

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

Program: PGDM –A & B (Batch2018-20), Trim III
Subject: Entrepreneurship Management
(End Term Exam)

Maximum Marks: 50

Duration: 3 hours

Date: 5th April, 2019

QUESTION I: Read the executive summary of the business plan given below and
answer the questions given below: 15 Marks

Dnyanganga.com is a new start-up in the education sector. Dr. Subhash Chaudhary, the promoter of the company is a firm believer that every child needs to get the quality education; no matter whether his or her parents are able to afford it or not. It is a platform based company which provides an easy access of quality material to students on one hand and the teachers on the other hand just like any other edu-tech firm. The uniqueness lies in the fact that Dnyanganga.com provides the access of education in regional languages and not only in English as most of the online firms are doing at present. Dr. Chaudhary identified this problem while visiting Government granted a Marathi medium school in a tier two city. The principal of the school clearly stated that online e-content in English is of no use to the children and thus the most of the government funds provided for encouraging Information & Communication Technology (ICT) in education are remaining underutilized.

While returning back Dr. Chaudhary made a quick calculation. There are more than 1 million schools in India. Only 20 per cent of them teach in English medium. It shows that there is a good scope to enter in this field. The government policy supports use of ICT in school. He discussed this idea with his sister-in-law, Ms. Seema Joshi who was working in IT firm as executive manager. She liked the idea and decided to join as chief Technology Officer. Seema convinced her colleague, Mr. Umesh Narang who was heading CSR cell in the organization and had developed an insight in education sector. The initial idea was to develop quality e-content in main regional languages such as Marathi, Gujrati, Hindi, Bengali, Tamil, Kannad and Telgu and work in collaboration with Government granted schools in the respective regions. This would take care of their revenue source. They would require school teachers and academicians to create the

content and to validate it. The core team will be mainly busy with product development, operations, creating partnerships and marketing. They came to conclusion that they would have to incur fixed cost worth Rs. 5 crore in set-up, software development, website hosting and renting cloud hardware resources. They were not sure how to promote this idea and how to create awareness about it across India especially in Tier II and Tier III cities to reach their potential customer. They pitched their idea in front of an angel investor who suggested that they should build a business model to see how the different elements are linked-up to each other. He also suggested looking at various funding options at each stage of the development with their pros and cons and taking a major decision whether they want to take a loan from the bank or want to raise funding through equity.

Questions:

- a. Can you identify and describe the major building blocks of this business idea. Use your imagination where the information is not clearly mentioned.
- b. According to you, which source of funding they should use in the initial period of set-up? Which funding source can be used at the later stage? Please give the justification.
- c. Do you think that the core team has requisite expertise to run the business? Which additional skills will be required?

Q 2: Write short notes on any three

15 Marks

- a. Entrepreneurial locus of control
- b. “Bird in Hand” principle of effectual reasoning
- c. List any three important learning from the guest session by Mr. Sanjay Khanvilkar – SMS Facilities Management.
- d. Difference & similarities between incubators & accelerators.

QUESTION III: Answer any two of the following

20

Marks

- a. Evaluate the “Affordable Infant Warmer” business idea studied in Embrace case with the help of Seven Domain Model.
- b. What are the major pros and cons of funding through bootstrapping?
- c. Discuss a social or women entrepreneur of your choice with aspects of idea

generation, opportunity evaluation and growth strategy.