

**CHAROTAR UNIVERSITY OF SCIENCE AND TECHNOLOGY (CHARUSAT)
FACULTY OF MANAGEMENT STUDIES (FMS)**

BBA PROGRAMME

SEMESTER – VI – UNIVERSITY EXAMINATION, APRIL 2018

BM306- ENTREPRENEURSHIP DEVELOPMENT AND INNOVATION MANAGEMENT

Date: 30/04/2018, Monday

Time: 1.30 PM to 02.00 PM

Total Marks: 15

Student's ID No.									
Student's Name: _____									
Student's Sign : _____									
Supervisor's Name : _____									
Supervisor's Sign: _____									

Important Instructions:

- All questions are compulsory.
- This is a closed book examination.
- There are two sections in the question paper. Section – I contains Q. No.: 1 which is of 15 marks and Section – II contains total five questions wherein Q. No.: 2 to 5 are of 10 marks each and Q. 6 is a Case study of 15 marks.
- Section – I should be answered in the given question paper and Section – II should be answered in a separate answer book.
- Maximum time allotted for Section – I is 30 minutes. Answer Book for Section – II will be given when the Question Paper for Section – I is returned. However, candidates who complete Section – I earlier than 30 minutes, can collect Answer Book for Section – II immediately after handing over Section – I question paper.
- Figures on the right indicate marks for each question.

SECTION – I

Q.1 Objective Type Questions: This includes questions of the following types:

15

A) Match the Following:

[6]

Q. No.:		Probable Answer Keys		Write Your Answer Here
(i)	An entrepreneur doing business within the national border is called	a)	Indirect export	(i)
(ii)	Selling goods to another country by taking care of transactions is called	b)	Domestic Entrepreneurship	(ii)
(iii)	corporate venturing is alternatively called	c)	Sole Proprietorship	(iii)
(iv)	It best represents the environment of an entrepreneurial oriented organization	d)	Locus of Control	(iv)
(v)	Degree of influence and control on other people is called	e)	Entrepreneurial culture	(v)
(vi)	A business where an individual is both the owner and conductor of the business affairs is called	f)	Intrapreneurship	(vi)
		g)	Debt Financing	
		h)	Financial Plan	
		i)	Small Business Innovation Research	
		j)	Strategy	

B) Multiple-Choice Questions

[3]

(Note: Encircle the correct answer)

vii. Which of the following is not followed in brainstorming?

- a) Criticism is done by the group members
- b) The wilder idea is better
- c) Quantity of ideas is required
- d) The session should be fun, with no one dominating the discussion

viii. A patent is granted for a specified amount of time because of the assumption:

- a) During this time firm will cover its development costs
- b) Firm will earn a sufficient profit during this period
- c) To limit the monopoly of the firm
- d) It will stimulate idea and development of a better product

ix. Developing a new idea through inquiry and testing is called

- a) Heuristics
- b) Scientific method
- c) Forced relationship
- d) Value analysis

C) Fill-in the Blanks

[3]

(You may choose from following answers.)

Trade barrier	Decentralize operations	Intellectual property	Attribute	Synectics	Cultural
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x. Any patents, trademarks, copyright or trade secrets held by the entrepreneur is known as _____

xi. Locus of control is _____

xii. The creative process for problem solving that involves making the strange familiar in first step and then making the familiar strange through personal, direct or symbolic analogy is called _____

D) True or False

[3]

(Note: Encircle the correct answer)

xiii. The idea and actions that explain how a firm will make its profits refers to Strategy.

(True) or (False)

xiv. Direct Exporting involves having a foreign purchaser in the local market or using an export management firm. (True) or (False)

xv. The Need for achievement means to do things in his or her own way and time.

(True) or (False)

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SEMESTER – VI – UNIVERSITY EXAMINATION, APRIL 2018

BM306- ENTREPRENEURSHIP DEVELOPMENT AND INNOVATION MANAGEMENT

Date: 30/04/2018, Monday

Time: 02.00 PM to 04.30 PM

Total Marks: 55

Note: - (i) All questions are compulsory.

(ii) This is a closed book examination.

(iii) There are two sections in the question paper. Section – I contains Q. No.: 1 which is of 15 marks and Section – II contains total five questions wherein Q. No.: 2 to 5 are of 10 marks each and Q. 6 is a Case study of 15 marks.

(iv) Section – I should be answered in the given question paper which is to be submitted at the end of 20 minutes. Section – II should be answered in a separate answer book.

(v) Maximum time allotted for Section – I is 20 minutes.

(vi) Figures on the right indicate marks for each question.

