KLS Vishwanathrao Deshpande Institute of Technology

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DEPARTMENT OF ELECTRONICS AND COMMUNICATION ENGINEERING

University / Model Question Paper Scheme & Solution

Faculty Name	:	Prof. Plasio Francis Dias.
Course Name	:	Technological Innovation Management & Entrepreneurship
Course Code	:	BEC501
Year of Question Paper	:	Model Question Paper (2024-25)
Date of Submission	:	12.07.2025

Faculty Member HoD Dean (Acad.)

Head of the Department
Dept. of Electronics & Communication Engg.
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BEC501

Model Question Paper (2024-2025)

USN | | | | | | | | | | |

Fifth Semester B.Tech. Degree Examination

Subject Title: Technological Innovation Management and Entrepreneurship

TIME: 03 Hours **Max. Marks: 100**

Note: Answer any FIVE full questions, choosing at least ONE question from each MODULE.

		Module -1	**Bloom's Taxonomy Level**	**COs**	**Marks**
Q.01	a	**What** is Planning. **Explain** various steps involved in Planning.	L1,L2	CO1	7
	b	**Explain** the roles of a manager.	L2	CO1	7
	c	**Distinguish** between Management and Administration.	L2	CO1	6
		OR			
Q.02	a	**Explain** various functions of Management.	L2	CO1	7
	b	**Explain** the types of decision making.	L2	CO1	7
	c	**List** and **explain** the managerial skills with the help of skill-mix diagram.	L1,L2	CO1	6
		MODULE-2			
Q.03	a	**What** is Organization. **Explain** the Principles of Organization.	L1,L2	CO2	10
	b	**Define** Recruitment. **Explain** the steps involved in the selection process?	L1,L2	CO2	10
		OR			
Q.04	a	**With** the help of a diagram **explain** Maslow's need hierarchy theory with examples.	L1,L2	CO2	10
	b	**Define** controlling. **Explain** essentials of effective control system.	L1,L2	CO2	10
		MODULE-3			
Q. 05	a	**Describe** social responsibility of business towards different groups.	L2	CO3	10
	b	**What** are the essential characteristics that define a successful entrepreneur.	L1	CO3	10
		OR			
Q. 06	a	**What** are some common myths about entrepreneurship	L1	CO3	10
	b	**Explain** key stages of the Entrepreneurial Development Cycle.	L2	CO3	10

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MW 5

MODULE-4					
Q. 07	**a**	**Explain** the problems faced by Small Scale Industries.	L2	CO4	**10**
	b	**Explain** Financial Feasibility and Technical Feasibility.	L2	CO4	**10**
OR					
Q. 08	**a**	**Explain** Impact of Globalisation and WTO on SSI in India.	L2	CO4	**10**
	b	**What** factors contribute to creating favorable business opportunities in India?	L1	C04	**10**
MODULE-5					
Q.09	**a**	**Explain** Government Schemes for funding Business.	L2	CO5	**10**
	b	**Explain** steps in PERT. **Explain** advantages and Limitations of PERT.	L2	CO5	**10**
OR					
Q.10	**a**	**What** are the biggest challenges entrepreneurs face when starting their own business.	L2	CO5	**10**
	b	**Why** do some Business Plan fails.	L2	CO5	**5**
	c	**Distinguish** between PERT & CPM.	L2	CO5	**5**

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Module - 1

1 a. The words plan and planning are used in several contexts. It can be architectural plan, business plan etc. According to Oxford Dictionary for the Business World, a plan is a method or procedure for doing something, a design, a scheme or an intention. According to Webster's Dictionary, plan is the general word for a proposed method of action or procedure. Planning implies the development of program for accomplishing the organization's desired objectives and goals.

Planning is the beginning of the process of management. Planning follows systems approach which results in an emphasis being given to three subsystems such as environmental subsystem, competitive subsystem and internal subsystems. Planning is an intellectual process which requires a manager to think before acting. Planning is a continuous process. It is an all pervasive function. Plan must be flexible. (7M)

Steps Involved in planning:

1. Establishing Verifiable Goals or set of Goals to be achieved.
   - To determine the Enterprise objectives
   - Set by Top managers.
   - Goal selected depends on basic mission of organization, values its manager hold, potential abilities of the Organization.

2. Establishing Planning premises.
   - Plans are made to operate in future, Hence second step involved in planning is to establish planning premises.
   - Planning premises supply pertinent facts and information relating to future such as economic condition, production costs, probable competitive behaviour and material availability.

   Classification : Internal and external premises.
   Tangible and intangible premises
   Controllable and non controllable premises.

3. Deciding the Planning Period.
- Once managers select basic long-term goals and planning premises, the next task is to decide period of the plan.
- Factors influencing the choice of period.
  - → lead time in development and commercialisation of new product.
  - → time required to recover capital investments.
  - → length of commitments.

4. Finding Alternative Courses of Action
- It is the 4th step of planning.
- Technical aspect are secured by engaging a foreign technician or training staff abroad.
- product may be sold to consumer by company's salesman or through agencies.

5. Evaluating and selecting a course of action
- The fifth step is to evaluate the course and to select the best course or courses of action.
- This is done by the help of quantitative techniques and operations research.

