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**Question Paper Code : 80949**

B.E./B.Tech. DEGREE EXAMINATIONS, APRIL/MAY 2024.

Sixth/Seventh/Eighth/Ninth Semester

Industrial Engineering and Management

MG 8091 — ENTREPRENEURSHIP DEVELOPMENT

(Common to Automobile Engineering/Industrial Engineering/Mechanical Engineering/Mechanical Engineering (Sandwich)/Mechanical and Automation Engineering/Mechatronics Engineering/Production Engineering/Robotics and Automation)

(Regulations 2017)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. What is entrepreneurship? List any four basic tenets of entrepreneurship.
2. Differentiate between entrepreneur and intrapreneur. Which one do you think is more advantageous?
3. What are the major motives that influence an entrepreneur? How do these motives impact their day to day decision making?
4. What is achievement motivation? How does it help in setting future goals? State with an example.
5. Define small enterprises. Give real world examples of small enterprises in at least 3 sectors of the economy.
6. Which are the steps involved in setting up a business? Associate this process with a practical start-up scenario.
7. What are the sources of finance? Which sources are the most risk-free among them all?

8. What is working capital management? Why is it important for an entrepreneur to have sufficient knowledge in it?
9. Define sickness in small business. How can it be resolved? Give two examples wherever deemed necessary.
10. Mention any four growth challenges in a small industry.

PART B — (5 × 13 = 65 marks)

11. (a) List some of the factors affecting entrepreneurial growth. Differentiate between the external and internal factors among them.

Or

- (b) Explain the role of entrepreneurship in economic growth. How does entrepreneurship affect the quality of life of citizen in an economy?

12. (a) Discuss the importance of stress management in entrepreneurship. Why is it relevant in the modern day corporate era?

Or

- (b) Explain the need and objectives of entrepreneurship development programs.

13. (a) Define techno-economic feasibility assessment. Why is it done? Elucidate the steps involved in the assessment process.

Or

- (b) Explain the process of project appraisal in an elaborate manner.

14. (a) Discuss the different types of financial institutions. How are they critical in providing credit and financial inclusion?

Or

- (b) Explain the management of working capital in detail. Provide relevant examples for better understanding.

15. (a) What are all the various policy initiatives adopted by the Government of India (GoI) in the case of SSEs? How are they beneficial to the stakeholders?

Or

- (b) Where does the term "Business Incubation" come into play? List and elaborate on some institutional examples where incubation has managed to reap great rewards.

PART C — (1 × 15 = 15 marks)

16. (a) Michael Crichton is an entrepreneur who recently started his own aviation business. He is facing several challenges that are affecting his ability to grow. Michael has identified several factors that are affecting his business growth. These include economic, social, legal and regulatory, and technological factors.

Economic factors : Michael operates in a highly competitive industry, and the market demand for his products is constantly changing. He is finding it challenging to keep up with the changing market trends and maintain a competitive advantages. Additionally, he is facing difficulty in securing funding to finance his expansion plans. Social factors : Michael's products and services are not well known among the local community. He has been relying on word-of-mouth marketing, but this has not been effective in reaching a wider audience. Moreover, he is facing resistance from the local community due to his business's perceived negative impact on the environment. Legal and regulatory factors : Michael is struggling to comply with the complex tax and licensing requirements in his industry. The regulations are constantly changing, and he finds it challenging to keep up with the new requirements. Additionally, the local government has imposed stringent regulations on small businesses, which are limiting his ability to operate. Technological factors : Michael's business is not keeping up with the latest technological advancements in his industry. He is finding it difficult to compete with other businesses that have adopted new technologies. Moreover, his PR website is not optimised for mobile devices, which is limiting his ability to reach a wider audience.

Questions :

- (i) How would you resolve it if you were Michael and facing difficulty in securing funding for your business expansion? (5)
- (ii) What would be your logical response if you were in Michael's shoes and facing resistance from the local community due to your business's perceived negative impact on the environment? (5)
- (iii) How would you cope with the stress of constantly changing tax and licensing requirements if you were in Michael's position? (5)

Or

- (b) Harshitha is the owner of a small bakery that has been in operation for three years. Her business has been doing well, but she wants to expand and grow her customer base.

Harsitha has identified several growth strategies that she can adopt to achieve her business objectives. These include expansion, diversification, joint venture, merger, and subcontracting. Expansion: Harshitha can expand her bakery by opening additional stores in different locations. This will help her reach a wider audience and increase her customer base. However, expanding can be risky, and Harshitha needs to ensure

that she has the resources to support the expansion. Diversification: Harshitha can diversify her product line by introducing new products such as cakes, pastries, and sandwiches. This will help her attract new customers and increase her revenue streams. However, diversification can be costly, and Harshitha needs to ensure that she has the resources to support the new products. Joint Venture: Harshitha can enter into a joint venture with another business to offer complementary products or services. This will help her a wider audience and increase her revenue streams. However, Harshitha needs to ensure that she selects the right partner who shares her business objectives. Merger : Harshitha can merge with another bakery to increase her market share and customer base. This will also help her reduce her costs and increase her efficiency. However, Harshitha needs to ensure that she selects the right partner who shares her business objectives and values. Sub-contracting: Harshitha can sub-contract some of her production processes to other business. This will help her reduce her costs and increase her efficiency. However, Harshitha needs to ensure that she selects reliable partners who can meet her quality standards.

Questions :

- (i) As Harshitha, which growth strategy would you adopt to increase your customer base, and what factors would you consider before making your decision? (5)
- (ii) If Harshitha decides to expand her bakery, what resources would she need to ensure that the expansion is successful, and how would she finance the expansion? (5)
- (iii) If Harshitha decides to enter into a joint venture, what criteria would she use to select the right partner, and how would she ensure that the partnership is successful? (5)