

**Internal Assessment Test - I**

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|----------|-----------------------------|-----------|---------|------------|----|------|-------|---------|-----|
| Sub:     | Entrepreneurial Development |           |         |            |    |      | Code: | MBA206  |     |
| Date:    | 02/07/2025                  | Duration: | 90 Mins | Max Marks: | 50 | Sem: | III   | Branch: | MBA |
| SET- III |                             |           |         |            |    |      |       |         |     |

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|       |  |      | CO    | RBT |
|       |  |      | Marks |     |
|       | <b>Part A - Answer Any Two Full Questions ( 2* 20 = 40 marks)</b>  |      |       |     |
| 1 (a) | <p>Explain any three qualities of an entrepreneur that contribute to their success. Support your answer with examples of Indian startup CEOs.</p> <p><b>Qualities of Entrepreneurs</b></p> <ol style="list-style-type: none"> <li><b>Visionary</b> – Ritesh Agarwal (OYO)</li> <li><b>Resilient</b> – Falguni Nayar (Nykaa)</li> <li><b>Risk-taking</b> – Kunal Shah (CRED)</li> </ol>   | [03] | CO1   | L3  |
| (b)   | <p>Analyze how each source of business ideas contributes to identifying potential opportunities in entrepreneurship.</p> <ol style="list-style-type: none"> <li><b>Market Gaps</b> – Identifying unmet customer needs (e.g., Flipkart noticed limited online bookstores).</li> <li><b>Personal Experience</b> – Problems faced in daily life can become ideas (e.g., Nykaa founder saw a lack of premium beauty platforms).</li> <li><b>Trends and Fads</b> – Keeping up with social trends like sustainability creates scope for eco-products.</li> <li><b>Existing Products/Services</b> – Innovating or improving existing offerings (e.g., Zomato added delivery to food discovery).</li> </ol> <p><b>Research &amp; Development</b> – Technological breakthroughs can lead to new ventures (e.g., Paytm in digital payments).</p>   | [07] | CO1   | L4  |
| (c)   | <p>Discuss the concept of creativity and innovation and its impact on entrepreneurial process.</p> <p><b>Entrepreneurial Process &amp; Improvements</b></p> <ol style="list-style-type: none"> <li><b>Idea Generation:</b> Encourage creativity and research.</li> <li><b>Feasibility Study:</b> Conduct thorough market &amp; financial analysis.</li> <li><b>Business Plan:</b> Use frameworks like BMC.</li> <li><b>Resource Gathering:</b> Access to seed funding, mentors.</li> <li><b>Launch:</b> Focus on MVP and test market.</li> <li><b>Scaling:</b> Use digital tools and build strong teams.</li> </ol> <p><b>Creativity &amp; Innovation in Entrepreneurship</b></p> <ul style="list-style-type: none"> <li><b>Creativity</b> leads to unique ideas.</li> <li><b>Innovation</b> turns those ideas into viable business models.</li> <li><b>Impact:</b> Differentiates startups, solves real problems (e.g., Amul, Zomato).</li> </ul> | [10] | CO1   | L4  |

