CBCS SCHEME

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Fifth Semester B.E. Degree Examination, Feb./Mar. 2022
Construction Management and Entrepreneurship

Time: 3 hrs. Max. Marks: 100

Note: ***Answer any FIVE full questions, choosing ONE full question from each module.***

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Module-1

1	a.	Explain the functional areas of Management.	(08 Marks)
	b.	List and explain the Nature or characteristics of Planning.	(08 Marks)
	c.	Discuss the dependencies in a Gantt chart, with neat sketches.	(04 Marks)

1. a. 1. Strategy

This important area is, in a sense, the "brain" of your business operation. All potential business operators should create vision and mission statements so they understand what they want to do, why they want to do it and how they will do it. Also, strategists should analyze the competitive landscape and markets to determine where the opportunity for the business lies, and how they will access that opportunity. When forming a strategy, determine exactly in what market you will be operating, and then perform a SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis on your main competitors and yourself. This will provide a good picture of where you fit in the competitive landscape. This will also help you determine your market access strategy, which involves positioning, differentiating from competitors and branding.

2. Marketing

Since marketing and sales will generate revenue, planners should also thoroughly understand their potential customers and determine how they will reach them. Most new business operators mistakenly use an "inside-out" approach to marketing in that they plan their product or service first and then look for some way to sell it to a vaguely defined group that is "out there." However this "build it and they will come" approach usually results in much wasted effort, fierce competition from others who have the same idea and, often, failure. Before designing a product or service, business operators should study the market and assess the needs of customers. Find underserved areas. Then shape the marketing of the product or service, and sometimes the product or service itself, to answer those needs.

3. Finance

Most business plans concentrate on this area because they need loans or investment, as well as for forecasting and budgeting purposes. Since money is the blood that keeps a business alive, a business operator should always know how healthy he or she is financially. This requires a realistic prediction of cash flow, even though it can be difficult to forecast the future. To do so, a planner

should form an expenditure budget and then a picture of potential revenue. Much of this information can be found by studying similar businesses and adapting their information to the new business.

4. Human resources

A common mistake planners make is to stop at the financial aspect of hiring staff. Of equal concern should be the ability to hire, and whether those hired fit the roles for which they are chosen. For example, some industries are facing acute labour shortages. Therefore the planner may have to understand what attracts workers, and offer them what they want. Today, managers must treat employees like customers, with the same understanding of what motivates their behaviour.

5. Technology and equipment

This involves not only equipment needed to operate the business, but such concerns as communications technology for marketing and sales purposes, or transportation requirements. Understand your needs and balance them with budget demands. Also, the planner may have to be creative when managing technology and equipment. For example, some equipment may be expensive and sit idle most of the time. The planner should then consider renting it as needed, or subcontracting that aspect of production to another company that has that equipment.

6. Operations

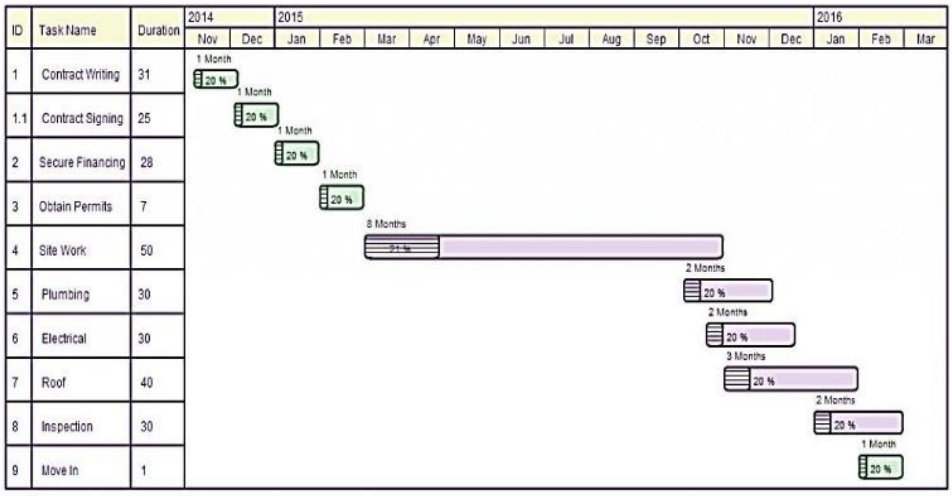
In most businesses, this not only involves equipment, but processes. Essentially, business operations are those that create and deliver the products or services to customers. In most start-up situations the business owner performs many roles, including operations. In fact, a familiarity with operations is often why most people start businesses. In most new businesses, the owner is also the person who performs the operation. But there is a danger in this: The operator must always remember that he or she is managing a business, not working in a job. So management of all aspects of the business should carry equal weight with actual performance of the service or manufacturing of the product. It can be argued that this is also a very common reason for business failure: The operator is more comfortable "doing" and so ignores other important aspects of management.

