

PGDM Batch: 2015-17

Social Innovation and Entrepreneurship (DM-605)

Trimester – VI, End term Examination: February 2017

Time allowed: 2 Hrs 30 Mins

Max Marks: 50

Roll No: _____

Instruction: Students are required to write Roll No on every page of the question paper. Writing anything except the Roll No will be treated as **Unfair Means**. All other instructions on the reverse of Admit Card should be followed meticulously.

Section A

Marks: 3 x 5 = 15

Students are required to answer 3 out of 5 questions. All questions carry equal marks.

- Q 1. Define Social Entrepreneurship? How does it differ from a business enterprise ?
- Q 2. Explain Eco-system of Social Entrepreneurship in India.
- Q 3. Explain legal structure of Social Entrepreneurship in India.
- Q 4. What do you mean by up scaling of Social Enterprises and describe its characteristics?
- Q 5. Describe the policy framework for Social Enterprises in India.

Section B

Marks: 2 x 10 = 20

Students are required to answer 2 out of 3 questions. All questions carry equal marks.

- Q 1. Bring out difference between innovation, invention and creativity.
- Q 2. What are the ingredients for up scaling of any social enterprise? Please give one example of a social enterprise which has up scaled and bring out the essential features which led to up scaling.
- Q 3. What do you mean by creating "Social Value "? How does it differ from "Economic Value "? Does Social Enterprises create both Social Value and Economic Value?

Turn Over

Section C**Marks: 15**

Please study the case study and answer the questions given at the end of case study.

Having spent 27 years in the fertiliser industry, Ranjan Sharma had a ringside view of the obstacles that kept the agricultural sector from achieving its potential. In 2005, Sharma hoped to address a serious problem faced by Indian farmers, the information gap viz., lack of access to accurate and timely agriculture advice—that he believed was critical to increasing productivity. To overcome this information gap, Sharma formed IFFCO Kisan Sanchar Limited (IKSL). IKSL sells farmers a “Green” SIM card and provides them five free daily voice messages that give guidance on agriculture and related issues, including animal husbandry, agro-marketing, dairy farming, poultry, and weather conditions. IKSL also offers a dedicated helpline to answer queries in farmers’ own languages. Rajan Sharma says “Companies should not presume that the poor will accept any information even if it is free, and need to know that information, unless tailored to suit their specific needs, may not be received well.”

Sharma enlisted two important partners in the creation of IKSL: the Indian Farmers Fertilizer Cooperative (IFFCO) and telecommunications company Bharti Airtel. IFFCO manages more than 40,000 cooperative societies and a base of 60 million farmers. IFFCO’s network of farmers and high credibility with government institutions helps reduce the costs of distribution and content creation. IKSL also relies on IFFCO’s large network of farmers to sell the co-branded IFFCO/Bharti Green SIM card. The company shares the information that IFFCO provides through Bharti Airtel’s extensive existing mobile network, capitalizing on India’s largest mobile communications company by market share.

IKSL’s Green SIMs provide relevant and useful advice to farmers in various agro-climatic zones and have achieved great popularity; in many villages, 100 percent of farmers have adopted the program. Farmers pay a nominal one-time fee of up to Rs. 10 to become a mobile customer. They then buy pre-paid top-ups to make calls and send text messages. IKSL’s revenue comes from commissions, paid by Bharti Airtel, on all new Green SIM subscriptions and top-ups made on the SIM. This revenue model allowed IKSL to break even within its first year of operations. In 2010, the venture earned revenues of Rs. 170 crore (an increase of 110 percent over 2010) and a profit of Rs. 20 crore.

IKSL has proven to be a win-win venture for all stakeholders. The company documents several success stories every month that suggest crop yield increases between 20 and 60 percent. Most of those increases are the result of tips IKSL provides to farmers on agriculture techniques, disease prevention, and animal husbandry. Moreover, IKSL accounts for nearly half million of the 3 million new subscribers that Bharti Airtel adds

Turn Over ₂

each month, and IFFCO communicates directly with its primary customers (farmers) five times each day, creating an effective marketing channel that the company values highly.

Currently, IKSL maintains a presence in all Indian telecom circles except North East and Jammu & Kashmir. Thus far, the company has identified 61 distinct agro-climatic zones based on soil quality, crops grown, and prevailing weather conditions. Looking ahead, IKSL plans to provide more tailored information, such as daily messages related to agriculture and breeding practices for animals and crops selected by the recipient farmer. Over the next three years, IKSL will make its services available to 25 million farmers through 450 agro-climatic zones that provide customized information.

On the basis of above case study, answer the following questions. Each question carries equal marks. (3 x5 =15)

- Q 1. Based on the above case study explain how social enterprises create social and economic value?
- Q 2. IKSL intends to reach 25 million farmers in the next three years. How could the company achieve this target?
- Q 3. Based on the above case study mention key features of a social enterprise.