

INDIAN MARITIME UNIVERSITY
(A Central University, Govt. of India)
End Semester Examinations – Dec 2019/Jan 2020
B.B.A (Logistics, Retailing and E-Commerce)
Semester - IV
UG31T1405 –ENTREPRENEURSHIP

Date: 14.12.2019

Max Marks : 100

Time: 3 HRS

Pass Marks : 50

Part– A

Answer all the Questions 10 x 1 mark = 10 marks

1. Which one of the following gives suggestions for new product and also help to market new products?
 - a) Existing products and services
 - b) Federal government
 - c) Distribution Channels
 - d) Consumers

2. Which of the following is used by entrepreneurs to operate in an international market?
 - a) Exporting
 - b) Licensing
 - c) Joint venture
 - d) All of the above

3. What is the process by which individuals pursue opportunities without regard to resources they currently control?
 - a) Startup management
 - b) Entrepreneurship
 - c) Financial analysis
 - d) Feasibility planning

4. Members of distribution channels are excellent sources for new ideas because:
 - a) They earn a handsome profit from new business
 - b) They are familiar with the needs of the market
 - c) They do not bother if entrepreneur bears a loss
 - d) They have well-developed sales force

5. Which one of the following is the most important characteristic of a successful business website?
 - a) Innovation
 - b) Speed
 - c) Graphics
 - d) Products

6. Information regarding all of the following is related to operations, EXCEPT:
- a) Location
 - b) Promotion
 - c) Raw materials
 - d) Labor skills
7. Venture capital is concerned with:
- a) New project having potential for higher profit
 - b) New project of high technology
 - c) New project having high risk
 - d) All the above.
8. A corporate manager who starts a new initiative for their company which entails setting up a new distinct business unit can be regarded as?
- a) Ecopreneur
 - b) Technopreneur
 - c) Intrapreneur
 - d) Social Entrepreneur
9. Which of the following is alternatively called corporate venturing?
- a) Entrepreneurship
 - b) Technopreneurship
 - c) Offering new products by an existing company
 - d) None of the above
10. Individuals influencing an entrepreneur's career choice and style are known as which of the following?
- a) Moral-support network
 - b) Role model
 - c) Professional support network
 - d) Support system

Part– B

Answer any 6 questions not exceeding 200 words:

6 x 7 marks = 42 marks

11. What is the significance of entrepreneurship in economic development of a developing country?

12. Briefly explain the term "*entrepreneurial ecosystem*"?

13. Briefly explain the PESTEL model
14. What are the major pitfalls in selecting a new venture?
15. State the possible pitfalls in developing a business plan
16. Distinguish between business angels and venture capital
17. State the common legal issues that an entrepreneur need to consider when starting a business
18. Mr. Shyam is graduating from a reputed University in Bachelor of Business Administration in the year 2020. He is aspiring to be an entrepreneur. Briefly state the institutional support available to Mr. Shyam.

Part– C

Question No.19 is compulsory

Answer any 3 of the remaining 5 questions: 4x12 =48

19. Question Number 19 is a **compulsory** question.

Case Study

N.R.NARAYANA MURTHY: AN EXEMPLARY RISK –TAKER

Nagavara Ramarao Narayana Murthy, popularly known as N.R.Narayana Murthy Chairman of Infosys Technologies Ltd. Comes from middle class background. He is son of a teacher, a member of a large family of eight children (Three brothers and five sisters). Like an ordinary middle –class boy he studied well and qualified for the prestigious IIT. He could not afford it and therefore, went to NIE, Mysore- a local college for a degree in electrical engineering. Murthy completed his post-graduation in electrical engineering at IIT Kanpur in 1969 and took up a job. The only thing is, he did seemingly the very same things, but obviously in a different way. He always took risks. Following are the exemplary instances of his risk- taking decisions.

First, Murthy pursued a career in computer science when there were not too many jobs in this field. The Indian industry / business were very much into mortar – bricks business and had just about started appreciating the role of computers.

Second, next risk he undertook was to turn down attractive offers from large companies such as Telco, HMT, ECIL, and Air India; instead, he joined as a system programmer at IIM Ahmedabad. IIM(A) was at that time in the process of installing a Hawlett –Packard minicomputer and was foregoing ahead to

become the second business school after Stanford to have a time sharing operating system. The thrill of such a pioneering job, thus, gave him a great learning opportunity and was the main reason that Murthy joined the team at IIM(A) under J.G.Krishnaya, Professor of information systems. Murthy received a salary of Rs.800/- a month. He says, "It was the best decision of my life. There were many 20-hour work days but I loved being a pioneer of working at the cutting edge of computer technology those days."

Third, a chance came from Sesa, a French software company, to build an operating system to handle air cargo at the Charless de Gaulle airport in Paris. What is worth nothing here is that at around the same time, Murthy also had received Scholarships to pursue a Ph.D. In the USA and Israel. But, Murthy did not take these soft options. He instead, went to Paris, Which also meant mastering another language French. After the successful execution of this project, Murthy came back to Pune in 1974 to join his mentor professor J.G krishnanyya who was setting up the systems research institute (SRI, a non-profit organization). Having worked for some time in SRI, Murthy became somewhat frustrated with the work at SRI (getting the usual bureaucratic treatment and seldom implementing the sincere suggestions). Then, he took up a job in Patni Computer Systems (PCS), a Mumbai-based Company.

At PCS, he was head of the software group and it was here that he met some of the would-be founder –partners of Infosys. He did his usual, unusual, quit the job and started his Software service firm along with his partners. This was the firm which was to become the giant that Infosys today. Out of his six founders partners, there were rookies-PCS was the first job of Nandan Nilekani, S.Gopi Krishnan and Ashok Arora. Only K.Dinesh (NGEF,Bangalore), N.S.Ragavan (union Carbide),and S.D Shibhulal (BEST,Mumbai) had some prior experience elsewhere. They all were middle class back grounds and pooled in Rs.10,000 capital borrowed from their better halves. In this way, Infosys Consultants was born in July 1981 in one bedroom of two-bedroom apartment in Pune.

Fourth, the risk-full incidents surrounding the life of this unusual 'middle class' businessman do not end here. The first ten years after 1981 were quite tough for Murthy and His team. Murthy recounts, " *It took us one year to get a telephone; it took two years to get a licence to import a computer;..... Stupidity was the order of the day then.*" His wife Sudha had to go and live with her parents for a year. Murthy stuck it out through thick and thin. In 1990, his parents thought of selling the company. But Murthy differed and even offered to buy his parents out. Murthy always took risks and it always seems to have paid off.

Questions:

- a) Read the case and then list, as many as you can, the entrepreneurial competencies of Murthy.
- b) If you were in place of N.R.Narayana Murthy, What would have been your response and why?

20. Define the term entrepreneurship and state the chief characteristics of an entrepreneur

21. Mr.Karthik is an engineering graduate. He is approaching you for starting a new venture.

- (a) How will you help him in selecting a suitable entrepreneurial opportunity?
- (b) What are the various challenges Mr.Karthik is going to face in the new venture creation?

22. Describe the different kinds of Business Plans?

23. State the various methods of financing an entrepreneurial venture

24. Describe the various types of entrepreneurs?