6. Developing Derivative Plans
- Formulation of plan for organization is first, the
- middle and lower level managers draw up the appropriate plans for their subunits.
- These plans are derived from basic plan.
  Ex: Purchase of spare parts, advertising

7. Establishing and Deploying Action Plans.
- Actions represent the lowest level of execution.
- Action plan identifies particular activity which is necessary
- Draft version of action plan should be communicated

8. Measuring and controlling the progress.
- Check the progress of plans
- Managers take remedial action to make the plan work. and change the plan if required. (2)

1 b. Roles of Manager (7M)

Manager's roles encompass planning, organizing leading and controlling resources to achieve organizational goals. The ten different roles of manager are,

Interpersonal Roles

- figure head
  - Manager performs duties of ceremonial nature, includ greeting the touring dignitaries, attending wedding of an employee, taking important customer to lunch.

- Leader
  - Manager must motivate and encourage his employees.
  - He must try to reconcile their individual needs, with the goals of organization.

- Liaison
  Manager must cultivate contacts outside his vertical chain of command to collect information useful for his organisation.

Informational Roles:

→ Monitor: Manager has to scan his environment for information, interrogate his liaison contacts and his subordinates. He should attend external meetings.

→ Disseminator: The manager passes some of his privileged information to his subordinates.

→ Spokesman: Manager should spend a part of his time in representing his organisation before various outside groups such as stakeholders. The stake-holders can be government officials, labour unions, financial institutions, suppliers, customers etc.
He assures consumer group that organisation is fulfilling its social responsibilities.

- He advises shareholders about financial performance.

Decisional Roles:

→ Entrepreneur: In this role manager proactively looks out for innovation to make things happen.
Innovation means creating new ideas.

→ Disturbance Handler: In this role, manager has to work reactively like fire fighter.
He must seek solutions of various unanticipated problems such as strike, major customer going bankrupt, supplier renege on his contract.

→ Resource Allocator: The manager must divide work and delegate authority among his subordinates.

→ Negotiator: The manager at all levels has to spend considerable time in negotiations.

1C. Management and Administration (6M)

Administration involves thinking. It is a top level function. It centres around the determination of plan, policies and objectives of a business enterprise. Management involves doing. It is a lower level function, concerned with execution and direction of policies and operations. Manager spends part of his time administering and part of his time managing, satisfying both activities. Management includes administration, Management embraces entire process of planning, organising, directing and controlling. Administration encompasses two functions planning and controlling. Management is divided into 2 categories. (i) administrative management (ii) Operative management.

Fig 1C. Time Spent in administrative and mangerial functions at different levels

The governance of non business institutions is called administration while the governance of business enterprise is called management. Economic performance becomes the chief dimension of management.

OR

(7M)

2 a. Various functions of management.

According to mary Parker follett, management is the "art of getting things done through people". The management writers classify managerial functions into four types, five type and six & seven. Newman and Summer recognise only 4 functions namely organising, planning, leading and controlling. Henri fayol identifies five function of management - planning, organising, commanding, co-ordinating & controlling. Luther Gulick states seven functions under the catch word "POSDCORB", stands for planning, organising, staffing, directing, co-ordinating, reporting and budgeting.

1. Planning: Planning is the function that determines in advance what should be done. It is preparing for the future. It is process of deciding the business objectives and charting out the methods to attain the objectives. Planning is a function which is performed by managers at all levels - top, middle and supervisory. Plans made by organisation cover time period as five years or ten years.

2. Organising: To organise a business, provide it with everything useful to its functioning - personnel, raw materials, tools and capital. This is divided into two main sections. (i) Human organisation (ii) Material organisation. According to Allen organisation refers to "the structure which results from identifying and grouping work, defining and delegating responsibility and authority, and establishing relationship.

Staffing is important function involved in building the human organisation. Staffing involves selection and training of future managers.

3. <u>Directing</u>: This function is called by names leading, directing, motivating and actuating. Manager explain to his people or staffs what they have to do and helps them to do it to the best of their ability. Directing involves three subfunctions – communication, leadership and motivation. Communication is the process of passing information and understanding from one person to another. Leadership is the process by which a manager guides and influences the work of his subordinates. Motivation means arousing desire in the minds of workers to give their best to the enterprise.

4. <u>Controlling</u>: Involves 3 elements.
   a. Establishing standards of performance
   b. Measuring current performance and compare it with established standards.
   c. Take action to correct any performance that does not meet the standard.

5. <u>Innovating</u>:
Innovation is an important function of manager. Innovation means creating new ideas to improve product, process or practice. Innovations in packaging, distribution and business models.

6. <u>Representing</u>: Manager represents his organisation before outside groups & stakes in the organisation, which are government officials, suppliers, labour unions etc. Manager must effectively manage social impact of his organisation.