1. b. Nature or characteristics of planning

1. Focus in objectives: Plan starts with setting up of objectives long term & short term objectives should be prepared. The main aim is to utilize the financial resources in the best possible manner. & take the best advantage of prevailing economic situation.
2. It is important in developing procedures to ensure consistency of actions. The procedures follow the formulation of policies & strategies etc.
3. It is an intellectual process: The intellectual process requires mental exercise, fore suing future developments, making forecasts & the determination of the best course of action.
4. Planning is a selective process: It involves careful study of analysis of various alternative courses of action. For alternatives to decide & make decision it requires to know what is to be done. How it is done, when it is to be done & by whom it is done.

5. Planning in pervasive: which is an activity to cover all the levels of enterprise. In the levels of management, the top level is concerned with strategically planning, middle & the cover are concerned with administrative & operational planning.
6. Planning is integrated process: It involves not only determination of objectives to formulate sound policies, programmer, procedures & strategies for the meeting these objectives.
7. Planning is directed towards efficiency: Planning is basically to increase the efficiency. Good plan is will give maximum output & profit at minimal cost. Planning is foundation.
8. Planning is flexible: Planning should be adaptable to the changes in the environment Kuntz & o, Donnell emphasizes on effective planning which requires continual checking on events & forecasts and redrawing of plans to maintain a course towards designated goal.
9. First function in the process of management: Planning is important filled of the process management. Manager takes the responsibility to organize staff direct & control them without planning.
10. It is a decision making process: Decision making is an integral part of planning; it is defined as the process of choosing among alternatives.
11. It is a continuous process: The manager should constantly monitor the progress of his plans. The must monitors within & outside the organization to determine if changes are required in his plans.

1. c. Gantt Chart:



- What the various activities are
- When each activity begins and ends
- How long each activity is scheduled to last
- Where activities overlap with other activities, and by how much
- The start and end date of the whole project

2 a. With illustration, explain AOA and AON network diagrams. **(08 Marks)**

b. The activity data of a project is given in the table below :

Activity	Predecessor	Duration
A	-	5
B	A	4
C	-	6
D	C	3
E	-	5
F	E	3
G	D, F	6
H	D, F	8
I	B, G	4
J	B, G	7
K	H, I	5
L	J, K	2

Draw the network diagram , Identify the critical path and Project duration using CPM. **(08 Marks)**

c. Discuss the types of Management Styles. **(04 Marks)**

2. a. There are two types of network diagram:

1. Activity on Arrow (AOA) representation.

2. Activity on Node (AON) representation.

Activity on arrow network (AOA)

In this method, the arrows represent activities while the nodes represent the start and the end of an activity (usually named as events) (Fig. 3.8). The length of the arrow connecting the nodes has no significance and may be straight, curved, or bent. When one activity depends upon another, both appear on the diagram as two arrows having a common node.

Activity on node network (AON)

This method is also called the precedence diagram method. In this method, the nodes represent activities and the arrows represent logical relationships among the activities. If the arrow starts from the end side of an activity (activity A) and ends at the start side of another activity (activity B), then A is a predecessor of B (Fig. 3.10). AON representation allows the overlap or lag representation on the relationship arrows connecting activities.

