

MANAGEMENT PROGRAMME

Term-End Examination

December, 2015

**MS-93 : MANAGEMENT OF NEW
AND SMALL ENTERPRISES**

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

Note : (i) *Attempt any three questions from Section - A carrying 20 marks each.*

(ii) *Section - B is compulsory and carries 40 marks.*

SECTION - A

1. Identify the major entrepreneurial competencies. How are these competencies instrumental in making a successful entrepreneur ?
2. Explain the stages in final product design. Illustrate using diagrams. How is design of a product different from service design ?
3. What do you understand by Technical Feasibility of an Enterprise ? Discuss the scope of Technical Arrangement, including provision of Technical Know - how ?
4. Explain the recruitment process and identify the steps involved in selection and placement of candidates in a small scale enterprise.

5. Write short notes on **any four** of the following :
- (a) National Small Industries Corporation
 - (b) Quality Control
 - (c) Industrial Policy Resolution 1977
 - (d) Production Schedule
 - (e) Growth Strategies

SECTION - B

6. Read the case given below and answer the questions given at the end of the case :

SUCCESS STORY OF BABA BAZAAR CO.

Iran Bharat Saxena was just another college student, pursuing his English (Hons.) Degree from Kirori Mal College, Delhi. He left his course mid-way as his family migrated to the United States but decided to return to India after a year. And soon he started selling vegetables on the internet. The IB Saxena Design Lab was started in 1996 with a seed capital of ₹ 10 lakh. Saxena decided to design his own web site, as a measure of displaying his capabilities in software development.

While one can register a site with a minimum \$ 35 a year, there are certain companies that charge as much as \$ 100, offering facilities like opening your own retail store. Saxena went for the expensive option, but he had no inclination as to what he shall do with it.

He did what no one else in India had ever done. He set up Baba, Baazar, Com. retailing vegetables. Within a matter of days the site became so popular that even Saxena was pleasantly surprised. The customers had to give a minimum order of ₹ 150 and ₹ 25 were taken as service charges. But the

minimum ceiling were reduced to ₹ 100 later on. And with a sale of ₹ 1 lakh per month, Saxena is doing pretty well for a vegetable vendor. The U.S.P. spelled out by Saxena are as under :

It is a completely new concept.

Vegetables are one thing which one buys regularly, so if a client for once utilised Saxena's service and liked it, it is unlikely that he is going to switch off.

Vegetables are not such a major purchase as a colour television or a washing machine where one prefers to see the product before buying it.

But even after two years of its inception, the venture is not profitable enough, but Saxena predicts that within a period of six months commensurate profits shall flow in.

As for future, Saxena wants to set up a unit making sound systems. IB-Design Labs is also launching SANJAY - GPS, a global positioning system which can tell you the exact location of where you are driving.

Questions :

- (a) How did Baba Bazaar Co. expanded its vegetable business explain with special reference to role of technology ?
- (b) How did the company gain popularity among its customers ?

7. Small scale industry can be an important vehicle for meeting the growth and equity objectives and industrial development of the country. The government should create a conducive environment to facilitate rapid growth of efficient small scale enterprise in the country. Discuss, giving your suggestions.