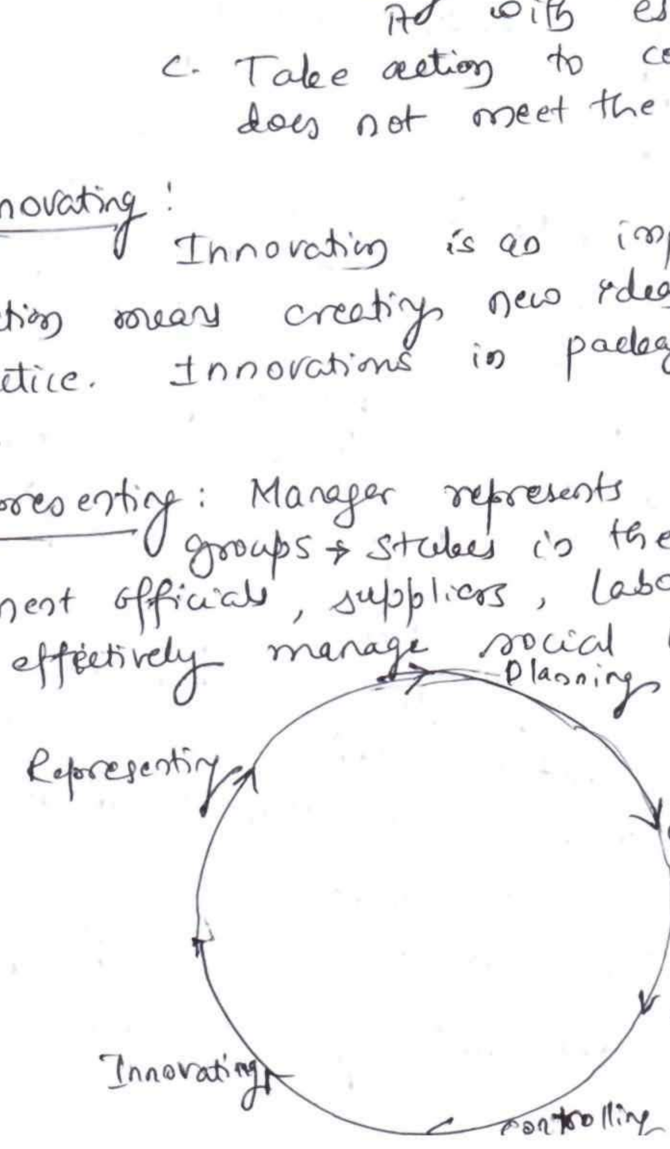

Fig 2a. Management Process.

2 b. Types of decision making (7m)

1. Programmed and non programmed decisions:

Programmed decisions are made in accordance with some policy, rule or procedure. These decisions are repetitive and routine. Ex: Pricing customer's orders.

Non programmed decision are novel and non repetitive. The decision, what to do about a failing product line, is a example of non programmed decision. Each manager brings his own attitudes and value judgements.

2. Major and Minor Decisions

a. Degree of futurity of Decision ; Decision which has long range impact, such as replacement of men by machinery. The decision to store raw material is taken as minor decision.

b. Impact of Decision on Other functional Areas

If decision affects one function it is minor decision. Ex: The decision to shift from bound ledger to loose leaf ledger. The decision to change the basis of overhead allocation in preparing department profit is a major decision.

c, Qualitative factors that Enter the Decision:

A decision involving certain subjective factors is an important decision. The subjective factors include basic principles of conduct, ethical values, social and political benefits.

d. Recurrence of Decisions: Decisions which are rare and have no rules or precedents. Ex: Decision whether or not to renew the office's subscription to Business Week.

3. Routine and Strategic Decisions:

Routine or housekeeping decisions are supportive of company's operations. Lowering the price of the product, installation of an automatic plant etc are strategic decisions.

4. Individual and Group Decisions : Decisions may be taken either by an individual or by a group.

5. Sequential and Bear by the Tail Decisions:- In sequential decision the manager makes a decision one part at a time. Bear by the tail

decisions are diffcult for manager to retrace his steps until the results of last step is known.

6. Simple and Complex Decisions:
When variables to be considered for solving problem are few, the decision is simple, when they are many, the decision is complex. The 4 types of decisions involves routine decisions, judgement decisions, analytical decisions and adaptive decisions.

7. Heuristics and Intuitive Decisions
Heuristics are rules of thumb which organisations evolve from their experience for use in recurring decision situations. The decision maker relies on his intuition in intuitive decisions.

8. Rational Decisions: A decision is rational if appropriate means are chooses to reach desired ends.

(6 M)

2c) Managerial Skills and Skill mix diagram
Skill is an individual's ability to perform physical or mental tasks with a specified outcome. Manager should possess three major Skills. (i) Conceptual Skill (ii) Human relations skill. (iii) Technical Skill.
Conceptual skill refers to ability of a manager to take broad and farsighted view of the organisation and its future. His ability to think in abstract, ability to analyze situation, his creative and innovative abilitys
Technical Skill is manager's understanding of the nature of jobs that people under him have to perform.
Human relations skill is the ability to interact effectively with people at all levels.