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| 2 (a) | <p>What is a business model? Why is it important for entrepreneurs?</p> <p><b>Business Model Importance</b></p> <ul style="list-style-type: none"> <li>• Defines how a venture delivers and captures value</li> <li>• Helps in strategy alignment</li> <li>• Example: Nykaa's inventory-led model = control + trust</li> </ul>  | [03] | CO2 | L3 |
| (b)   | <p>Explain how to develop a Business Model Canvas using Osterwalder's framework with examples.</p> <p><b>Business Model Canvas for Ed-Tech Startup</b></p> <ol style="list-style-type: none"> <li>1. <b>Customer Segments:</b> College students, job-seekers</li> <li>2. <b>Value Propositions:</b> Affordable, industry-certified courses</li> <li>3. <b>Channels:</b> App, website, social media</li> <li>4. <b>Customer Relationships:</b> Chatbots, email support</li> <li>5. <b>Revenue Streams:</b> Subscriptions, one-time payments</li> <li>6. <b>Key Resources:</b> LMS platform, instructors</li> <li>7. <b>Key Activities:</b> Content creation, live sessions</li> <li>8. <b>Key Partnerships:</b> Companies for certification, colleges</li> <li>9. <b>Cost Structure:</b> Content, tech, salaries, marketing</li> </ol> <p><b>Feasibility Assessment:</b></p> <ul style="list-style-type: none"> <li>• High market demand</li> <li>• Low-cost digital delivery</li> <li>• Sustainable revenue from recurring users</li> </ul> | [07] | CO2 | L4 |
| (c)   | <p>Evaluate how the presence or absence of business planning impacted the rise and fall of Quikr in India.</p> <p><b>Quikr – Business Planning Issues</b></p> <ul style="list-style-type: none"> <li>• Lacked differentiation</li> <li>• Unclear monetization model</li> <li>• Over-diversified too soon</li> <li>• No strong brand positioning</li> </ul> <p><b>Outcome:</b> Lost market share to OLX and others</p>   | [10] | CO2 | L5 |
|       |   |      |     |    |
| 3 (a) | <p>Suggest two expansion strategies a new venture can use to enter a new market.</p> <p><b>Expansion Strategies for New Ventures</b></p> <ol style="list-style-type: none"> <li>1. Franchising</li> <li>2. Licensing</li> <li>3. Online channels</li> </ol> <p><b>Challenges:</b></p>   | [03] | CO2 | L3 |

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|     | <ul style="list-style-type: none"> <li>• Standardization</li> <li>• Cost control</li> <li>• Cultural adaptation</li> </ul>   |      |     |    |
| (b) | <p>Give an example of how poor strategic decisions by Biju's impacted its growth. What should have been done differently to manage expansion and finances better?</p> <p><b>Example of a Poor Strategic Decision: Aggressive Expansion Without Due Diligence</b><br/> One of BYJU'S most damaging missteps was its <b>overambitious acquisition spree</b>. The company acquired multiple domestic and international edtech firms including Whitehat Jr., Aakash Educational Services, Great Learning, and Epic. In rapid succession, spending billions of dollars without fully integrating or evaluating the long-term viability of these businesses<sup>2</sup>.</p> <p><b>Consequences:</b></p> <ul style="list-style-type: none"> <li>• Massive debt accumulation (over \$1.2 billion in loans)</li> <li>• Operational inefficiencies and integration challenges</li> <li>• Declining content quality and user dissatisfaction</li> <li>• Legal disputes and regulatory scrutiny</li> <li>• Investor distrust and valuation collapse (from \$22B to under \$3B)<sup>4</sup></li> </ul> <p>Financial Mismanagement and Marketing Excesses<br/> What Should Have Been Done Differently?</p> <ol style="list-style-type: none"> <li>1. Sustainable Growth Over Hypergrowth</li> <li>2. Disciplined Financial Planning.</li> <li>3. Transparent Governance</li> <li>4. Customer-Centric Strategy</li> <li>5. Leadership Stability</li> </ol> | [07] | CO3 | L4 |
| (c) | <p>Break down the components of a joint stock company and analyze how separation of ownership and control affects its functioning.</p> <p><b>Joint Stock Company: Components &amp; Ownership Separation</b></p> <ul style="list-style-type: none"> <li>• <b>Components:</b> Shareholders, Board, Directors, Officers</li> <li>• <b>Effect of Ownership Separation:</b> <ul style="list-style-type: none"> <li>◦ Pros: Professional management, large capital</li> </ul> </li> </ul> <p>Cons: Possible agency problem (conflict of interest)</p>  | [10] | CO3 | L4 |
|     | <b>Part B - Compulsory (01*10=10 marks) – CASE STUDY</b>   |      |     |    |
| 4   | <b>Case Study:</b>   |      |     |    |
|     | <p>In the 1940s, farmers in Gujarat faced exploitation by middlemen who paid them very low prices for milk. There were no proper cold storage facilities, and most profits were taken by private traders. In 1946, a visionary leader, Dr. Verghese Kurien, came forward with a solution. He helped form a cooperative society where farmers could directly sell their milk and own the business collectively. This gave rise to Amul, which stands for the Anand Milk Union Limited. The cooperative model ensured that profits went back to the farmers instead of middlemen. With support from the government and the National Dairy Development Board, Amul invested in cold storage, quality testing, and milk processing technologies. The cooperative empowered lakhs of rural farmers, especially women, giving them a stable income and voice in decision-making.</p>   | [10] | CO4 | L5 |

