

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA - SEMESTER– III EXAMINATION – WINTER 2020

Subject Code:4539261

Date:05/01/2021

Subject Name:Specialization-EFB_ Entrepreneurial Finance (EF)

Time:10:30 AM TO 12.30 PM

Total Marks: 47

Instructions:

1. Attempt any **THREE** questions from Q1 to Q6.
2. Q7 is compulsory.
3. Make suitable assumptions wherever necessary.
4. Figures to the right indicate full marks.

Q. No.		Marks
Q.1 (A)	Explain the following terms. (2 marks each) 1. Bootstrapping 2. Commercial papers 3. Convertible Preference Shares	06
Q.1 (B)	Explain the following terms. (2 marks each) 1. Cash flow cycle 2. Seed Funding 3. Financial Break even point	06
Q – 2 (A)	Elaborate the role and significance of Incubation in developing the eco-system for entrepreneurship.	06
Q – 2 (B)	Identify and explain the financial needs for the different phases of Start-up life cycle.	06
Q – 3 (A)	Which are the critical factors you would consider while selecting the long term source of finance for start-up?	06
Q – 3 (B)	Explain the evolution, role and significance of Angel Investors in India.	06
Q – 4 (A)	Explain in detail the concept of Crowd-funding and its suitability for the start-ups.	06
Q – 4 (B)	Which are the important aspects a Venture Capitalist would consider while financing the start-up?	06
Q – 5 (A)	Discuss the important Capital Budgeting techniques with their advantages and limitations.	06
Q – 5 (B)	How Cost of Capital occupies the central place in taking entrepreneurial Financial decisions?	06

- Q – 6 (A) What do you mean by Risk? What are the types and sources of risk for the start-ups? 06
- Q – 6 (B) Explain any five ratios along with their usefulness in evaluating the financial statement. 06
- Q – 7 You are a 25 year old MBA with a graduation in Dairy Technology. You plan to venture into a dairy industry and wish to have a presence at the national level with a wide range of dairy product mix. 11
1. Prepare a projected Profit and Loss account and Balance sheet for the next 5 years. Justify your projections.
 2. Which are the critical factors have a significant impact on your projections?

OR

- Q –7 You would like to enter into the business of readymade apparel for men and women having a manufacturing facility at Indore. You would also like to export a significant proportion of your yearly output to Middle east and European countries. 11
1. Elaborate your working capital cycle and access the working capital requirement and identify its determinants.
 2. Select and justify the appropriate source/s of working capital finance.