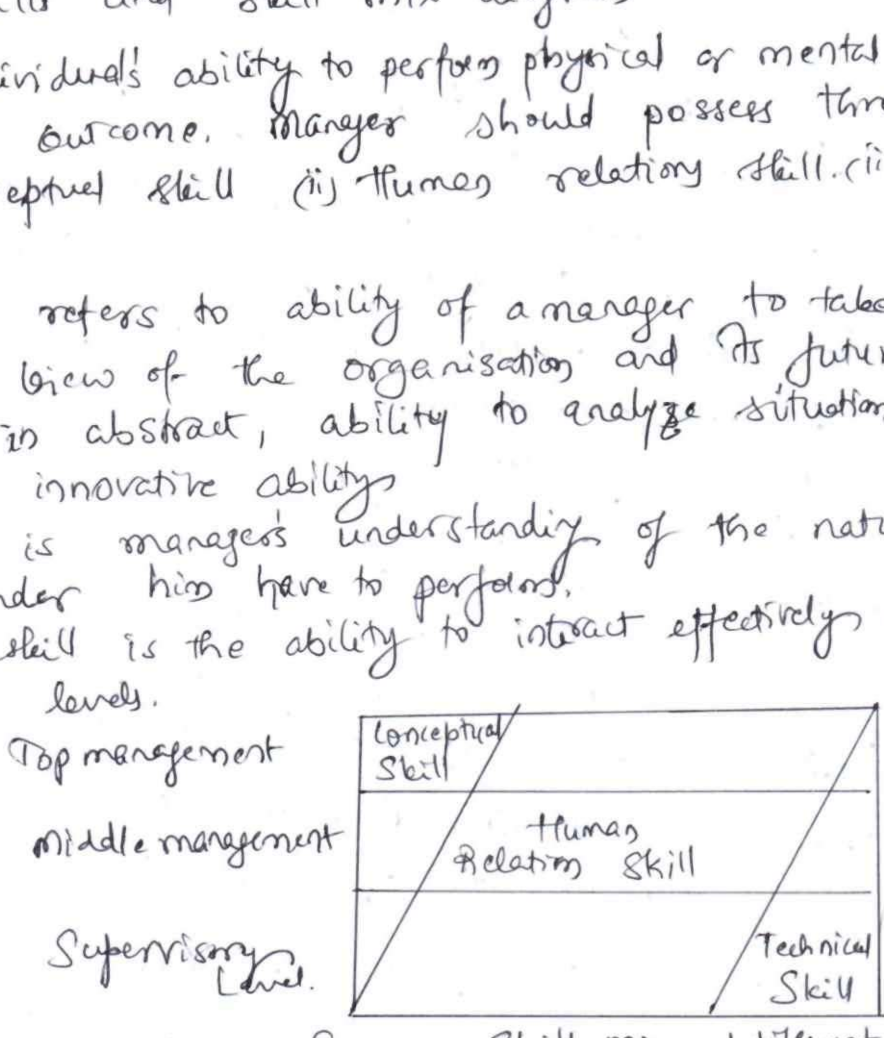

fig 2c. Skill mix - at different management levels

3 a. Organisation, Principles of Organisation. (10M)

According to Amitai Etzioni an organisation is a social unit or human grouping deliberately structured for the purpose of attaining specific goals. Allen defines the organisation as the process of identifying and grouping of the work to be performed, defining and delegating responsibility and authority and establishing relationships to accomplish the objectives.

Ex: Corporations, schools, hospitals, armies.

Principles of Organisation:

i) Objectives: The objectives of the enterprise influence the organisation structure.

ii) Specialisation: Effective organisation must promote specialisation. The activities of the enterprise should be grouped according to functions and assigned to persons according to their specialisation.

(iii) Span of control: Span of control should be minimum. There is a limit to the number of persons supervised by one boss.

(iv) Management by Exception principle: The executive at higher level solve complex problems where as routine matters are resolved by subordinates at lower levels.

(v) Scalar Principle: This is known as chain of command. The line of authority from the chief executive at the top to the first line supervisor at the bottom must be clearly defined.

(vi) Unity of command: Each subordinate should have only one superior. Multiple subordination must be avoided, because it causes disorder and undermining of authority.

(vii) Delegation: Manager should have enough authority to accomplish the task assigned to him, Proper authority should be delegated at the lower levels of organisation also.

(viii) Responsibility: The superior should be held responsible for the acts of his subordinates.

ix) Authority: The authority is the tool, by which manager is able to accomplish the desired objective.

xi) Efficiency: The organisation structure should enable the enterprise to function efficiently and accomplish its objectives with the lowest possible cost.

xii) Simplicity: the organisation structure should be simple, and organisation levels should be minimum.

xiii) Flexibility: The organisation should be adaptable to changing circumstances.

xiii) Balance: There should be a reasonable balance in the size of various departments, between centralisation and decentralisation and among all types of factors such as human, technical and financial.

xiv) Unity of Direction: There should be one objective and one plan for a group of activities having the same objective.

xv) Personal Ability: People constitute an organisation, there is need for proper selection, placement and training of staff.

xvi) Acceptability: The structure of organisation should be acceptable to the people who constitute it.

3b) Recruitment, The steps involved in the selection process (10 m)

Recruitment: According to Dalton E. Mcfarland, it is the process of attracting potential employees to the company. It is the generating of applications or applicants for specific positions. It is defined as the process of identifying the sources for prospective candidates and stimulate them to apply for the jobs.

Steps in the selection process:

1. Application blank
2. Initial interview of the candidate
3. Employment tests.
4. Checking references
5. Physical or medical examination
6. Final Interview.

1. Application blank: filling of the "application blank" by the candidate is the first step in the process of selection. In this form applicant gives relevant personal data such as his qualification, specialisation, experience etc. The applications are scrutinised by the company for interview.

2. Initial Interview: Those who are selected for interview on the basis of particulars furnished in the application blank are called for initial interview by the company.

3. Employment Tests: To assess candidate's nature and abilities some tests are used in the selection procedure.

   1. Aptitude Test: This test measures the applicant's capacity to learn the skill required for a job.
   2. Interest test: This is used to find out type of work in which the candidate has an interest.
   3. Intelligence test: This test is used to find out the candidate's intelligence. By this test candidate's mental alertness, reasoning ability, power of understanding are judged.
   4. Job specific test: This test is used to measure the candidate's level of knowledge and skill in the particular job.
   5. Personality Test: It is used to measure the characteristics of a candidate which constitute his personality. Ex: Self confidence, judgement, dominance, integrity.

4. Checking Reference: If the candidate found satisfactory at interview and his performance is good at tests, his character and background is verified from the people mentioned in the application.

5. Physical or medical examination
It is another step in the selection procedure. The objectives of this examination are (i) to check the physical fitness of the applicant for the job applied. (ii) To protect the company from unwanted claims. (iii) To prevent communicable disease entering the business concern.

6. Final Interview:- This interview is conducted for those who are ultimately selected for employment. The candidate is given future prospects within the organisation.

