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Paper: Entrepreneurship

Q1.

a) What are the four basic kinds of entrepreneur?

- **Innovative Entrepreneur:** Innovative Entrepreneurs are those whom bring a new idea to a business market, create something new or discover some new idea. These types of entrepreneur are risk takers, they are not afraid of failures.
- **Imitating:** It is more of a copycat like, these types of entrepreneur usually copies the work or the innovation done by innovative entrepreneur.
- **Fabian Entrepreneur:** are those entrepreneurs whom follow the traditional ways of business and do not easily adapt the changes of technology and ideas.
- **Drone Entrepreneur:** are much like Fabian but they are a step ahead because they are ready to suffer lose but not to change their way of work.

b) What functions does entrepreneur plays in the market and describe the hurdles in the path of entrepreneurship?

Entrepreneurs play a vital role in any economy, using the skills and steps needed to think of needs and bring innovative ideas to the market. Entrepreneurs who prove themselves successful at risking startups are rewarded with profit, reputation and opportunities for continued growth.

Following Are The Problems Faced By New Entrepreneurs:

- ❖ Financing
- ❖ Leaving the Present Career
- ❖ Decision Making
- ❖ Copy Writes
- ❖ Market Uncertainty
- ❖ Competition
- ❖ Government
- ❖ Culture, etc

Q2.

a) What major roles SME's play in developing the economy of a country?

SMEs are becoming increasingly available to the world economy. They play a vital role in the global economy by providing a wide range of goods and services, creating jobs, developing regional economies and communities, helping to compete in markets and providing new skills. Globally, Small and Medium Enterprises (SMEs) play a key role in addressing the issues of poverty, inequality and job creation in rural areas. They are an important source of employment, especially for women, low-skilled workers and youth.

b) Write about the provincial level organizations which help in developing SME's in Pakistan?

- ❖ **KPEZDMC** (Khyber Pakhtunkhwa Economic Zones Development And Management Company)
- ❖ **KPTEVTA** (Technical Education and Vocational Training Authority Khyber Pakhtunkhwa)
- ❖ **SIBD** (Small Industries Board of Development Government Of Khyber Pakhtunkhwa)
- ❖ **BOIT** (Board of Investment And Trade Government of Khyber Pakhtunkhwa)

Q3. Define NGO? What role it plays in development of SME in Pakistan?

Organization that pursues activities to relieve suffering, and/or promote the interests of the poor, and/or protect the environment, and/or provide basic social services and/or undertake community development. NGOs work in the social and economic sphere to create SMEs. Private participants are registered under the social act. Usually they work with grants, help or donated money. They have a positive role in SME development. The special property of the industry is gender development. NGO Non-Government Organization, a nonprofit affiliate of any government or organization, dedicated to managing resources and implementing projects to solve social problems. I wish I had some social support. The NGO is a community-based organization with its own administrative structure. This organization may enjoy or spend all its money through a government department known as a funder, however it is accountable or accountable to its stakeholders - people who stand to gain or lose their actions. Reimbursement is one of the key players. The NGOs play a vital role in the development of SMEs. NGOs help alleviate poverty; NGOS create awareness for rural people to develop small businesses in their areas.

b) Write about the taxation policy of SME's along with its conclusion?

The taxation policy in SMEs is very rigid because sometime tax rates are very high and their proper documentation cost SMEs a lot of capital. It also create a tough eco system for them as the market ecosystem for SMEs aren't suitable, for them taxation is extra expense and the main reason that investor are fleeing the Pakistani Market and moving their production outside the country.

So, government has to easy up the taxation policy or give up to 3 year tax free period to SMEs in order to enable them to survive in market. Introduce such a polices that taxation department official aren't able to harass them. Also provide incentive to those whom pay their taxes in due time like they can import a limited number of something duty-free during a specific time period.

Q4. What is SMEDA? Write down its vision, mission and objectives in detail?

Small and Medium Enterprises Development Authority is an autonomous institution of the Government of Pakistan under Ministry of Industries and Production. SMEDA was established in October 1998 for encouraging and facilitating the development and growth of small and medium enterprises in the country.

- ❖ **Vision:** "Growth of globally competitive SME sector, through a conducive environment and support services, serving as an engine of sustainable growth for national economy"
- ❖ **Mission:** "To assist in Employment Generation and Value Addition to the National Income, through Development of the SME Sector, by helping Increase the Number, Scale and Competitiveness of SMEs"
- ❖ **Objective:**
 1. Formulate Policy to encourage the growth of SMEs in the country and to advise the Government on fiscal and monetary issues related to SMEs.
 2. Facilitation of Business Development Services to SMEs.
 3. Facilitate the development and strengthening of SME representative bodies associations/chambers.
 4. Set up and manage a service provider's database including machinery and supplier for SMEs.
 5. Conducting sector studies and analysis for sector development strategies.
 6. Facilitation of SMEs in securing financing.
 7. Strengthening of SMEs by conducting and facilitating seminars, workshops and training programs.
 8. Donor assistances for SME development of SMEs through programs and projects.
 9. Assist SMEs in getting international certifications (such as UL, CE, DIN, JIS, ASME, KS, etc.) for their products and processes.
 10. Identification of service opportunities on the basis of supply/demand gap.