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|  | <p>Amul soon expanded into producing butter, cheese, ice cream, and other dairy products. Its slogan "The Taste of India" became a household name. The success of Amul led to the White Revolution in India, making the country the largest milk producer in the world. It proved that with strong leadership, cooperation, and innovation, rural communities can build world-class enterprises. Amul is a perfect example of social entrepreneurship that combines profit with empowerment.</p> <p><b>Questions</b></p> <p>1. What organizational and operational strategies helped Amul ensure fair pricing for farmers?</p> <p>2. Was Amul's cooperative model more sustainable than private milk companies? Justify your view.</p> <p><b>1. What organizational and operational strategies helped Amul ensure fair pricing for farmers?</b></p> <p>Amul adopted a three-tier cooperative structure which played a vital role in ensuring fair pricing:</p> <ul style="list-style-type: none"> <li>• Village-level societies.</li> <li>• At the district level, milk was processed, tested for quality, and value-added products were made, improving returns.</li> <li>• The state-level federation handled marketing and brand building</li> <li>• Invested in cold storage and transportation,</li> <li>• Introduced transparent quality testing</li> <li>• Implemented timely and direct payments to farmers</li> <li>• Used bulk procurement and economies of scale</li> </ul> |  |  |  |
|  | <p><b>2. Was Amul's cooperative model more sustainable than private milk companies? Justify your view.</b></p> <p>Yes, Amul's cooperative model was more sustainable than private milk companies for several reasons:</p> <ul style="list-style-type: none"> <li>• Farmer Ownership</li> <li>• Equitable Profit Distribution</li> <li>• Social Impact</li> <li>• Resilience</li> <li>• Innovation with Purpose</li> </ul>  |  |  |  |

|             | Course Outcomes (COs)  | PO1   | PO2   | PO3 | PO4 | PO5 | PSO <sub>1</sub> | PSO <sub>2</sub> | PSO <sub>3</sub> | PSO <sub>4</sub> |
|-------------|--|-------|-------|-----|-----|-----|------------------|------------------|------------------|------------------|
| <b>CO1:</b> | To display keen interest and orientation towards entrepreneurship, entrepreneurial opportunity Modules in order to setup a business and to think creatively. |       | 1a,1b | 1c  |     |     | 4                |                  |                  |                  |
| <b>CO2:</b> | To know about the various business models and B-Plans across Business sectors.   |       | 2a,2b |     |     | 2c  |                  |                  |                  |                  |
| <b>CO3:</b> | Able to understand the importance of marketing and different forms of businesses.  | 3a,3b |       |     | 3c  |     |                  |                  |                  |                  |

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| <b>CO4:</b> | To become aware about various sources of funding and institutions supporting entrepreneurs. |  |  |  |  |  |  |  |  |  |
| <b>CO5:</b> | To give awareness about legal aspects and ways to protect the ideas.                        |  |  |  |  |  |  |  |  |  |
| <b>CO6:</b> | To understand the ways of starting a company and to know how to foster their ideas.         |  |  |  |  |  |  |  |  |  |

| <b>Cognitive level</b> | <b>KEYWORDS</b>  |
|------------------------|--|
| <b>L1 -Remember</b>    | list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.   |
| <b>L2 - Understand</b> | describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss   |
| <b>L3 - Apply</b>      | calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify  |
| <b>L4 - Analyze</b>    | classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select   |
| <b>L5 - Evaluate</b>   | asses, decide, choose, rank, grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate |
| <b>L6 - Create</b>     | design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate  |

**PO1–Theoretical Knowledge; PO2–Foster Analytical and Critical Thinking Abilities for data based decision making; PO3– Develop Value Based Leadership; PO4 –Ability to Understand and communicate various business aspects to global; PO5 – Ability to lead themselves and others in the achievement of organizational goals contributing effectively to a team environment;**  
**PSO1- Comprehend Contemporary features of Business Management Science and its administration**  
**PSO2- Analyze and interpret the dynamic situations for making Business Management strategies**  
**PSO3- Handle responsibility with the ethical values for all actions undertaken by them**  
**PSO4- Adapt and focus on achieving the organizational goal and objectives with complete zeal and commitment.**

**CI**

**CCI**

**HOD**