SECTION - II

Q.2 Kapish an unemployed graduate got training for automobile repairing and allied services under PMKVY (Pradhan Mantri Kaushal Vikas Yojana) for skill development. He is planning to start a digital workshop for which he needs 25 lacs. Though through MUDRA (Micro Units Development and Refinance Agency) he is able to get a loan of 10 lacs but still he is falling short of 15 lacs. He wants to pitch in his idea to potential investors through his business plan. Explain the different formats in which he can present his business plan for his start-up. **10**

OR

Q.2 Discuss major issues encountered in doing business in India. Discuss steps taken by the Government recently to promote 'Make in India' initiative. **10**

Q.3 Nagavara Ramarao Narayana Murthy, popularly known as N.R. Narayana Murthy Chairman of Infosys Technologies Ltd. Comes from middle class background. He is son of a teacher, a member of a large family of eight children (Three brothers and five sisters). Like an ordinary middle –class boy ,he studied well and qualified for the prestigious IIT. He could not afford it and therefore, went to NIE, Mysore- a local college for a degree in electrical engineering. Murthy completed his post graduation in electrical engineering at IIT Kanpur in 1969 and took up a job. The only thing is, he did seemingly the very same things, but obviously differently. He always took risks. Following are the exemplary instances of his risk- taking decisions. First, Murthy pursued a career in computer science when there were not too many jobs in this field. The Indian industry / business were very much into mortar – bricks business and had just about started appreciating the role of computers.

Second, next risk he undertook was to turn down attractive offers from large companies such as Telco, HMT, ECIL, and Air India; instead, he joined as a system programmer at IIM Ahmedabad. IIMA was at that time in the process of installing a Hawlett –Packard minicomputer and was foregoing ahead to become the second business school after Stanford to have a time sharing operating system. The thrill of such a pioneering job, thus, gave him a great learning opportunity and was the main reason that Murthy joined the team at IIM under J.G Krishnaya, Professor of information systems. Murthy received a salary of Rs.800/- a month .he says," It was the best decision of my life. There were many 20-hour work days but I loved being a pioneer of working at the cutting edge of computer technology those days."

Third, a chance came from Sesa, a french software company, to build an operating system to handle air cargo at the Charless de Gaulle airport in Paris. What is worth nothing here is that at around the same time, murthy also had received Scholarships to purse a Ph.D. In the USA and Israel. But, Murthy did not take these soft options. He instead, went to Paries, Which also meant mastering another language French. After the successful execution of this project, murthy came back to Pune in 1974 to join his mentor professor J.G krishnanyya who was setting up the systems research institute (SRI, a non-profit organization). Having worked for some time in SRI, Murthy became somewhat frustrated with the work at SRI (getting the usual bureaucratic treatment of seldom implementing the sincere suggestions). Then, he took up a job in Patni Computer Systems (PCS), a Mumbai-based Company. At PCS, he was head of the software group and it was here that he met some of the would-be founder –parents of Infosys. He did his usual, unusual, quit the job and started his Software service firm along with his partners. This was the firm which was to become the giant that Infosys today. Out of his six founders partners, there were rookies-PCS was the first job of Nandan Nilekani, S.Gopi Krishnan and Ashok Arora. Only k.Dinesh (NGEF, Bangalore), N.S. Ragavan (union Carbide), and S.D shibhulal (BEST, Mumbai) had some prior experience elsewhere. Not that these Murthy + sis had any money. They all were middle class back grounds and pooled in Rs. 10,000 capital borrowed from their better halves.In. In this way, Infosys Consultants was born in July 1981 in one bedroom of two-bedroom apartment in Pune.

Fourth, the risk-full incidents surrounding the life of this unusual ‘middle class’ businessman do not end here. The first ten years after 1981 were quite tough for Murthy and His team. Murthy recounts,” It took us one year to get a telephone; it took two years to get a licence to import a computer; Stupidity was the order of the day then.” His wife Sudha had to go and live with her parents for a year. Murthy stuck it out through thick and thin. In 1990, his parents thought of selling the company. But murthy differed and even offered to buy his parents out. Murthy always took risks and it always seems to have paid off.

Based on the above case, Enlist the core Entrepreneurial Competencies of Murthy.

- Q.4** Describe corporate social responsibility in respect to Entrepreneurship Business. **10**
- Q.5** What is entrepreneurship? What environment is required to be an entrepreneur? What are the skill set required to be an entrepreneur? **10**
- Q.6** The Indian textile Industry comprises three inter related but competing sectors- the organized mill sector, the “decentralized” handloom and the power loom sectors. Jaishree’s Kothari Silk Mills fall under the Power loom Sector, thus responsible for substantial capital formation and job creation and substantially increasing local standard of living of the workforce. Jaishree have shown her tenacity and courage to set up the enterprise not by compulsion or by chance but through conscious choice and pragmatic interest. With an active support from her husband, she joined her brothers design studio Kothari Silk Mills, Surat set up for inhouse sampling and ensuring complete market secrecy. The studio started with 5 people in the year 2008 has now grown and blossomed into a professional look corporate style and ably managed employing more than 100 skilled and unskilled personnel.

