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Internal Assessment Test - III

Sub:	ENTREPRENEURSHIP DEVELOPMENT						Code:	16MBA26	
Date:	30/03/2017	Duration:	90 mins	Max Marks:	40	Sem:	II	Branch:	MBA

	Marks	OBE	
		CO	RBT
Part A - Answer Any Two Full Questions (16*02=32 Marks)			
1 (a) Define Intrapreneurs. Intrepeneur are a new breed of corporate entrepreneurs who catch hold of a new idea for a product, service, or process and work to bring this idea to fruition within the framework of the organization.	[02]	CO1	L1
(b) Illustrate the ways of entrepreneurship entry into international business. Exporting, Direct exporting, Indirect exporting, Licensing, Turn key projects	[06]	CO4	L3
(c) Discuss the stages in entrepreneurial process. <ul style="list-style-type: none"> • Stage I: Conducting Opportunity Analysis <ul style="list-style-type: none"> • State the vision • Conduct Market analysis and research • Evaluate the competition • Research pricing and sales strategies • Stage II: Developing the plan and setting up the company <ul style="list-style-type: none"> • Set goals and objectives • Start wiring the plan • Investigate new processes and technologies • Determine pricing and distribution channels • Set up the company. • Stage III: Acquiring Financial Partners and sources of Funding <ul style="list-style-type: none"> • Secure early stage funding • Secure growth funding • Stage IV: Determining Resources Required and Implementing the plan <ul style="list-style-type: none"> • Determine value of licenses, patent and copyrights • Prepare the organization for growth • Develop on e-business strategy for managing financial operations • Stage V: Scaling and harvesting the venture <ul style="list-style-type: none"> • Discuss options and alternatives • Sell or merge 	[08]	CO1	L2

- Go public
- Form a Strategic alliance

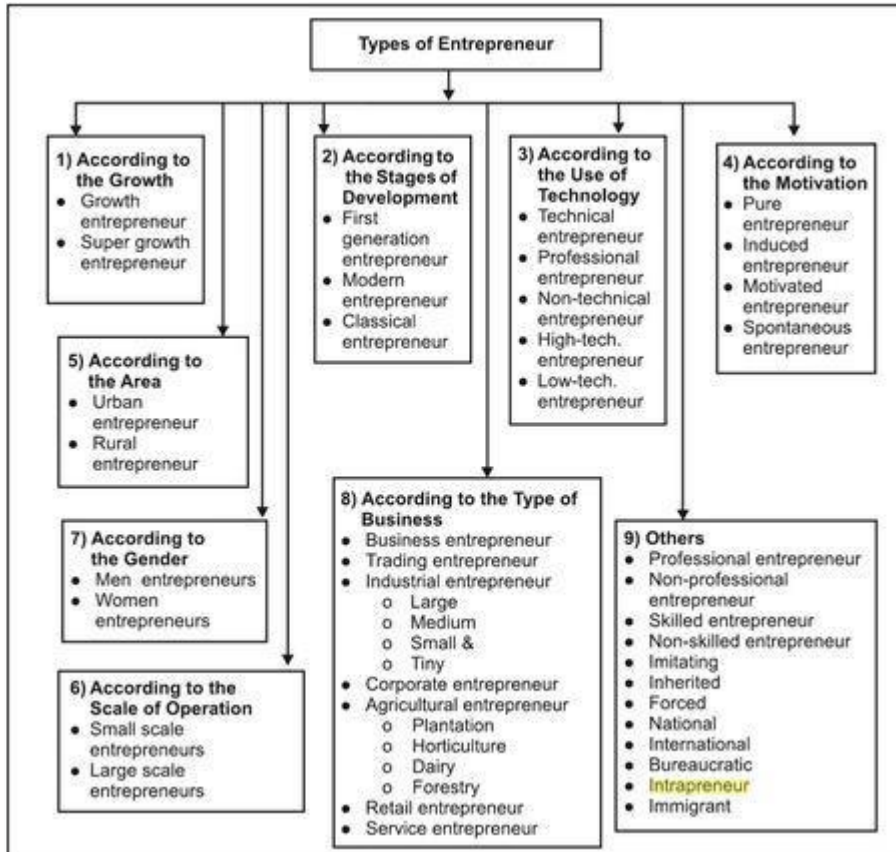
2 (a) Outline the sources of new ideas.