Module-2

3 a. Explain i) Minimum Wages Act 1948 ii) The Labour Welfare Fund Act 1965 **(08 Marks)**

b. Explain the importance of Resource Management in the construction of a Project. **(08 Marks)**

c. Discuss the types of Maintenance. **(04 Marks)**

3. a. i) Minimum Wages Act, 1948:

The Minimum Wages Act, 1948 provides for fixation/ periodic revision of minimum wages in employments where labour is vulnerable to exploitation. The minimum wages system serves a useful purpose in preventing worker's exploitation in terms of payment of unduly low wage and helps in reducing inequalities in the standard of living of different social groups of workers by statutorily prescribing minimum wage rates.

ii) Labour Welfare Fund Act, 1965:

The Labour Welfare Fund Act of 1965 was enacted to provide for the constitution of a fund to finance activities for promoting welfare of labour and for conducting such activities. The Labour Welfare Fund comprises of all fines realised from employees, unpaid wages of the workers including gratuity, bonus etc., grants and loans towards the fund and voluntary donations. The fund is used to carry on various activities conducive to the welfare of labour.

b. Importance of Resource Management:

The basic objective of resource management is to supply and support the field operations so that established time objectives can be met and costs can be kept within the construction budget.

The completion of a construction project at maximum efficiency of time and cost requires the judicious scheduling and allocation of available resources. Manpower, equipment, and materials are important project resources that require close management attention. The supply and availability of these resources seldom can be taken for granted because of seasonal shortages, labour disputes, equipment breakdowns, competing demands, delayed deliveries, and a host of associated uncertainties. Nevertheless, if time schedules ·and cost budgets are to be met, the work must be supplied with the necessary workers, equipment, and materials as they are needed on the job site.

c. Types of Maintenance:

Types of Maintenance

Generally, maintenance can be done in the following two types

1. ***Breakdown maintenance***

Breakdown of a machine can occur due to the following two reasons:

(i) Due to unpredictable failure of components which cannot be prevented

(ii) Due to gradual wear and tear of the parts

which can be eliminated to a large extent by regular inspections, known as preventive maintenance. From experience it can be decided that, when a part should be replaced, so that breakdown can be avoided.

In breakdown maintenance, defects are rectified only when the machine cannot perform its function may longer, and the production department is compelled to call on the maintenance engineers for the repairs. After repairing the defect, the maintenance engineers do not attend the machine again until another failure occurs.

4 a. Define Labour Production Rate or Productivity. Discuss the factors affecting Productivity. **(10 Marks)**

b. The initial cost of a piece of construction equipment is Rs 35,00,000. It has a useful life of 10 years. The estimated salvage value of the equipment at the end of useful life is Rs 5,00,000. Calculate the Annual depreciation and Book value of the construction equipment using Sinking fund method. The interest rates is 8% per year. **(10 Marks)**

4. a. Labour Productivity Rate:

Productivity may be defined as the rate of transformation-of inputs into outputs in a productive operation.

In order that we may produce a product or provide a service, we must have resources in the forms of men, machine, materials, money etc. In a broad sense, productivity means goods and services produced in relation to the resources utilised in producing the same.

Labour productivity may be defined as the ratio of output and labour input. In other words, it is the productivity of an industry measured in terms of labour input. For the purpose of productivity analysis, the average product, rather than marginal, is considered relevant because the latter fails to reveal the actual and potential level of productivity in their representative character.

Module-3

5 a. Explain the process of Project Quality Management. **(10 Marks)**

b. Explain the Safety measures adopted during drilling and blasting. **(10 Marks)**

5. a. Project Quality Management:

Project quality management happens with these three processes:

1. Quality planning
2. Quality assurance
3. Quality control

Project quality management plan

While most project managers intend to create the best possible product or service, even the most skilled, educated teams with the most modern tools may fail without the right project quality management plan in place.

Measuring quality may seem like something you can't do until after the project is complete. However, project quality management is something that should be planned into the project from the beginning, and monitored throughout with these three quality management processes.

Quality planning

A good quality management plan starts with a clear definition of the goal of the project. What is the product or deliverable supposed to accomplish? What does it look like? What is it supposed to do? How do you measure customer satisfaction? How do you determine whether or not the project was successful? Answering these questions and others will help you identify and define quality requirements, allowing you to discuss the approach and plans needed to achieve those goals.

This includes assessing the risks to success, setting high standards, documenting everything, and defining the methods and tests to achieve, control, predict, and verify success. Be sure to include quality management tasks in the project plan and delegate these tasks to workgroups and/or individuals who will report and track quality metrics.

