

Sn No. of Question Paper: 4217

Unique paper Code : 61015901 (OC)
Name of the Paper : Generic Elective – Entrepreneurship
- Development
Name of the Course : Bachelor of Management Studies
Semester : I
Duration : 3 hours
Maximum Marks : 75

Instructions for the Candidates:

1. All questions are compulsory.
2. All questions carry equal marks.

Q1. State giving reasons, whether the following statements are true or false: (5*3=15 marks)

- i. Research has isolated a set of characteristics that can predict who will succeed as an entrepreneur.
- ii. Diversity may be considered a characteristic of entrepreneurs, as they don't fit any statistical norm.
- iii. Social entrepreneurs use their skills to create profitable businesses and also achieve economic, social and environmental goals for the common good.
- iv. Creativity is the ability to apply creative solutions to problems and opportunities to enhance or enrich people's lives.
- v. A business plan is a written summary of an entrepreneur's proposed venture, its operational and financial details, its marketing opportunities and strategy, and its managers' skills and abilities.

Q2. a) Delhi and pollution go hand in hand. Over the years the quality of air has deteriorated. There has been an increase in asthma, lung infection and many other diseases. "Aryamar Wellness" pioneers in professionalized oxygen bars in India and has decided to address this problem by setting up the first oxygen bar in Delhi- Oxy Pure at The Select City walk Mall Saket. It is looking for people who are interested in running franchise of Oxy Pure at other places also, in Delhi.

Rahul Mittal always wanted to do something different and feels this is an opportunity for him.

You are Rahul's friend and he has come to you for helping him decide whether to buy this franchise or not? Outline the probable advantages and the disadvantages of buying a franchise of Oxy Pure. (7.5 marks)

b) What are the primary causes of business failures, and what steps can an entrepreneur take to avoid becoming a business failure? (7.5 marks)

Q3. a) What is the entrepreneurial "secret" for creating value in the marketplace? Explain with the help of an example. (7.5 marks)

b) What is strategic management? What role does a strategic plan play in a small company? (7.5 marks)

Q4. a) Venture capital companies are an important source of equity funding for small businesses. Discuss their policies, ownership control, and investment preferences regarding funding small businesses. (7.5 marks)

b) Sukriti is in the process of launching a restaurant. She has never owned her own restaurant before, but she has worked for two of the best restaurants in town. Starting out as a hostess, Sukriti developed a special knack for the business and quickly worked her way up to the job of manager. Her 18 years of experience has given her a solid foundation for running her own restaurant.

She has worked with a counselor at a nearby Small Business Development Center and a counselor from the Service Corporation of Retired Executives to prepare a business plan. She asked two other consultants and an accountant to review the plan and incorporated their suggestions into the finished product. When she took her plan to her bank however, the bank turned down her loan request of Rs.20,65,000 citing the venture as "too risky, given the failure rate of restaurants." The bank acknowledged her experience as "a major asset," but said that it "could not expose itself to such risks in its portfolio". Sukriti heard the same story from three other banks.

Sukriti is confident of her ability to manage her own restaurant successfully, and she is determined to get the financing she needs to launch it.

What might Sukriti do to convince a bank to lend her the money she needs to launch her company? What other sources of capital would you suggest that she explore? (7.5 marks)

Q5. Write short notes on **ANY THREE** of the following: (3*5=15 marks)

- a) Kinds of family firms
- b) Women's issues in family business
- c) Social entrepreneurship
- d) Creative teams
- e) Corporate entrepreneurship