Basic research , Production stage, Sales force, Management, Magazines and trade journal, Competitors, Buyers, Sellers.

[02] CO4 L1

(b) Explain the types of Entrepreneur.

[06] CO1 L4



(c) What is single window system? Explain the functions and objectives of NABARD.

[08] CO3 L3

A single window is a system is where all facilities are available in one place. For example, in banking there are various dealings like withdrawing cash from a savings account, current account, purchase of drafts or pay orders, making fixed deposits, etc. Earlier, for each type of transaction, a customer had to approach different staff at different counters. Today, all the facilities can be availed of at one counter or window. Hence, it's called a single window facility. It is a single point contact to reduce the time and efforts involved in various clearances and approvals of layouts/applications for the proposed investment, submitted by investors.

- NABARD came into Existence on 12th July 1982 by an act of Parliament.
- Its objective is providing focused and undivided attention to the development of rural India.
- NABARD mission statement underscores “to promote sustainable & equitable agricultural & rural prosperity through effective support, related services, institution development and other innovative initiatives.
- NABARD at present has 28 regional offices at the state capitals, a sub-office at

Port Blair and 376 district development offices.

- NABARD is an apex institution accredited with all matters concerning policy, planning and operations in the field of credit for agriculture and other economic activities in rural areas.
- It is an apex refinancing agency for the institutions providing investment and production credit for promoting the various developmental activities in rural areas.
- It takes measures towards institution building for improving absorptive capacity of the credit delivery system, including monitoring, formulation of rehabilitation schemes, restructuring of credit institutions, training of personnel, etc.
- It coordinates the rural financing activities of all the institutions engaged in developmental work at the field level and maintains liaison with Government of India, State Governments, Reserve Bank of India and other national level institutions concerned with policy formulation.
- It also prepares, on annual basis, rural credit plans for all districts in the country, these plans form the base for annual credit plans of all rural financial institutions.
- It further undertakes monitoring and evaluation of projects refinanced by it.
- It promotes research in the fields of rural banking, agriculture and rural development.

3 (a) Examine what motivates one to become an entrepreneur.

[02]

CO1

L1

- Risk taking ability
- Likes Challenges
- Have new ideas
- Want to be their own bosses
- Want to create wealth for themselves
- Have the necessary managerial skills
- Has financial support

(b) Analyze the role of an entrepreneur in economic development of the country.

[06]

CO2

L4

- Economic Activity
- Purposeful Activity
- Decision making
- Accepting Challenges
- Risk taking
- Building Organization
- Dynamic Process
- Gap Filling Function
- Skillful Management
- Innovation
- Mobilization of Resources

(c) As an entrepreneur, write a format of business project report for a product/ service of your choice. Make all necessary assumptions.

[08]

CO2

L4

1. **Cover page** : page of the project report should contain the title of the project, name, address so that the readers of the report can easily contact entrepreneur relating to queries of report.

2. **Table of contents** : table of content are compiled after the main body of the

project report is finalized. Topics covered in the project report along with the page number should be mentioned in the project report.

3. **Executive summary** : should be written after the completion of project report as it gives brief gist of project. Length of the executive summary should not exceed more than two pages.

4. **Company information and industry** : here they should explain the ownership form of the company, which should contain the reason for venturing into the proposed business plan, how do you plan to satisfy the needs and expectation of the potential customers and existing competitors in industry. It should also include SWOT analysis of company.

5. **5. Technical plan** : in this part of the report the key aspect analyzed during the technical feasibility of the report should be highlighted. The choice of the product and service to be offered should be justified. Report should be able to explain how the product of the company is creative and innovative from the existing product in the market.