Women entrepreneurs have a tremendous potential in empowering and transforming society, thus synthesizing social progress and economic development. Jaishree’s dynamic and adaptive team generates 20 to 25 samples every day and churns out 2 to 3 catalogues every month, each catalogue having 12 to 18 designs. They claim that none of their designs are ever repeated. At any given time 6 to 7 teams are working on separate mandates. Each such team comprises of sketchers, punchers and fashion designers. The sketcher puts the ideas on paper, the puncher converts the image on paper into electronic format on computer and the designer then assembles all the creative ideas on the computer

into a coherent design for printing. All this work is related to just one product, dress material, basically for Punjabi suits. In market parlance it is known as SKD (salwar kameez dupatta set). Women are now proving to the world that their role in the society is no more limited to that of a consumer but they can also play a major role as an enabler to bring those products and services to the consumer, which has been very ably proved by Jaishree's Design Studio, a part of Kothari Silk Mills.

The Head of the Department gives the direction for themes to be developed based on the market surveys, previous trends and experiences, personal visits to the retail outlets as well as wholesalers. For example, May /June could be the theme for the impending Idd festival ; immediately after that it would be for Karvachauth festival (a big buying occasion in North India) and then the wedding season. Most of the planning and execution of the designing mandates take 2 to 3 months so they plan their designing activities 3 months in advance. According to Jaishree, Fashion is like a fresh vegetable, it needs to be innovatively treated and creatively executed. Perpetual development is the key. Fashion repeats in a cyclic manner, the catalogues are prepared and distributed to the intermediaries, mostly located in Northern India market, as also to export markets such as Bangladesh, Dubai, UK, etc. Not much marketing activity is undertaken in Surat. The group is fully equipped with updated technological knowledge, which has resulted its foray into online marketing since last 12 months or so, and the response is overwhelming. The Head of the Department gives the direction for themes to be developed based on the market surveys, previous trends and experiences, personal visits to the retail outlets as well as wholesalers. For example, May /June could be the theme for the impending Idd festival ; immediately after that it would be for Karvachauth festival (a big buying occasion in North India) and then the wedding season. Most of the planning and execution of the designing mandates take 2 to 3 months so they plan their designing activities 3 months in advance. According to Jaishree, Fashion is like a fresh vegetable, it needs to be innovatively treated and creatively executed. Perpetual development is the key. Fashion repeats in a cyclic manner, the catalogues are prepared and distributed to the intermediaries, mostly located in Northern India market, as also to export markets such as Bangladesh, Dubai, UK, etc. Not much marketing activity is undertaken in Surat. The group is fully equipped with updated technological knowledge, which has resulted its foray into online marketing since last 12 months or so, and the response is overwhelming.

Entrepreneurship plays a major role in the harnessing of knowledge and the conversion of this harnessed power into future goods and services through industrial innovation, an enviable achievement of Kothari Design Studio. With the tremendous growth of technology and the demand for their products, the enterprise has started on-line marketing, resulting in more far-reaching access. The tie up with a web content developer, where the developer also handles the logistics and accounts part of the business, has helped the business house in an astounding manner. Jaishree feels that there are no problems in life or in business. They are all challenges, which need to be addressed. one area where she feels the trust in the society needs to develop on women entrepreneurs are, their capabilities to maintain the business financials. Jaishree's finance are managed and handled by her husband and her brother. This is one glass ceiling she would love to break one day.

Jaishree is contributing a significant component to increased production quality, productivity and marketing effectiveness and contributing to job creation amongst women. Another important aspect of Jaishree is that she has proactively encouraged females to take up employment in her enterprise, here they feel safe and there is a family like atmosphere. Women entrepreneurs bring ethics in business and human approach in socio economic relation, which is seen in Jaishree's enterprise too. Matter of fact, male-owned businesses have a workforce that is often more than 85% men. However

women are more likely to employ personnel that is more gender balanced, that comprises nearly 52% of female and 48% male. Same is the case in Kothari Design Studio, managed by Jaishree where she has the workforce in which more than 51% are females and 49% are males. In the male dominated business of textile, females coming from all social sectors feel safe to work with Jaishree. Textile Industry has the flexibility to respond quickly to market changes and opportunities and rapidly absorb innovation and creativity. This has resulted in systematic HR department which follows- motivational programme, TQM, training programs, personal counselling etc., undertaken for the benefit of the employees. There may be no corporate structure or similar benefits for the employees but performance appraisal is conducted periodically. Performance review takes place every month, but in crucial times even every day review is undergone.

The SKD suits are all non-synthetic. Cotton, viscose, silk, etc. Fabrics procured from Benares, Bhiwandi and Surat is used. The further processing, cutting and packing is done in -house. The products address the fashion requirements of the mass market and the target is to double the turn over every year. Ms. Jaishree has an amazing ability to multitask and balance both personal and professional life with her focused and goal oriented approach and future planning. By striking a proper balance between personal and professional life, Kothari design studio is planning the diversification into Garmenting (kurtis section) which is being seriously pursued. A new team for designing and sampling is being constituted. The manufacturing part of this diversification may be either outsourced or in-house. The business is now co-owned by Ms. Jaishree and her brother. Her husband has now taken the liberty of shifting his focus to real estate in Surat and at Jodhpur. This probably is the most satisfying part of the journey of Entrepreneurship taken by Jaishree.

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- a) Discuss the Social, Economical, Competitive and Facilitating challenges faced by Jaishree.
- b) In your opinion, what is the status of women entrepreneurship in contemporary business? Illustrate with examples.

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