

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY**MBA – SEMESTER 2 - EXAMINATION - WINTER 2018****Subject Code: 3529208****Date: 02/01/2019****Subject Name: Entrepreneurship****Time: 02:30pm To 05:30pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q-1. Explain (14)

1. Window of opportunity
2. Gordon method
3. Business plan
4. Venture capital
5. NEN
6. MSME
7. Stand Up India

Q-2 (A) Give the meaning of Entrepreneur and explain the basic entrepreneurial competencies that you see in various entrepreneurs. (7)

Q-2 (B) Explain in detail with examples various types of entrepreneur (7)

OR

Q-2 (B) Explain various myths which are related to entrepreneur (7)

Q-3 (A) What are the basic five factors that makes a business idea truly a business opportunity. Give examples (7)

Q-3 (B) Explain central level institutions that are supporting business enterprises (7)

OR

Q-3 (A) What are the various formalities for setting up a small business enterprise (7)

Q-3 (B) Explain state level institutions that are supporting business enterprises (7)

Q-4 (A) Write short note on NABARD, SIDBI, HUDCO (7)

Q-4(B) What are the various factors that world bank has considered in the index of Ease of Doing Business? What is India's performance in the index. (7)

OR

Q-4 (A) Write short note on Start up India and Skill India. How these governmental schemes are helping India in developing start up ecosystem? (7)

Q-4 (B) Explain roles and importance of MSME in India. What are the various problems that MSME sector is facing in India? (7)

Q-5 How Budget 2018 will impact the Indian start-up ecosystem

Budget 2018 did not have much in the bag for the India's start-up community. However, some initiatives announced are going to be a growth driver for the space. Here are some announcements by the Finance Minister, Arun Jaitley, which will impact investments and exits:

1. No scrapping of Angel Tax

The government currently levies 30 per cent on investors, under the Angel tax clause it had introduced in the Income Tax Act in 2012. Start-up founders and VCs had expectations that the government would scrap off this tax in Budget 2018. "The start-up sector could have benefited from dissolution of the angel tax introduced by the government previously and further extending the tax holiday period for companies to help them achieve a certain scale," says Gaurav Burman, VP & Country President, India, 75F, an 'Internet of Air' start-up. However, other experts are of opinion that this move is not going to affect the ecosystem, as it doesn't deter the investors from investing in the start-ups.

2. Boost to healthcare, agriculture, infrastructure and education

Finance Minister Arun Jaitley in his budget speech announced a new flagship National Health Protection Scheme, under which it aims to insure 500 million people for up to Rs 500,000 per year. The government has also increased the institutional credit target for agriculture to Rs 11 lakh crore for FY19. For education sector, the government has allocated Rs 85,010 crore for next fiscal.

"To roll out the provisions announced for agriculture sector plus the healthcare programme, the financial technology ecosystem will come into play in a big way and many start-ups will come into play for doing that," says Sumit Jain, Partner at venture capital firm Kalaari Capital.

Increased allocation for education sector, too, is expected to give a boost to start-ups in the sector.

"The 2018 budget will provide an important thrust for established firms as well as start-ups in the ed-tech sector. Jaitley's increased emphasis on digital forms, over traditional forms of learning, is a major boon for the industry," says Minal Anand, Founder & CEO, education start-up GuruQ.

3. Digital India and other technology announcements

The government doubled the budget for the Digital India Scheme to Rs 3073 crore for FY19, a move being widely applauded across India Inc.

"The finance minister has doubled the budget for the Digital India Scheme, emerging as a major move towards assisting the nation to progress further. The second development of investment of Rs 10,000 crore for rural Wi-Fi hotspots, giving 5 crore citizens access to broadband speed internet by the deployment of 5 lakh Wi-Fi hotspots should help bring more consumers online, increasing digital consumption of services like OTT, entertainment, banking, and e-commerce. We feel that all these steps are a definite plus for the significant growth of the digital businesses in the country," says Abhesh Verma, COO, video entertainment app nexGTV.

Jain, too, thinks these initiatives are very encouraging for the start-ups.

"The finance minister talked about things like encouragement for technologies like machine learning, artificial intelligence, and block chain. They plan to encourage these technologies for widespread public use. This is actually great news, because all these tech companies are only beginning to find a market for themselves. And if the government becomes one of the key drivers and adopters of the tech companies and tech tools, it is actually going to be a great time for the ecosystem," he adds.

4. Relief for MSMEs

One of the announcements in the budget, which is directly going to impact the start-ups in India, is the government's decision to reduced the income tax to 25 per cent for small firms with annual turnover of up to Rs 250 crore. Though the government already exempts the start-ups from taxes for initial five years of their formation, this recent move can help them further.

5. Return of Long-Term Capital Gain Tax

Budget 2018 introduced the Long Term Capital Gain Tax, which levies a 10 per cent tax on long-term capital gains exceeding Rs 1 lakh made in the share market. According to Nakul Saxena, fellow at industry body ISPIRT, the move is going to discourage start-ups from getting listed. He also opines that this will deter investors from exiting and thus adversely affect the overall ecosystem.

Ref.: (Business Today, Feb 2, 2018)

Q5 (A). Being a young entrepreneur in India how the above budget 2018 highlights will help the company to grow in the near future. (14)

OR

Q5 (A) If you want to start a new company in India, keeping in mind the above points of the budget, what will lead you to creation of opportunities? (14)