



PG – 1127

III Semester M.B.A. Degree Examination, February 2016  
(2007-2008 Scheme)

MANAGEMENT

Paper – 3.1 : Entrepreneurship and New Venture Creation

Time : 3 Hours

Max. Marks : 75

SECTION – A

1. Answer **any six** of the following. **Each** question carries **two** marks : (6×2=12)
- What is 'intrapreneurship' ?
  - What is the difference between an entrepreneur and a self employed person ?
  - What is 'Patent' ?
  - Mention any two dimensions of an innovative business idea.
  - What constitutes 'MSM enterprise' ?
  - State two laws under which new enterprise has to be established.
  - What do you mean by 'Venture Capital' ?
  - What constitutes 'Risk' ?

SECTION – B

- Answer **any three** of the following. **Each** question carries **eight** marks : (3×8=24)
- Whether entrepreneurship is in the nature of a person or can be nurtured ?  
Discuss.
  - Why some business plans fail ?
  - Analyze a few business opportunities in restaurant sector in Bangalore.
  - "Finance is not necessarily be all and end all of entrepreneurship". Discuss this statement with few contemporary examples of India.
  - What differentiates entrepreneurial decision making from managerial decision making ?

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## SECTION - C

Answer **any two** of the following. **Each** question carries **twelve** marks : (2x12=24)

7. Prepare a business plan for the following idea :

**Websites for the Elderly** – more and more elderly people are now using the internet to find information, products and services. However, there's a whole new set of challenges in catering for the elderly which is believed to be largely being ignored. These include attitude and aptitude as well as decline in vision, hearing, motor skills and cognition. These all require radically different website designs, which we don't seem to be seeing much of yet. This is one of those start up business ideas that not many people have thought of.

8. Analyze the role of central and state Governments in promoting small and medium enterprises.

9. Discuss various strategies pursued by entrepreneur for the venture created by him/her.

## SECTION - D

10. Read the following case and answer the questions given at the end.

It carries **fifteen** marks :

(1x15=15)

**"OPPORTUNI-TEA"**

India will soon have the largest population of any country in the world. It therefore has the potential, with extensive and difficult reforms, to become the world's most important free market – a position currently held by the United States. It comes naturally to any country with such a huge population to indulge into a ritual to beat the hustle bustle of the daily routine, ranging from a top positioned ceo of a company or a coolie working hard to earn his bread pulling a load of goods in a busy market of any given city, town or a village in a country like India to beat the stress and refuge into hot piping cup of chai, or a savoury that relieves him of his tension for that moment. India produces and consumes more tea than any other country in the world, except for China, including the famous Assam tea and Darjeeling tea. According to the Planning Commission Deputy

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Chairman, Montek Singh Ahluwalia, there are plans to officially recognise tea as the "National Drink" in 2013. According to the ASSOCHAM report released in December, 2011, India, as the world's largest consumer of tea uses nearly 30 per cent of the global output. India is also the second largest producer of tea. Despite the production, India is also the largest exporter of tea after China.

Amidst all facts and figures, an electrical engineer from T.I.E.T., Patiala. The former managing director, RSA for India and SAARC and playing multiple roles at Microsoft Corporation, joins full time MBA at Harvard University to pursue his MBA dream. At Harvard being able to submerge himself in an in-depth and detailed analysis about what makes businesses work. He loved the intellectual rigour. However, he also knew that what was intellectually fascinating may not directly help him grow any businesses. Going to business school requires sacrifices : there's the opportunity cost of getting less actual work experience while you're in school and the potentially significant debt of school itself. And then there's the perception that MBA students at top schools are risk-averse people looking for the next big brand to add to their resume - a safe, well-paid job at Goldman Sachs, facebook, or the like.

Amuleek Singh Bijral, after an advent at Harvard, boiled up to start his own enterprise. Travels extensively across the country and finds out that one common thing that binds the billions of people of the country that is the humble chai the man who sniffs opportunity in the aroma of hot piping chai which makes a humble essential drink for billions of Indians, he doesn't rest after this, he thrives to know more about the hot drink, the tastes that varies geographically, and its consumption pattern etc.,

As a pilot project he starts his first CHAI POINT outlet in the city of Bangalore in the year 2010, just to observe how consumers respond to the idea of having an outlet that provides a good cup of chai with a few varieties at an affordable price. The new budding entrepreneur to set his priorities right and a kick off his actual brick and mortar food business studies the dynamics of the first set up outlet, and finds out that selling chai really works. Currently CHAI POINT has 9 outlets serving chai at affordable rates, along with home delivery service.

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The chai wallah on the street corner is the guy to beat if you're selling tea, no matter whether you're Starbucks or the five star hotel with the several different varieties on the menu. Because if you ask anyone who's been in India for over a week and has sampled the roadside chai available in such abundance, they'll tell you without question that they much prefer the Rs. 4 variety to the overpriced water they get served in hotels.

This entrepreneur in his journey from being an engineer to the founder of Mountain trail foods has proved that common sense is rare sense.

**Questions to discuss :**

- 1) "Entrepreneurship is a matter of the heart, and education is a matter of the brain. It is difficult to teach a heart" – do you agree with the statement, discuss.
  - 2) What do you think in this case, is the light bulb moment for Amuleek Singh ?
  - 3) "An entrepreneur must have an MBA degree" agree, disagree – Discuss.
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