

CERTIFICATE IN ENTREPRENEURSHIP

Term-End Examination

June, 2015

00480

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

Time : 2 hours

Maximum Marks : 50

*Note : Answer any **five** questions. All questions carry
equal marks.*

1. Define the concept of 'Partnership business'.
Briefly explain its main characteristics,
advantages and disadvantages. 10
2. Define and distinguish between a Private limited
company and a Public limited company. 10
3. What do you mean by 'Working Capital' ? Explain
the consequences of under-assessment and
over-assessment of working capital to a firm. 10
4. What are 'Fixed Assets' ? Discuss the sources of
financing the fixed assets. 10

5. What are 'Self Help Groups (SHGs)' ? List out the different models adopted for SHG-Bank linkages. Discuss the advantages of Self Help Groups. 10
 6. What is a 'Business Plan' ? What are the precautions to be taken by the entrepreneur at the time of preparing a business plan ? List out the reasons for failure of a business plan. 10
 7. What is 'cost of production' ? Explain the major components of cost of production. 10
 8. What is 'Cash Flow Statement' ? Draw the format of a cash flow statement. 10
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