6. **Marketing plan** : this aspect of the product should focus on the industry and market feasibility conducted at earlier stage. It should describe about the pricing policy, findings of market research, how large is the market for the product to be offered by the company, details about marketing strategy adopted by the company to promote the product, target customers company is focusing on.

7. **7. Operations plan** : it describes about the manufacturing and service delivery process to be utilized for production of chosen product and service. It should explain about the innovation brought in the process of production which makes it better when compared to existing competitors. It should also focus on the location, availability of resources required for production.

8. **. Organizational plan** : it gives information about the management team who are part of the company. It focuses on the management and technical skills possessed by the employees in company and how it will prove to be beneficial for the work process to be carried in the company. It should highlight as though why even after possessing such efficient skills they preferred joining your organization.

9. **9. Project timeline** : this chapter explain about the network diagram which explains about the time duration required for the project. Diagram explains about the various activities in the project, which are sequentially organized and the time duration required for the execution of the project is arrived by estimating time required for completion of every activity for the formation and later process of the company.

10. **Critical risk and assumption** : it explain about the various assumption made during the formation of the company E.g. rather than considering the previous sales forecast for similar product to be offered by the company, the organization may have gone in for expert advise, their may be various risks related to the product and kind of service company is planning to offer in the market all these details should be highlighted in this part of the report.

11. **11. Social plan** : it explains about how company project will benefit the society. It should highlight how company will generate employment opportunities, lead to skill development of local people, provision of goods and services to be provided to the local people, utilization of local resources etc. It should also include various help provided by the financial agencies and government to start SSI in country.

12. **12. Exit strategy** : this is the negative aspect of the business but the company should explain how they would close down the business if the company is not able to earn the expected profitability, the investors will be keen to know as though how their investment can be recovered in such situation.

13. **13. Financial plan** : it is important part of the report which will contain brief

content all the sections with numbers in monetary terms. It explain about the financial composition of the company, various sources through which company has raised required finance,

total expenditure incurred by the company which will be effectively explained through the means of break even analysis and ratio analysis in the company financial report.

14. **Conclusion** : this summarizes the key aspect of the report in concise manner. It should end the report on a positive note so that the readers develop positive image about the report.

15. **Appendices** : it contains conclusion part of the report and supplement data which is important part for the report but cannot be included in the initial topics of the report

Part B - Compulsory (01*08=08 marks)

4. Write short notes on:

(a) SIDBI

Small Industries Development Bank of India (SIDBI), set up on April 2, 1990 under small industries development bank of India act, is the Principal Financial Institution for the Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector and for Co-ordination of the functions of the institutions engaged in similar activities. The Charter establishing it, The Small Industries Development Bank of India Act, 1989 envisaged SIDBI to be "the principal financial institution for the promotion, financing and development of industry in the small scale sector and to co-ordinate the functions of the institutions engaged in the promotion and financing or developing industry in the small scale sector.

The purpose is to provide refinance facilities and short term lending to industries. It is headquartered in Lucknow.^[3] Former Deputy Managing Director is Shri N.K. Maini. Dr. Kshatrapati Shivaji is the new Chairman and Managing Director of the organisation.

Small Industries Development Bank of India is an independent financial institution aimed to aid the growth and development of micro, small and medium-scale enterprises (MSME) in India. Set up on April 2, 1990 through an act of parliament, it was incorporated initially as a wholly owned subsidiary of Industrial Development Bank of India. Currently the ownership is held by 34 Government of India owned / controlled institutions.^[1] Beginning as a refinancing agency to banks and state level financial institutions for their credit to small industries, it has expanded its activities, including direct credit to the SME through 100 branches in all major industrial clusters in India.^[citation needed] Besides, it has been playing the development role in several ways such as support to micro-finance institutions for capacity building and onlending. Recently it has opened seven branches christened as Micro Finance branches, aimed especially at dispensing loans up to ₹5 lakh.^[citation needed]