(OR)

4 a. Maslow's need hierarchy Theory: (10M)

All people have variety of needs. At any given time some needs are satisfied and others are unsatisfied. An unsatisfied need is the starting point in the motivation process. When person has unsatisfied need, he or she attempts to identify something that will satisfy the need. This is called a goal. Once goal has been identified, person takes action to reach the goal and thereby satisfy the need.

According to A. H. Maslow, needs are arranged in a hierarchy or a ladder of five successive categories physiological needs, security, social, esteem and self fulfilment needs.

1. Physiological needs are those which arise out of the basic physiology of life. Ex: The need for water, food, air etc. These needs are satisfied for continued survival.
2. Social needs are needs to associate with other people and be accepted by them. These needs are referred as "the hard instinct", "gregariousness", "affiliation motive".
3. Egoistic or Esteem needs are those which relate to respect and prestige. These are of two Types (i) Self esteem (ii) Esteem from others.
4. Self fulfilment needs are needs for realising one's potential. This need is also called need for self realisation or self actualization.
5. Security needs are needs to feel both economically secure and psychologically secure.

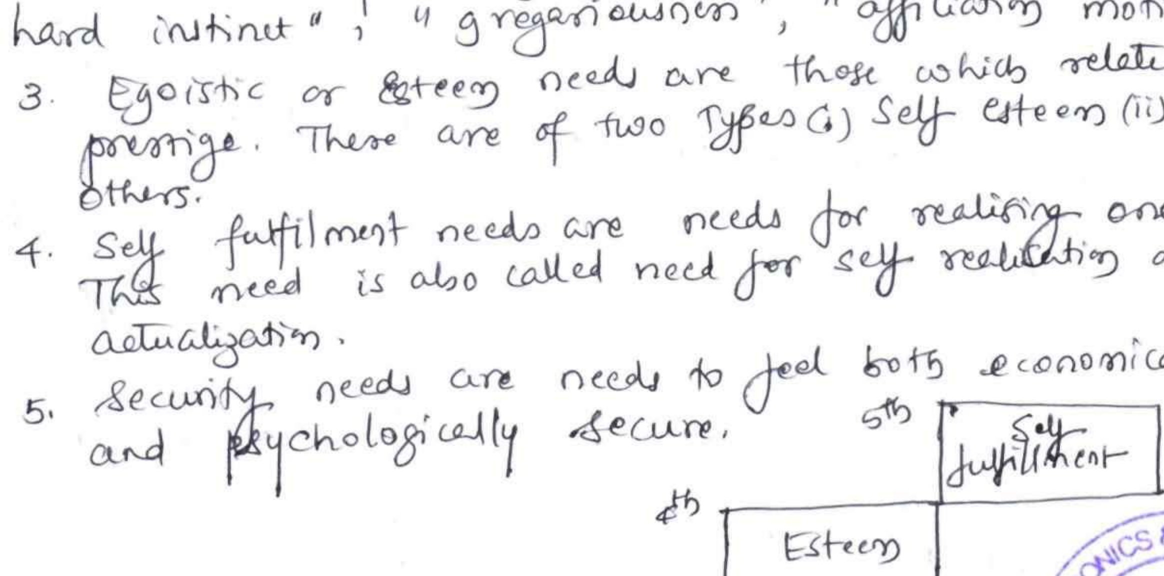

fig 4a. Order of priority of human needs.

Human needs are classified as lower order and higher order needs. The first two needs Pysiological and Safety needs are lower order needs, the three other needs are called higher order needs.

4b. Controlling, Essentials of effective control system (10M)

Control is one of the important functions of management. According to George R. Terry, "controlling is determining what is being accomplished that is evaluating the perfolmance and if necessary, applying corrective measures so that the perfolmance takes place according to plans." According to Brech "control is checking current perfolmance against predetermined standards contained in the plans, with a view to ensuring adequate program and satisfactory perfomance.

Essentials of Effective Control system:

1. Suitable: The control system should be appropriate to the nature and needs of the activity. control system serves its specific needs. Ex: Control system used for machine based production control used in sales department, finance department.

2. Timely and forward looking:- Electric controls, should be able to detect deviations before they occur. In personnel and marketing control a time lag exists between deviating and corrective action. For feedback system, short and quick response is required to avoid major failures.

3. Objective and Comprehensible:

Control system should be both objective and understandable. Objective control specify the expected results in clear and definite terms.

4. flexible: The control system should be flexible, so that It can be adjusted to suit the needs of any change in the basic nature of the inputs and/or the sizes, varieties or types of the same product or service. The flexibility is introduced by making adjustment automatic.

5. Economical: Economy is another requirement of every control system. The benefit derived from control system should be more than cost involved in implementing

6. Prescriptive and Operational: Control system should provide solutions to the problems that cause deviations. It should focus more on action.

7. Acceptable to Organisation members: The system should be acceptable to organisation members.

5 a. Social responsibility of business towards different groups. (10m)

Social responsibility is a nebulous idea and hence is defined in various ways.

Adolph Berle has defined social responsibility as the manager's responsiveness to public consensus. This means that there cannot be the same set of social responsibilities applicable to all countries in all times. These would be determined in each case by the customs, religions, traditions, level of industrialisation and a host of other norms and standards, about which there is a public consensus at any given time in a given society.

According to Keith Davis, social responsibility refers to two types of business obligations viz (i) the socio economic obligation (ii) The socio human obligation.

