

## CERTIFICATE IN ENTREPRENEURSHIP

Term-End Examination

December, 2013

### CIE-03 : ENTERPRISE CREATION AND LEGAL REQUIREMENTS

Time : 2 hours

Maximum Marks : 50

*Note : Answer any five questions.*

*All questions carry equal marks.*

1. What is a 'Sole Proprietorship Firm' ? What are its characteristics ? Explain its advantages and disadvantages.
2. What do you mean by 'working capital' ? Explain the factors which influence the working capital needs of a firm.
3. Write notes on :
  - (a) Venture capital
  - (b) Debentures and Bonds
4. What is the meaning of 'Group Entrepreneurship' ? Why is it important to promote 'Group Entrepreneurship' in India ?
5. What is a 'Business Plan' ? Briefly explain the main components of a Business Plan.
6. What do you understand by Break-even point ? How is it calculated ? Explain with an example and discuss its importance.

7. What is a cash flow statement ? Mention the different items of sources and uses of cash flows that are shown in a cash flow statement.
  8. Why is costing important for a firm ? Discuss the various components that are included in the cost of production of a firm.
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