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DATE: 24 JUNE 2020

SUBJ: ENTREPRENEURSHIP

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Question No 1 part A

Four kinds of entrepreneurship:

1. Business entrepreneur: discover an idea for business the builds it.
2. Trading entrepreneur: undertakes trading activity
3. Industrial entrepreneur: undertakes manufacturing activates.
4. Agripreneurs: undertakes agricultural activates.

(Part B)

Rules of entrepreneurship in the market:

Innovation:

- ❖ New product, new market for a product, new sources of raw material
- ❖ Mobiles, induction cook topic.

Risk taking:

- ❖ Reduce uncertainty in his or her plan of investment.
- ❖ Diversification of production and expansion of the enterprise.
- ❖ Willing to assume the risks involved in innovations.
- ❖ New ventures and expansions of an existing venture.

Organizational Building:

- ❖ Organization and management are main functions.
- ❖ Allocate the productive recourse and order to minimize losses and reduces costs in production.

Ans No2. Part A

Roles of SMEs:

SMEs have played an increasing and vital role in the industrial structure of developed and developing countries in Asia and other parts of the world. As a result a number of nations have witnessed successful SME-led economic growth and development. The growth oriented SMEs both in terms of domestic market share and direct exports, notably in leading force behind economic growth as witnessed in the 1980s and 1990s. the experience of small enterprise development in Asia indicates that small unites working in product

clusters generally tended to perform better than those operating individually. The better performance of enterprises through clustering was due to easier access to networks and the benefits arising out of economics of agglomeration.

Part B

Provincial level organizations

SME Groups are specialized in production from low tech Cutlery Products to hi-tech Auto Parts, from Raw Vegetable and Fruits to value added Food Stuff and Juices from Handloom Textile Products to Modern Textiles, from Hand Stitched Footballs and Wooden Sports Goods to Mechanized Balls and Composite Material Sports Goods, from Traditional Carved Furniture to Modern Aesthetic Design Furniture and many more. The multitude specialization in production of different goods geographically spread from Lahore to Sialkot, Faisalabad to Sargodha and Multan to Rahim Yar Khan.

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

Part A:

NGOs stand for Non-government Organizations. The NGOs are working on socio-economic sector in the development of SMEs. They are privately owned organization registered under the social welfare act.

They normally work through grants, aids or donation based finances. They are having a very constructive role in the SME development. The special belonging of this sector is gender development.

Role of NGO plays in development of SME in Pakistan:

NGOs play a vital role in development of SME. NGOs helps to reduce poverty, NGOs create awareness in women of rural areas to develop small business in their own premises.

PART B: The taxation policy of SME's along with its conclusion

- High rates of taxation
- Expensive accountants and legal advisors
- High cost of bookkeeping for small firms
- Time consumption by tax payer to handle tax issues
- Physiological cost (in terms of anxiety, stress and phobias by possible mistakes and reaction of tax authorities)
- 67% of the enterprises termed tax regulations as most problematic
- 56% of businesses report a crunch of taxes
- 28% of businesses felt taxes are very high
- The SMEs are harassed by the tax authorities
- 69% of the firms having less than 1 million assets have given tax as number one problem due to cost of bookkeeping and hiring professionals.

CONCLUSION: The result of such policies is that (unfortunate) surprises to small firms are less frequent. It is made sure that businesses potentially affected are consulted and informed of any forthcoming policy shifts so as to avoid negative impacts.

ANS NO4. SMEDA Small and Medium Enterprise Development Authority:

Institution of the government of Pakistan under ministry of industrial and production. SMEDA was established in October 1998 to take on the challenge of developing small and medium Enterprises in Pakistan.

.SMEDA: vision, mission and objectives:

Mission Statement

To function as the promoter & facilitator of SME sector in Pakistan by creating a conducive and facilitating environment as well as providing and facilitating service delivery to SMEs for enhancing their capacities and competitiveness.

SMEDA Vision

"Growth of globally competitive SME sector, through a conducive environment and support services, serving as an engine of sustainable growth for national economy".

SMEDA Objectives

1. Policy formulate 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. 4. Set up and manage a service provider's database including machinery and supplier for SMEs.
5. 5. Conducting sector studies and analysis for sector development strategies.
6. 6. Facilitation of SMEs in securing financing.
7. 7. Strengthening of SMEs by conducting and facilitating seminars, workshops and training programs.
8. 8. Donor assistances for SME development of SMEs through programs and projects.
9. 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 based on supply/demand gap.

THANK YOU