The socio economic obligation of every business is to see that economic consequences of its actions do not adversely affect public welfare. This includes obligations to promote employment opportunities to maintain competition, to curb inflation etc.

The socio-human obligation of every business is to nurture and develop human values such as morale co-operation, motivation and self realisation in work. Every business firm is a part of a total economic and political system.

* Towards consumer and community
    1. Production of cheap and better quality goods/services
    2. Levelling out seasonal variations.
    3. Deciding priorities of production
    4. Providing for social audit.
    5. Honouring contracts & following honest trade practices.
    6. Making real consumer needs
    7. Preventing creation of monopolies.
    8. Providing for after sale servicing

Business have social responsibility towards various stakeholder groups including owners, employees, customers, suppliers, the government and the community.

These responsibilities encompass ethical, legal, economic and philanthropic dimensions. companies should aim to balance profitability with positive societal impact ensuring fair practices and contributing to the well being of all involved.

Businesses have responsibility to provide a return on investment and long term financial health and stability of the company.

Business should offer fair wages and salaries to provide safe and healthy working conditions. It should offer opportunities for career growth & development, ensure job security, provide benefits such as healthcare, retirement plans.

Business should provide quality products and services that meet customer needs. It should offer reliable customer service.

Business should engage in fair dealing, pay dues on time, provide regular orders & build strong long term relationships with suppliers. Businesses should comply with all applicable laws and regulations, pay taxes on time and contribute to the economic development of the country.

Businesses should contribute to the well being of the community by creating jobs, protecting the environment, supporting local initiatives, promoting social and cultural values.

9. Ensuring hygenic disposal of smoke and waste
10. Achieving better public relation
11. Supporting education, slum clearance, similar other programmes.

* Toward Employees and workers:
    1. A fair wage to the workers.
    2. Just selection, training and promotion
    3. Social securing measures and good quality of work life.
    4. Freedom, self respect and self realisation.
    5. Good human relations.
    6. Increase in productivity of efficiency by recognition of merit.

* Towards Stakeholders and other Businesses.
    - Promoting good governance
    - Fairness in relations with competitors.

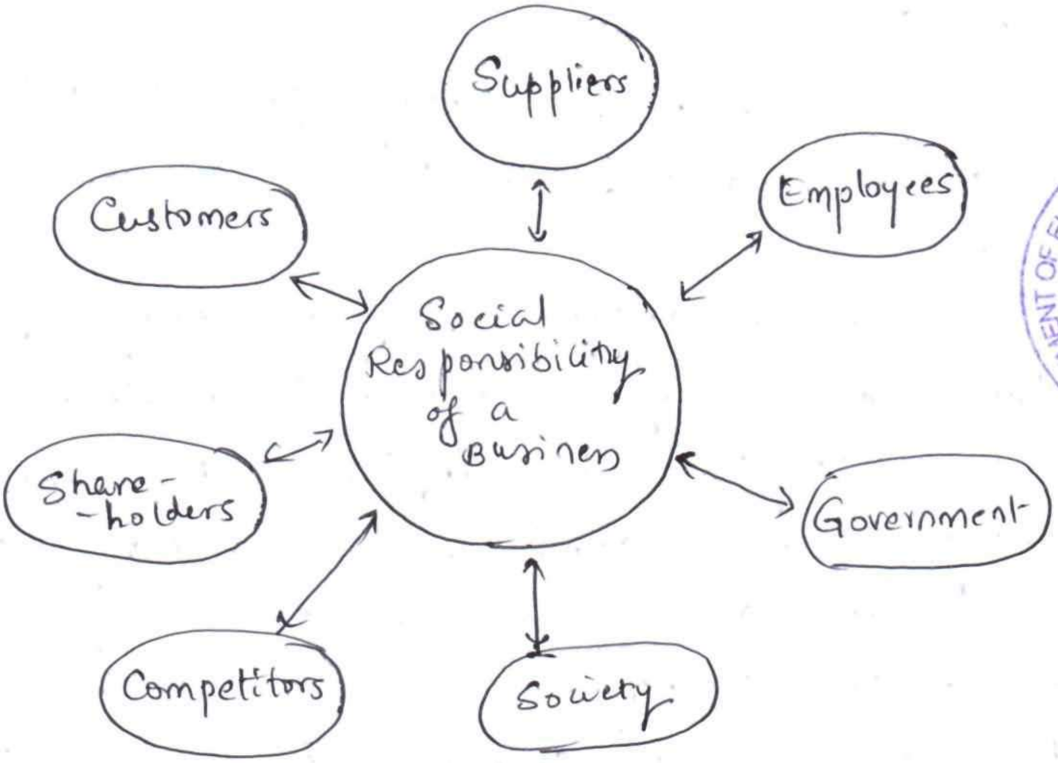

fig 5a. Social Responsibility of Business

(10m)

5b. Essential characteristics that define a successful Entrepreneur

Successful Entrepreneurs possess a combination of innate traits and acquired skills. Key characteristics include passion, vision, strong work ethic, resilience, adaptibility and ability to take calculated risks.

They also demonstrate effective leadership, communication and decision making skills along with deep understanding of their industry and market.

1. Passion: A deep enthusiasm for their business idea
2. Vision: The ability to see the bigger picture and achievable goals.
3. Resilience: The capacity to bounce back from failures viewing them as learning opportunities.
4. Adaptibility: The flexibility to adjust to changing circumstances, new technologies and challenges.
5. Risk Tolerance: A Willingness to step outside of their comfort zone and take calculated risks.
6. Leadership: The ability to inspire and motivate a team, delegate tasks effectively and productive work environment.
7. Communication: The capacity to build strong relationship with stakeholders with verbal and writing documents.
8. Decision making: The ability to analyze information, assess potential outcomes and make proper judgements.
9. Financial literacy: The proper understanding of financial principles, budget and cash flow management.
10. Industry knowledge: The understanding of specific industry, market trend & customer needs.
11. Networking: The ability to build and maintain strong network of contacts.