It is the Principal Financial Institution for the Promotion, Financing and Development of the Micro, Small and Medium Enterprise (MSME) sector and for Co-ordination of the functions of the institutions engaged in similar activities.^[2]

SIDBI has also floated several other entities for related activities. Credit Guarantee Fund Trust for Micro and Small Enterprises ([2]) provides guarantees to banks for collateral-free loans extended to SME. SIDBI Venture Capital Ltd.([3]) is a venture capital company focussed at SME. SME Rating Agency of India Ltd. (SMERA - [4]) provides

[04]

CO1

L1

composite ratings to SME. Another entity founded by SIDBI is ISARC - India SME Asset Reconstruction Company in 2009, as specialized entities for NPA resolution for SME.

(b) Indian Institute of Entrepreneurship

[04]

CO1	L1

Indian Institute of Entrepreneurship (IIE) is an autonomous organization under the Ministry of Skill Development & Entrepreneurship. The main aim of the Institute is to provide **training, research and consultancy** activities in Small and Micro Enterprises (SME),with special focus on entrepreneurship development. The Indian Institute of Entrepreneurship (IIE) registered under the Societies Registration Act,1860 was established in the year 1993 in Guwahati by the erstwhile Ministry of Industry (now the Ministry of Micro, Small and Medium Enterprises), Government of India. The Institute began operating from April 1994 with the North East Council (NEC), Governments of Assam, Arunachal Pradesh and Nagaland and SIDBI as its other stakeholders.

IIE has been transferred to the Ministry of Skill Development & Entrepreneurship on 22nd May'2015.

The headquarter of IIE is at Lalmati, Basistha Chariali, 37 NH bypass,Guwahati-781029.

OBJECTIVES

1. To promote and develop entrepreneurship.
2. To conduct research and provide consultancy for entrepreneurship development.
3. To coordinate and collaborate with other organizations in undertaking training, research and other activities to increase outreach of the institute.
4. To provide consultancy and monitoring service to MSMEs/ potential entrepreneurs and enhancing employability of participants.
5. To promote greater use of information technology in the activities/ functions of the IIE.
5. To comply with statutory responsibility.

FUNCTIONS

1. Designing and organising training activities for different target group and undertaking research in the relevant to entrepreneurship.
2. Improving the efficiency, effectiveness and delivery of the change agents and development practitioners i.e. trainers, support organizations engaged in enterprise building, etc.
3. Provide consultancy service to the prospective and existing entrepreneurs.
4. Increasing the outreach of activities of the institute through collaborative activities and increasing their effectiveness through use of different tools of information technology.

Course Outcomes	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9
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CO1:	Display keen interest and orientation towards entrepreneurship	1a 2b 2a	3a 1c							
CO2:	Develop a business plan			3b	3c					
CO3:	Become aware of various sources of funding				2c 4a 4b					
CO4:	Gain consciousness towards social entrepreneurship and other opportunities					1b				
CO5:										
CO6:										

Cognitive level	KEYWORDS
L1	List, define, tell, describe, identify, show, label, collect, examine, tabulate, quote, name, who, when, where, etc.
L2	summarize, describe, interpret, contrast, predict, associate, distinguish, estimate, differentiate, discuss, extend
L3	Apply, demonstrate, calculate, complete, illustrate, show, solve, examine, modify, relate, change, classify, experiment, discover.
L4	Analyze, separate, order, explain, connect, classify, arrange, divide, compare, select, explain, infer.
L5	Assess, decide, rank, grade, test, measure, recommend, convince, select, judge, explain, discriminate, support, conclude, compare, summarize.

PO1 - Engineering knowledge; PO2 - Problem analysis; PO3 - Design/development of solutions; PO4 - Conduct investigations of complex problems; PO5 - Modern tool usage; PO6 - The Engineer and society; PO7- Environment and sustainability; PO8 - Ethics; PO9 - Individual and team work; PO10 - Communication; PO11 - Project management and finance; PO12 - Life-long learning