

K. J. SOMAIYA INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH,
Vidyavihar, Mumbai- 400077

Program: PGDM FS (Batch 2016-18), Trim. 3
Subject: Entrepreneurship Management
(End Term Examination)

Maximum Marks: 50
Duration: 3 Hrs.

Date: 31st March, 2017

Instructions

Question 1 is compulsory. (26 marks)
Attempt any 3 from the others. (8 marks each)

QUESTION 1.

Case Study:

Mr. Rao has taken V.R.S. from an engineering company after a work - experience of 20 years in production engineering. After retirement he started working in his garage on an experimental basis, for manufacturing portable mini-windmills. His prototype model could be connected to any converter/inverter/device. Rao feels that this will have two basic advantages:

- a) A single mini-windmill can be installed on the roof of any building to generate wind power as against the normal windmills which require a lot of and space and time to be installed.
- b) Though what he produced was a prototype, Mr. Rao is of the opinion that a single mini-windmill installed and producing power will be highly cost effective and virtually every residential or commercial building can install its own mini-windmill for generating power. This would cost a mere fraction compared to the cost of power from any other source.

Mr. Rao is now looking for a sponsor for manufacturing of these windmills on a regular basis. He also found out that a couple of banks are interested in helping him financially, provided he can obtain seed capital either through an angel investor or through a business partner.

Questions:

- 1) Prepare a business model for Mr. Rao based on the Osterwalder's 9 blocks business model canvas.
- 2) Prepare a forecast with projected sales and profitability for 3 years so that the financial assistance from the bank can be easily obtained. The raw materials required for the mini-windmill are steel poles coated with a zinc alloy, varying lengths of electricity wire and fan blades.

Total cost of raw materials: Rs 2,000/- per unit

Initial investment – Rs.10 crores

Projected no. of units

Year 1 – 30,000

Year 2 - 50,000

Year 3 - 1,00,000

Also calculate the ROI.

QUESTION 2 Explain Prof. John Mullin's 7 domain framework to evaluate entrepreneurial opportunities using a corporate example.

QUESTION 3 What are the reasons that certain entrepreneurial start - ups fail? Cite examples.

QUESTION 4 How does creativity lead to innovation? What are the various methods of idea generation used by organizations?

QUESTION 5 What are the elements of a business plan? Write an executive summary for a start - up of your choice.