Quality assurance

Quality assurance is a process that provides evidence to the stakeholders that all quality-related activities are being done as defined and promised. It ensures that safeguards are in place to guarantee that all expectations will be met with regard to quality outputs. Quality assurance is done to the products and services delivered by a project, as well as the processes and procedures used to manage the project. It can be done through systems such as a process checklist or a project audit.

Quality assurance tests use a system of metrics to determine whether or not the quality management plan is proceeding in an acceptable manner. By using both qualitative and quantitative metrics, you can effectively measure project quality with customer satisfaction. These tests or quality audits will help you predict and verify the achievement of goals and identify the need for corrective actions. Additionally, quality assurance tests will help you map quality metrics to quality goals, allowing you to report on the status of quality at periodic project review meetings.

Quality control

Quality control involves operational techniques meant to ensure quality standards. This includes identifying, analyzing, and correcting problems. While quality assurance occurs before a problem is identified, quality control is reactionary and occurs after a problem has been identified, and suggests methods of improvement. Quality control monitors specific project outputs and determines compliance with applicable standards. It also identifies project risk factors, their mitigation, and looks for ways to prevent and eliminate unsatisfactory performance.

Quality control can also ensure that the project is on budget and on schedule. Monitoring the project outputs can be done through peer reviews and testing. By catching deliverables that aren't meeting the agreed upon standards throughout, you'll be able to simply adjust your direction rather than having to entirely redo certain aspects.

5.b.

The following safety measures should be adopted at the time of Drilling and Blasting

1. Detonators and other explosives for blasting shall be transported to the site of work in the original containers or in securely locked separate non-metallic container and shall not be carried loose or mixed with other materials.
2. Care should be taken in loading and unloading of explosives. The Shield containers shall not be handled roughly or dropped.
3. Explosives shall be stored only in a magazine which is clean, dry, well ventilated, reasonably cool, correctly located, protected against lightning.
4. Any package containing explosives shall not be dragged, dropped or handled roughly. The packages shall be opened at a safe distance.
5. Smoking shall not be permitted nor matches, open lights, fire, flame, or any other device capable of producing sparks or flame shall be carried while handling or using explosives.

6. Basting shall be carried out only, with the permission of the engineer-in-charge. The blasting operation shall remain in the charge of competent and experienced supervisor and workmen who are thoroughly acquainted with the details of handling explosives and blasting operations.
7. All the materials, tools and equipment used for blasting operations shall be of approve type.
8. No drilling shall be started until previous holes in the blasted area are flushed with air and filter.
9. The blaster shall be in good physical condition and not be under influence of drugs alcohol intoxicants, etc.
10. While planning drilling operations for blasting purposes, consideration must be given to the nature of startum and the overburden with a view to avoiding the possibilities of land-slides after blasting.
11. The face of rock shall be carefully examined before drilling, to determine the possible presence of unfired explosive.
12. The position of all holes to be drilled shall be marked out with white paint.

6	a.	Discuss in detail about the cost of Quality in construction.	(10 Marks)
	b.	Explain the types of Conflict of Interest.	(06 Marks)
	c.	Discuss the following :	
		i) Gifts and Bribes ii) Whistle Blowing.	(04 Marks)

6. a.

COSTS OF QUALITY IN CONSTRUCTION

Quality of construction is defined as

i) Scope of work

Cost of quality refers to the total cost incurred during the entire life cycle of construction project in preventing non conformities to owner requirements (defined scope). There are certain hidden costs that may not directly affect the overall cost of the project; however, it may cost the consultant/designer to complete the design within the stipulated schedule to meet owner requirements and conformance to all the regulatory codes/standards, and for the contractor to construct the project within the stipulated schedule meeting all the contract requirements. Rejection/non-approval of executed/installed works by the supervisor due to noncompliance with specifications will cause the contractor loss in terms of

- Material
- Manpower
- Time

ii) Time

Timely completion of a project is.one of the objectives to be achieved. To avoid delay proper planning and scheduling of construction activities are necessary. Since construction projects have the involvement of many participants, it is essential that the requirements of all the participants are fully coordinated. This will ensure execution of activities as planned resulting in timely completion of the project.

iii) Budget

Normally, the construction budget is fixed at the inception of the project, therefore it is necessary to avoid variations during the construction process as it may take time to get approval of an additional budget resulting in time extension to the project.