(OR)

5 a. Common myths about Entrepreneurship. (10M)

Entrepreneurs are born with innate qualities, take extreme risks, are always motivated and need a perfect idea or plan to succeed.

Many of these traits can be developed and calculated risk taking, resilience and adaptibility are crucial for success.

1. Entrepreneurs are born not made:
   Entrepreneurship involves skills and knowledge that can be learned and developed through education, experience and mentorship.

This myth suggest individual are predisposed to entrepreneurship due to personality traits and creativity.

2. Entrepreneurs are natural risk takers: While calculated risks are part of entrepreneurial journey, successful entrepreneurs often adept at assessing risks and making informed decisions.
3. Entrepreneurs are always motivated and passionate
   While passion is strong motivator, Entrepreneurs also face challenges and dampen motivation. Successful entrepreneurs develop resilience and learn to persevere through difficult times.
4. Entrepreneurs need perfect idea: Successful business evolve from initial idea that undergo changes based on customer feedback, market research. Flexibility and adaptibility are more valuable from flawless plan
5. Entrepreneurs work alone: Initial stages of starting a business involves a lot of solo effort. Successful entrepreneur build strong teams, networks and support systems.
6. Entrepreneurs are always wealthy: They achieve financial success. Other goal is contribution toward community
7. Failure is the end: Failure is part of entrepreneurial journey. They face multiple setbacks before achieving goals.
8. Entrepreneurs are young: Younger individual have fewer financial and family obligations.

9. Entrepreneurship is a solitary journey: Recognize value of

6 b. Key stages of Entrepreneurial Development cycle: (10M)

The entrepreneurial process involves five key phases. Ideation, Feasibility Analysis, Planning, Execution and growth. These phases represent structured approach to launching and developing successful business venture.

1. Ideation : This involves generating and refining business ideas. They identify problems worth solving.

2. Feasibility Analysis:
Once idea is selected, thorough feasibility analysis is conducted. This involves researching the market, analyzing the competition and success based on available resources, financial availability, market demand.

3. Planning: This phase focuses on developing a comprehensive business plan. This plan outlines the business goals, strategies, operations, marketing plan financial projections, target market.

4. Execution: This is the stage where the business plan is put into action. It involves launching the business, establishing operations, acquiring necessary resources. (funding, personnel, equipments) and beginning to sell product or services.

5. Growth: Once the business is established, the focus shifts to growth and expansion. This involves scaling operations, increasing market share, developing new products or services. Seeking further funding to support continued growth.

7a) problems faced by small scale industries. (10m)

Small scale industries face multitude of challenges that hinder their growth and sustainability. These include financial constraints, difficulty procuring raw materials, inadequate technology, lack of skilled labor, marketing challenges and intense competition. They struggle to compete with large, established businesses interms of capital, technology adoption and marketing reach.

1. Financial constraints:
 * Limited Access to Capital: SSI often struggle to secure funding from banks and financial institutions.
 *. High Interest Rate: They rely on private lenders who charge exorbitant interest rates, adding financial burden.

2. Raw material procurement:
 → Shortage and Price fluctuations: SSI often face shortages of raw materials and experience price fluctuations, impacting production and profitability.
 → Weak supply chains: Inadequate logistics and supply chain infrastructure in rural areas, can further exacerbate raw material procurement issues.

3. Technology and Innovation:
 • Outdated Technologies: SSI lag behind in adopting modern technologies. impacting efficiency & competitiveness
 • Limited Research & Development: They lack the resources for research and development, hindering innovation and product development.

4. Labour and Skills: Skilled Labour Shortages: SSI struggle to attract and retain skilled workers due to lower wages and limited opportunities
Training Deficiencies: They need to train unskilled workers. so investment increases.

5. Marketing & Sales: SSI limit funds for marketing/sales
They struggle to build brand recognition.

7b. Technical feasibility and financial feasibility (10M)

Feasibility study involves two crucial components i) Technical feasibility (ii) financial feasibility. They assess different aspect of project

Technical feasibility focuses on whether a project can be executed with the available technology and resources. while financial feasibility determines if the project is economically viable and can generate sufficient returns.

Technical feasibility assesses the practical and logistical aspects of a project. This considers factors like available technology, required expertise and potential challenges. The key questions are, (i) Can the project be built with available technology?
(ii) Are the necessary skills are resources available?
(iii) Are there any technical roadblocks that could hinder the project.
(iv) What are technical requirements and constraints?

In software development projects technical feasibility involve assessing the team's experience with choosen technology, availability of necessary tools & potential compatibility issues.

In construction projects technical feasibility would consider the availability of materials, required machinery and expertise of construction team.

It ensures projects technical aspects are achievable and to identify potential technical hurdles early on.

financial feasibility evaluates the economic viability of a project considering costs, revenue projections and potential profitability. key questions involved are (i) what are the total costs involved in the project. (ii) what are the potential revenue streams and profitability? (iii) What is the return on investment? (iv) Can the project be financed and what is the funding structure? financial feasibility analyzes the start-up costs, operational expenses, projected sales and profit margins. For real estate project, it assess the cost of land, construction and finance, sale price of property. It determines project is financially sound or not & can we get sufficient returns. (21)

(OR)

3a. Impact of Globalisation and WTO on SSI in India. (10m)

Globalisation and WTO (World Trade Organisation) have, had a mixed impact on Small Scale Industries (SSI's) in India. While increased exports and access to global markets have benefited some SSI's, others face challenges from increased competition and the need for technological upgrades.

