

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 3 – • EXAMINATION – SUMMER 2018

Subject Code: 2830007**Date: 02/05/2018****Subject Name: New Enterprise and Innovation Management (NE&IM)****Time: 02:30 PM To 05:30 PM****Total Marks: 70****Instructions:**

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

- 1.a. Multiple Choice Question [6]
- i. Which of the following is not considered a common characteristic of an entrepreneur?
- | | |
|------------------------------|------------------------------|
| a. Internal Locus of Control | c. External locus of control |
| b. High need for achievement | d. Willingness to take risks |
- ii. Which of the following is NOT included in the financial section of a business plan?
- | | |
|--------------------------------|----------------------|
| a. Breakeven point | c. Startup costs |
| b. Projected income statements | d. None of the above |
- iii. Which of the following is NOT an attribute that can be associated with Venture Capitals?
- | | |
|-------------------------|--------------------------------|
| a. Equity Participation | c. Participation in Management |
| b. Long Term Investment | d. Personal funds are invested |
- iv. Common reasons for entrepreneurial failure include all but which one of the following?
- | | |
|------------------------------|-------------------------------|
| a. Poor Implementation | c. Faulty product design |
| b. Lack of financial support | d. Ineffective Human Resource |
- v. Combination of at least two firms at different market levels is called
- | | |
|------------------|---------------------|
| a. Joint venture | c. Horizontal merge |
| b. Synergy | d. Vertical merger |
- vi. Which of the following are the Fast-growth young companies?
- | | |
|------------------------------|---------------|
| a. Foundation Company | c. Gazelles |
| b. None of the given options | d. Life style |
- 1.b. Define the following: [4]
- | | |
|------------------|---------------------------------|
| A. Innovation | C. Intellectual Property Rights |
| B. Gordon method | D. Venture capital funding |

- 1.c Explain the contribution of entrepreneurship in economic development of a region [4]
- 2 a. Explain in detail the different modes of international entry available to an entrepreneur [7]
- 2 b What are the different challenges faced by female entrepreneurs in India? What steps have the Indian government taken to help them overcome these challenges? [7]
- OR
- 2.b Explain the personal competencies which are extremely important to be of a successful entrepreneur. [7]
- 3a How does innovation help in business growth? Using examples, explain the different forms of innovations. [7]
- 3b. Explain Strategic alliance by citing some examples from Indian business environment. [7]
- OR
- 3a Explain the impact of introduction of GST on Indian businesses. comment on its pros and cons. [7]
- 3b. A lot of new startups that are being established today are e-commerce startups. Comment on what are the advantages and challenges of establishing e-commerce business? [7]
- 4a What are the different non-financial support initiatives taken by the government to support entrepreneurial development in the state of Gujarat? [7]
- 4b. What is feasibility analysis? Which are the different studies needs to be undertaken by an entrepreneur while preparing his/her project appraisal/report? [7]
- OR
- 4a Explain the different sources of finance. Name few sources of venture capitalist financing in India. [7]
- 4b. What is a business plan? Who writes and reads the business plan? Prepare an outline of business plan with an industry of your choice. [7]
5. **SFL** [14]
- Indian firecracker industry has a turnover of over Rs. 1000 crore and most of its revenue is generated around Diwali. The industry is highly concentrated in areas around the town of Sivakasi in Tamil Nadu. In addition, the high level of seasonality creates operational problems.
- Standard Fireworks Ltd (SFL) is the largest manufacturer of firecrackers in India. And has a turnover of over Rs 250 crore. To break out of the problems caused by single selling season, SFL wanted to export to the US and the other overseas markets, but, cumbersome export regulations made it very difficult. To overcome these challenges, they set up a manufacturing unit in China. The Chinese firecracker

industry is much bigger and more advanced than Indian industry. SFL has been able to incorporate cost saving Chinese manufacturing practices, pick up expertise in making fancy fireworks and start an export business based out of China.

Also, it has been looking at engaging in higher-value added and non-seasonal activities. Twice they were contracted to supply fireworks used in Dubai Shopping Festival. The competition however is increasing. In addition, world over environmental concerns are increasing and people are shifting from fireworks display to LED based Laser shows. Shakti Singh at SFL is concerned about the changing business environment and has sought your suggestion.

Based on your understanding of the entrepreneurial process suggest the following:

A. What should SFL do to expand its current business?

B. What different types of planning needs to be carried out so that their efforts give maximum return?

OR

5 **Tye-Dye**

[14]

You are working on a startup for “Fabric tying and dying” to support rural artisans involved in tying & dying using vegetable dye.

A. Prepare an outline of your business considering key business partners, key activities for your business, unique value propositions, the customer segments

B. Also prepare an outline for the customer relationship, the possible channels for reaching to the customers, the key resources required, the cost structure and the sources of revenue stream.