Since quality is always related to value for the money spent, quality planning should consider the costs and benefits of quality activities. A ·cost-benefit analysis is performed to evaluate and justify proposed quality activities, and to compare the costs of quality assurance and control activities with the savings or benefits from fewer or eliminated nonconformities owing to those activities.

6. c Gifts and Bribes & Whistle Blowing:

Whistle blowing:

A whistleblower (also written as whistle-blower or whistle blower) is a person, usually an employee, who exposes information or activity within a private, public, or government organization that is deemed illegal, immoral, illicit, unsafe, fraud, or abuse of taxpayer funds. Those who become whistleblowers can choose to bring information or allegations to surface either internally or externally. Over 83% of whistleblowers report internally to a supervisor, human resources, compliance, or a neutral third party within the company, with the thought that the company will address and correct the issues. Externally, a whistleblower can bring allegations to light by contacting a third party outside of the organization such as the media, government, or law enforcement. The most common type of retaliation reported is being abruptly terminated. However, there are several other activities that are considered retaliatory, such as sudden extreme increase in workloads, having hours cut drastically, making task completion impossible or otherwise bullying measures. Because of this, a number of laws exist to protect whistleblowers.

Bribe:

A bribe is a substantial amount of money or goods offered beyond a stated business contract with the aim of winning an advantage in gaining or keeping the contract. “Substantial” is a vague term, but it alludes to amounts, beyond acceptable gratuities, that are sufficient to distort the judgement of a typical person. Typically, though not always, bribes are made in secret.

Gift:

Gift is given to someone without any expectation in return or given after a work is done satisfactorily.

Module-4

7	a.	Define Engineering Economics. Explain the principles of Engineering Economy.	(08 Marks)
	b.	With illustration, explain Cash Flow diagram.	(06 Marks)
	c.	Differentiate between Micro and Macro Economics.	(06 Marks)

7. a. Engineering Economics:

Science is a field of study where the basic principles of different physical systems are formulated and tested. Engineering is the application of science. It establishes varied application systems based on different scientific principles. Price has a major role in deciding the demand and supply of a product. Hence, from the organization's point of view, efficient and effective functioning of the organization would certainly help it to provide goods/services at a lower cost which in turn will enable it to fix a lower price for its goods or services

7. b.

PRINCIPLES OF ENGINEERING ECONOMY

The following are seven principles of Engineering Economics.

Principle 1 : Develop the alternatives

The choice (decision) is among the alternatives. The alternatives are to be identified and then defined for subsequent analysis. A decision situation involves making a choice among two or more alternatives. Developing and defining the alternatives for direct evaluation is important because of the resulting impact on the quality of the decision.

Principle 2: Focus on the differences

Only the difference in expected future outcomes among the alternatives is relevant to their comparison and should be considered when making the decision. If all prospective outcomes of the feasible alternatives were exactly the same, then there would be no basis or need for comparison. We would be indifferent to the alternatives and make decision on the basis of random selection.

Principle 3: Use a consistent viewpoint

The prospective outcomes of the alternatives, economic and other, should be consistently developed from a defined viewpoint (perspective). It is important that the viewpoint for a particular decision be first defined and then used consistently in the description, analysis and comparison of the alternative.

Principle 4: Use a common unit of measure

Using a common unit of measurement to enumerate as many of the prospective outcomes as possible will make easier the analysis and comparison of alternatives.

Principle 5: Consider all relevant criteria

Selection of a preferred alternative (decision-making requires the use of a criterion or several criteria). The decision process should consider both the outcomes enumerated in the monetary unit and those expressed in some other unit of measurement made explicit in a descriptive manner.

Principle 6: Make uncertainty explicit

Uncertainty is inherent in projecting for estimating the future outcomes of the alternative recognized m their analysis and comparison.

Principal 7: Revisit your decision

Improved decision-making results from an adoptive process. To the extent practicable, the projected outcomes of the selected alternative should he subsequently compared with the actual results achieved.

