
Little of Market Knowledge
- C

Efficient in Technical Skills

- D
Lacking Seed Capital

Q # 02: Entrepreneurship has a role in increasing productivity and the key to increase productivity include all of the following EXCEPT:

A

Research and Development

B

Investment in Plant and Machinery and Human Resources

C

Imitation Ability to Utilize and Allocation of Resource

D

Realization of Internal and External Economies of Scale

Q # 04: A small business stays in touch with its customers, suppliers, and community better than a large business does:

A

True

B

False

Q # 02: The inconsistency in the formation of SMEs policy is mainly caused by which of the following factor?

A

Poor Performance of SME Sector

B

Central Role of Landlord in Policy Making

C

Changing Priorities of Government due to Political Instability

D

There is effort is made to develop a SME Policy

Q # 03: In Pakistan, due to least involvement of SME sector, which of the following trends was emerged in early 70s?

- A
Emergence of Large-Scale Units Only
- B
Convergence of Wealth in Few Hands
- C
Supply of Large Loans only by Banking Sector
- D

All of the Given Options

Q # 04: Lack of experience is the number one cause of small business failures.

A

True

- B
False

Q # 05: Which of the following factors encourage the development of SME sector EXCEPT:

- A
Low Level of Financing
- B
Employment Generation
- C
Vendor Based Development
- D

Shaky Confidence of Businessmen

Q # 01: Energetic aptitude is the prime psychological derive that motivates the entrepreneur towards accomplishment and achieving a goal that possesses reasonable

challenge to an individual's competence.

A
True
B

False

A

They encourage innovation and flexibility.

B
They do not maintain close relationships with customers and community.
C
They make larger firms uncompetitive
D
They generate less employment.

Q # 01: In today's economy, entrepreneurs are seen as heroes.

A

True

B
False

Q # 05: Small business owners tend to be power and prestige oriented.

A

True

B
False

Q # 01: Which of the following factor contributes positively in the development of SME sector?

A
Entrepreneurial Development
B
Vendor Based Development

C

Just Distribution of Resources and Profits

D

All of the Given Options

Q # 02: The IMF conditions and poor recovery rate of huge borrowings played a major role in creating a negative point for the progress curve in Pakistan.

A

True

B

False

Q # 03: The pre-requisites for the development of SME sector rest heavily on which of the following?

A

Infrastructure to fulfill the needs of SME sector

B

A banking system customized for SME development

C

One window operation

D

All of the Given Options

Q # 04: One hallmark of true entrepreneurs is their ability to adapt to the changing demands of their customers and businesses.

A

True

B

False

Q # 05: Which of these represent a small business characteristic?

A

Focus is on efficiency

B

Preferred funding source is other people's money

C

Approach to human resource is to professionalize

D

Delegation is essential

Q # 01: Studies indicate that the opportunity to make a difference is a significant benefit in the eyes of most entrepreneurs.

A

True

B

False

Q # 02: The institution "Directorate of Industries" established in 1976, is currently working in which of the province of Pakistan?

A

Punjab

B

Sindh

C

NWFP

D

Balochistan

Q # 03: In 1972, for the development of SME sector, government of Pakistan established provincial departments. In which province/s these departments was/were established?

A

In Punjab only

B

In Punjab and Sindh only

C

In Punjab, Sindh and NWFP

D

In all Provinces

Q # 04: In order to meet the financial requirements of SME sector, Small Business Finance Corporation (SBFC) was established but this institution failed to deliver because of which of the following reasons?

A

Weak Internal Control System

B

**Poor Work
Ethics**

C

Highly Ineffective and Poor Human Resources

D

All of the given Options

Q # 05: In year 2000, after restructuring of Small Business Finance Corporation (SBFC), how many branches were reduced to increase the efficiency level?

A

23

B

33

C

43

D

53

Q # 01: The implementation of a creative idea or opportunity leading to profitable, effective outcomes refers to which of the following?

A

Innovation

B

Technology Transfer

C

Entrepreneurial Alertness

D

Opportunity Recognition

Q # 02: Which of the following NGO types has broad functions to influence public interest?

A

Association Type Organizations

B

Support Organizations

C

Community Organizations

D

Technical intervention NGOs

Q # 03: One of the main objectives of SMEDA is policy formulation to encourage the growth of SMEs in the country and to advise the Government on fiscal and monetary issues related to SMEs.

A

True

B

False

Q # 04: Which of the following is true about "Golden Handshakes"?

A

It can be sweeteners for mandatory retirement

B

It is a form of Employee Benefits

C

Is almost used like a punishment

D

Statements are correct within certain context

Q # 05: The activities like conducting sector studies, developing feasibility reports and doing analysis for SMEs' development, are beyond the scope of working of SMEDA.

A

True

B

False

Q # 01: The policy issues regarding SME development emerged because the policy makers have more inclination towards:

A

Their own personal gains

B

Large Scale Businesses

C

Trade Liberalization

D

Political Bribery

Q # 02: Which of the following institutions is NOT facilitating directly the business activity of SME sector in Pakistan?

A

Board of Investment (BOI)

B

Export Promotion Bureau (EPB)

C

Federal Board of Revenue (FBR)
D

Karachi Stock Exchange (KSE)

Q # 03: For development of SME sector, market driven support programs are important to attain substantiality, maximize the potential for cooperation with the private sector, and minimize the distortions in the economy.

