

Unique paper Code : **61015917**
Name of the Paper : **Generic Elective – Entrepreneurship & New
Venture Creation**
Name of the Course : **Bachelor of Management Studies**
Semester : **III**
Duration : **3 hours**
Maximum Marks : **75**

Instructions for the Candidates:

1. Attempt **ANY FOUR** questions.
2. All questions carry equal marks.

SET A

Q1. As a national level athlete, Virat made a habit of having an energy drink every day after training. The drink tasted bad but it gave him energy, so he kept drinking it. After graduating from University of Delhi, Virat began studying the energy drink market and recognized the opportunity for a drink that tasted good and was not high on sugar and caffeine. The 21-year-old took a family recipe and added the necessary ingredients to formulate an energy drink. Now he plans to start a business venture of energy drinks.

Virat has assessed his idea and wants to scrutinise it further through a feasibility analysis. Perform financial and market feasibility of the proposed business venture.

What elements should Virat work on to build a successful business model to be competent in the Indian Market?

Q2. 'Life: A Second Chance' is a non-profit social organization, founded by Anushka Verma along with her father who has retired from Indian Army. This social organisation teaches the tools of entrepreneurship to prisoners so that they can earn a living for themselves after serving their term in prison, the organisation helps inmates become a part of the mainstream and stay away from crime.

What kind of assistance and support can Anushka Verma and her father get from government to sustain this social enterprise? Anushka is in need of funds for her social venture, which sources of raising capital should she explore, give reasons for your answer?

You have always wanted to make a difference in people's lives and recently came across Anushka's social organisation. Now you are planning to invest in a franchise of 'Life: A Second Chance'. What factors should you consider diligently before buying this franchise?

Q3. Alok and Manuj are environmentalists; they are very worried about the rate at which trees are being cut for use in different industries for different purposes. They are working on a business idea to make and sell paper that is not made from wood pulp, but from dung of elephants and other animals. They have worked out a technique to make the paper disinfected and odourless.

You are a consultant and have been approached by these copreneurs, you are required to help Alok and Manuj in formulating a strategic plan for their venture, in detail.

Suggest strategies so as to help these copreneurs raise funds from investors for their venture?

Q4. Naina Aggarwal, an engineer graduated from IIT-Delhi in 2012 and went on to pursue a course in Architecture from Sushant School of Architecture. After working for few years in the corporate sector, she launched Beehive Studios, as a sole proprietor. Her firm produces three-dimensional animations of buildings and products for architects and designers in India. She has realised that her firm can offer services to other industries as well such as defence and aerospace as well as in the fields of entertainment and sports. In order to expand her business, Naina is looking for an experienced partner who shares her passion and would help her business grow.

What possible advantages and disadvantages can Naina experience if she chooses to work with a partner?

In order to avoid problems in future with regard to the new partner, what all points would you suggest Naina to include in her partnership agreement?

A few years later, Naina and her partner decide to form a company and raise additional funds to support their expansion plans, what could be some of the advantages and disadvantages they are likely to face?

Q5. Which type of business is more entrepreneurial: a business that is being started to pursue a unique opportunity or a business that is being started out of necessity? Explain your answer. Mansi Garg has always wanted to be an entrepreneur. She is intelligent, works hard, and has saved a substantial amount of money that would help her launch a firm. But Mansi is hesitant to start her own company because a friend once told her, “Entrepreneurs are born, not made.” You are a business consultant and a friend to Mansi. She approaches you with doubts in her mind whether she should start her own business or not. You are required to advise Mansi, what would you tell her? How and why are entrepreneurs the need of the hour, especially, in light of challenges posed by Covid-19 pandemic?

Q6. Childhood friends Atri and Arjun, returned to their hometown after completing studies. They decided to stay and work in their hometown so approached the owners of Mansukh Lal and Sons, a famous local garments store that had been founded by the current owners’ father 40 years ago. The business is listed for sale, Atri and Arjun are interested in buying this established business that enjoys huge customer base and goodwill.

What factors should the brothers consider before they enter into negotiations to buy this business? What are the advantages / disadvantages of buying a running business over starting a new venture.