- Problem recognition, definition and evaluation
- Development of feasible alternatives
- Development of cash flow for each alternative
- Selection of criteria
- Analysis and comparison of the altemativ.es
- Selection of the preferred alternative
- Performance monitoring and post-evaluation results

8 a. Explain Break Even Analysis. Mention the assumptions of Break Even Analysis.

8. a Break- even Analysis:

Break even analysis examines the relationship between the total revenue, total costs and total profits of the firm at various levels of output. It is used to determine the sales volume required for the firm to break even and the total profits and losses at other sales level. Break even analysis is a method, as said by Dominick Salnatore, of revenue and total cost functions of the firm. According to Martz, Curry and Frank, a break even analysis indicates at what level cost and revenue are in equilibrium.

In case of break even analysis, the break even point is of particular importance. Break even point is that volume of sales where the firm breaks even i.e., the total costs equal total revenue. It is, therefore, a point where losses cease to occur while profits have not yet begun. That is, it is the point of zero profit.

Assumptions:

The break even analysis is based on certain assumptions, namely

- All costs are either perfectly variable or absolutely fixed over the entire period of production but this assumption does not hold good in practice.

- The volume of production and the volume of sales are equal; but in reality they differ.
- All revenue is perfectly variable with the physical volume of production and this assumption is not valid.
- The assumption of stable product mix is unrealistic.

Module-5

9	a.	Explain the stages in Entrepreneurial Process.	**(10 Marks)**
	b.	Discuss in detail about the Project report for starting a new Venture.	**(10 Marks)**

9. a. Stages In Entrepreneurial Process.

The entrepreneurial process involves all the functions, activities and actions associated with perceiving opportunities and creating organizations to pursue them. Entrepreneurs can increase their chances of success if they understand, follow and implement the basic five-stage entrepreneurial process. These five stages form the backbone of the entrepreneurial process and are as follows:

a) Stage I: Conducting Opportunity Analysis

b) Stage II: Developing the Plan and Setting up the Company

c) Stage III: Acquiring Financial partners and sources of funding
d) Stage IV: Determining Resources Required and Implementing the Plan
e) Stage V: Scaling and Harvesting the Venture.

Stage I: Conducting Opportunity Analysis

This is a very difficult task. In this stage, the founder identifies the opportunity and creates a vision for the company. The entrepreneur ways value the real and perceived value of opportunity against the risk and return of the same. The entrepreneur tries to build the vision and conduct market analysis to sustain a competitive advantage. He also prepares a competitive analysis. Because this stage details the pricing the sales strategies required, it usually takes at least one year.

Stage II: Developing the Plan and Setting up the Company

In this stage, the ideas are converted into business strategies which are documented and converted to a business plan. The focus of this stage is writing a well-conceived business plan detailing how the vision and the market analysis will become a sustainable competitive advantage. At this stage the type, form and the structure of the company are determined.

Stage III: Acquiring Financial partners and sources of funding

Entrepreneurs may not be aware of any financing options and sources available. Hence, it is important to know the expectations, requirements and sources of funds, so as to finance the venture. Funding sources include self-finding, family and friends, venture capital and government sources. He should also be aware of private placement, capital issue and sources of debt financing.

Stage IV: Determining Resources Required and Implementing the Plan

Varieties of resource that are needed are to be first estimated. The critical resources are to be differentiated from others. In this stage, the appraisal of the entrepreneur's present resources is done at first. Needed resources are to be acquired and arranged in a timely manner for the success of the enterprise. While acquiring other funds care should be taken that the funds are available as a cheaper cost and there is least loss of control.

Stage V: Scaling and Harvesting the Venture.

In this stage the risks faced by an entrepreneur and pros and cons of each decision taken is weighed. Screening of different types of technologies, development of growth strategies, talent building, seeking capital etc., are covered in this stage. Options available for entrepreneurs to scale the venture, merging with another company, implementing leverage buy out or selling the company as an exit strategy are considered.

9. b.

Typical Outline of the Project Report

Section A: Information about the entrepreneur

1. Name of the entrepreneur, residential address, telephone number e-mail fax and date of birth.
2. Educational qualifications of the entrepreneur.
3. Special training/vocational training.
4. Job held/business undertaken/industrial activity undertaken.
5. Qualities, skills, values, beliefs, attitudes and aptitude.
6. Why has the entrepreneur decided to set up this particular project?
7. Why does the entrepreneur think he will be successful in this business?
8. Family background of the entrepreneur.