A

True

B

False

Q # 04: Under the SME Sector Development Program, it is expected that SMEDA execute following activities EXCEPT:

A

Prepare Government documents on policy regarding SME

B

Develop drafts relevant for laws and regulations

C

Create coordination among different departments of Government

D

Develop programs to attract foreign investment for SME

Q # 05: Stability and consistency in the policy making are necessary conditions for achieving and sustaining high levels of economic development of SME sector.

A

True

B

False

Q # 01: Why a division of small, medium and large is made for different businesses?

A

Due to Amount Business Activity

B

Due to Volume of Capital Involved

C

Plan to sublease your premises and relocate to larger quarters

D

Provide for this contingency in your lease

Q # 02: In early definitions of SMEs, which of the following factors has prior importance?

A

Level of Capital

B

Number of Employees

C

Capacity of Production

D

Annual Revenues

Q # 03: According to Committee on Economic Development, to declare a business as 'small', how many minimum number of parameters should be considered?

A

Two

B

Three

C

All parameters given by committee

D

There is no such restriction

Q # 04: In most of SMEs, the style of management is:

A

Least Centralized

B

Highly Decentralized

C

Highly Centralized

D

Not a important matter

Q # 05: According to latest definition, a business is said to be large if number of employees are

A

More than 9

B

More than 49

C

More than 79

D

More than 99

Q # 01: Every country has adopted a standard definition of SME, despite the regional differences.

A

True

B

False

Q # 02: The letter 'E', in 'SME' stands for which of the following?

A

Enterprise

B

Entrepreneur

C

Entrepreneurship

D

Entrapreneurship

Q # 03: Each country especially Pakistan, has revised the definition of SMEs after certain interval of time because of which following reasons?

A

Fluctuating Performance of SME Sector

B

Change in priorities of Government

C

Lack of understanding about importance of SME sector

D

Lack of consensus among different institutions linked with SME sector

Q # 04: Small business does well in developing markets as it can easily absorb the changes in the business world.

A

True

B

False

Q # 05: In most of the countries, there is no difference between 'cottage industry' and 'micro industry'.

A

True

B

False

Q # 01: If large business provides materials and components to small business that process the same into finished goods, then this is called:

A

Job Sub-Contracting

B

Purchase Sub- Contracting

C

Franchised sub-Contracting

D

Trade Sub-Contracting

Q # 02: If a product is manufactured by small company purchased by a big unit as an accessory like plastic dust covers for video recorders, electronic passive components or packaging than this relationship between large business and small business is called complimentary business.

A

True

B

False

Q # 03: In job sub-contracting, small business procures material and than manufactures a specific part or component needed by a particular large unit.

A

True

B

False

Q # 04: In Pakistan, each province has adopted how many parameters to coin the proper definition of SMEs?

- A
- Two
- B

Three

- C
- Four
- D
- It varies from each province

Q # 05: In Pakistan, the business is divided in how many levels?

- A
- 3 Levels (Small, Medium, Large)
- B

4 Levels (Micro, Small, Medium, Large)

- C
- 5 Levels (Cottage, Micro, Small, Medium, Large)
- D
- There is no such division

Q # 01: Which one of the following institutions has introduced the definition of 'micro business' for the first time in Pakistan?

- A

State Bank of Pakistan

- B
- SMEDA
- C
- Ministry of Commerce
- D
- Chamber of Commerce and Industry

Q # 02: Which of the following is true to transfer a business from micro level to medium level?

A

When the number of employees increases but productive assets limit unchanged

B

When the number of employees remains same but productive assets limit increases

C

When both; the number of employees and productive assets limit increases

D

There is no such division of micro-level and medium level

Q # 03: The economic power of both small business and large business is different because the small business is in no position to influence its immediate economic involvement but big business does.

A

True

B

False

Q # 04: Small businesses are unable to survive well in a bad business conditions due to having slow and inflexible capability of bringing changes in cost and labor.

A

True

B

False

Q # 05: Which of the following countries deduce the definitions of SMEs for the legal purposes only and other deciding factors were kept as landmarks?

A

West Germany, Australia and Norway

B

India, China and Japan

C

Denmark, Australia and USA

D

There is not a single country that is following such criteria

Question # 1 of 10 (Start time: 10:49:26 AM) Total Marks: 1

For a SME, receipts are the example of which type of following loan.

Select correct option:

Short - Term Loan

Medium - Term Loan

Long - Term Loan

Unlimited Loan

Question # 2 of 10 (Start time: 10:51:05 AM) Total Marks: 1

In recent years, which of following country has highest per worker productivity?

Select correct option:

India

Pakistan

China

All are at same Level

Question # 3 of 10 (Start time: 10:52:29 AM) Total Marks: 1

Following are the methods which can be used to find new ideas for a product EXCEPT:

Select correct option:

Novel Use of Known Products

Ancillarisation

Watching Trends in Fashions

Market Myopia

Question # 4 of 10 (Start time: 10:53:53 AM) Total Marks: 1

Which of the following is the expressed form of WEBCOP?

Select correct option:

Workers Employers Bilateral Council of Pakistan

Welfare of Employees Bilateral Convention of Pakistan

Workers Employees Bilateral Committee of Pakistan

Welfare Employers Bilateral Commission of Pakistan

Question # 8 of 10 (Start time: 11:00:57 AM) Total Marks: 1

A loan for a period of 5 years or less is said to be:

Select correct option:

Short - Term Loan

Medium - Term Loan

Long - Term Loan

Unlimited Loan

Question # 9 of 10 (Start time: 11:01:42 AM) Total Marks: 1

Which of the following features can NOT be evaluated by cash flow statement?

Select correct option:

Company's ability to generate positive cash flows

Company's ability to pay dividends

Company's amount required for depreciation

Company's need for external financing