Section B: Information about the project

1. Name of the product(s).
2. Description of the product with the unique selling preposition and special features.
3. Where the product is being used or consumed?
4. Available substitutes in the market:
5. Names of competitors.
6. Description of products of competitors with their special features
7. Present demand and supply position and projected sales for first three years.
8. Future demand and supply position.
9. Price of the product.
10. Anticipated changes in tastes, preferences and needs of the market.
11. Anticipated changes in technology, sources of raw material and packaging.
12. Target market
13. Value of orders_ in hand (already received) and expected shortly.

Section C: Information about the business

1. Name of the business
2. Address of the business
3. Form of ownership organisation (Proprietorship, partnership, company, etc.)
4. Type of Project-Manufacturing/service/trading

Section D: Details of the proposed project

1. Production programme (for a period of one year)
2. Inputs
    a. Machinery, equipment, and instruments
    b. Raw material, semi-finished goods and finished goods
    c. Utilities
    d. Manpower

OR

10 a. Explain the role and significance of Venture Capital. (10 Marks)

b. Mention the objectives and functions of following agencies :

i) KIADB ii) TECSOK. (10 Marks)

10. a. Role and Significance of Venture Capital:

A timely availability of adequate venture capital plays a crucial role in encouraging entrepreneurial activity in any society. Thus, venture capital can be regarded as a launching pad to innovative entrepreneurship by which adequate boost is given to convert creative business ideas into commercially viable ventures.

The important role played by venture capital in the overall well-being of a country is as follows:

a. *Venture capital opens new avenues for deserving entrepreneurs:*

Venture capital is provided to entrepreneurs who have conceived excellent business ideas, have sound knowledge of the specific business, but lack financial resources to implement them. The venture capitalist come into their rescue by:

b. *Venture capital is provided after reducing uncertainty to risks:*

Before taking any decision on investment, a venture capital firm will satisfy itself with not only the entrepreneur's qualifications, technical and managerial competence, but also the techno-economic viability of the proposed project, including marketing prospects of the concerned product or service.

Venture capital is provided only after ensuring a high rate of return on the investment under risky business conditions. Availability of venture capital to a business on the basis of its merits implies safety and security of investment.

c. *Helps building entrepreneurial vision:*

Today, many societies around the globe show a lower preference for adopting entrepreneurship as careers. Children belonging to middle and lower middle class families with money constraints are rather encouraged to take up employment.

d. Mobilisation of small savings:

Mostly, the small investors in their individual capacity do not possess the professional expertise to analyse the risk factor involved in high-risk investment like venture capital. Investment organisations help them by providing the required computations and analysis.

e. Results in socio-economic benefits:

Besides bringing about direct gains in the form of growth of individual businesses through profitability and expansion, venture capital helps achieving a number of socio-economic goals. It opens up the path to the overall social up-liftment by creating job opportunities, removing poverty, facilitating support to innovation and creativity, fulfilling ambition of entrepreneurship minded people and transforming education system into action-oriented industry.

10. b. KIADB

Meaning: KARNATAKA INDUSTRIAL AREA DEVELOPMENT BOARD. This is a statutory body established in 1966 by government of Karnataka. Headquarters is at Bangalore with 9 zonal offices all over Karnataka.

Objectives:

a) To establish Industrial areas and promote rapid and orderly establishment of industries in the state of Karnataka
b) To provide infrastructural facilities and amenities to SSIs
c) To assist in implementation of government policies (iv) To function on 'No profit – No loss' basis.

TECKSOK

Meaning: TECHNICAL CONSULTANCY SERVICES OF KARNATAKA. It was established in 1976 by the government of Karnataka. It is located in Basava Bhavan, Basaveshwara Circle, Banglore.

Nature of support: Multi-disciplinary technical, industrial and management consultancy.

Objectives:

a) To provide reliable consultancy support for entrepreneurs to startup self-employment ventures in Karnataka.
b) To provide consultancy services to the various Departments and Agencies of state and Central Governments.