Positive Impacts are;

(i) Increased Exports: WTO establishment allowed Indian SSI's to export goods to other member countries with fewer restrictions.

(ii) Reduced Trade Barriers: Tariff based protection and reduced duties on export products to India have boosted exports.

(iii) Export Growth: SSI have seen significant growth in export from RS 13,883 crores in 1991-92 to Rs 150,242 crores in 2005-06.

(iv) New Investment Opportunities: Increased trade has opened up new investment avenues contributing to economic growth.

(v) Market Orientation: SSI have become more market oriented, leading to better production and marketing strategies

(vi) Reduced formalities: Liberalization and the removal of government restrictions have reduced time and money spent on bureaucratic procedures, allowing greater focus on production.

vii) Increased competition: Exposure to global market allowed SSI to improve efficiency and quality.

viii) Technological Advancements: SSI adopted new technologies to remain competitive.

Negative Impacts are;

(i) Unequal competition: Smaller Indian enterprises face challenges competing with MNC's - multinational corporations.

(ii) Increased import pressure: Lower tariffs and increased competition from imports can negatively affect domestic production.

(iii) Skill gaps: Globalization requires more skilled workforce and some SSI may struggle to adapt to these demands.

8b. Factors contribute to creating favourable business opportunities in India. (10M)

Several factors contribute to favorable business opportunities in India. These include a large and growing consumer market, a young and skilled workforce, cost effective operations, government support for startups and business and technological advancements. India's strategic location also provides access to regional and global markets.

1. Market potential and Consumer behaviour:
   (a) Large and growing market: India's large population presents a huge consumer base and demand for various goods and services.
   (b) Changing consumer Preferences: Rising incomes and increasing adoption of digital technologies are driving changes in consumer behaviour, creating opportunities to evolve needs and preferences.
2. Workforce and Cost:
   (i) Young and skilled workforce: India has large and young workforce including growing number of tech savvy professionals making it attractive for businesses seeking to scale operations and innovate
   (ii) Cost effective operations: Lower labour costs and operational expenses compared to other major economies can significantly boost profitability.
3. Government support and Policies:
   (i) Pro business Policies: Initiative like "Startup India" "Make in India" aim to encourage entrepreneurship and investment by offering tax breaks, relaxed regulations.
   (ii) Infrastructure development: Investment in infrastructure projects are crucial for supporting economic growth.
4. Technological Advancements: (i) Digital Transformation: The rapid growth of internet penetration and digital platform opening up new avenues for Business. (ii) Innovation & R&D: Helps business to stay competitive 23
5. Strategic Location: Allows access to global market for expansion

9 ⓐ Government Schemes for funding Business (10M)

Several government schemes in India offer financial assistance to businesses including startups and MSMEs (Micro, Small and Medium Enterprises)

1. Pradhan Mantri Mudra Yojana (PMMY) for small and micro enterprises.
2. Start up India Seed Fund Scheme
3. Credit Guarantee Scheme for Start ups.

These schemes offer various forms of support, such as loans, seed funding and credit guarantees to help businesses at different stages of their development.

1. Pradhan Mantri Mudra Yojana (PMMY):

Provides loans upto Rs 20 lakhs to non corporate non farming small and micro enterprises.

Loan categories: Shishu (Upto Rs 50,000/-)
Kishore (Upto Rs 50,001 - 5 Lakh)
Tarun (Rs 5,00,001 - Rs 10 Lakh)

Eligibility for Activities: Trading manufacturing & services sectors

Lenders: Commercial banks, MFI'S (Microfinance Institutions), NBFCS (Non Banking financial Company)

Participate through banks, financial institutions, online via JanSamarth portal.

2. Startup India Seed Fund Scheme: Provides financial support to startups for early stage activities like proof of concept, prototype development and market entry. Startups and incubators can apply through dedicated portal. Funding Upto Rs 20 lakhs for activities like proof of concept prototype development and product trials.

3. Credit Guarantee scheme for Startups: Provides credit guarantees to loans extended to <u>DPIIT</u> recognised startups by banks, NBFC & venture debt funds. Upto Rs 20 Crore per eligible borrower. Instruments: Venture debt, working capital 24

([illegible] for Promotion Industry and Internal Trade)

Other schemes:

1. Stand Up India : Aims to facilitate bank loans to at least one SC/ST and/or woman borrower per bank branch for setting up greenfield enterprise.
2. Jan Samarth Portal: This portal links various government sponsored credit linked schemes on a single platform.
3. My Scheme: this platform helps citizens discover and apply for relevant government schemes.

9(b) Steps in PERT, Advantages and Limitations of PERT. (10M)

The steps in PERT - Program Evaluation and Review Technique involve identifying project activities, defining their dependencies estimating activity durations creating a network diagram, determining the critical path and managing task progress.

1. Identify project Activities: List the tasks to complete the project Break down complex task into manageable ones.
2. Define Task Dependencies: Determine the order in which tasks need to be completed.
3. Estimate Activity Durations: For each task, estimate optimistic, most likely and pessimistic time it will take to complete. Pert formula : (Optimistic + 4 * Most likely + Pessimistic)/6 to calculate the expected time for each activity.
4. Draw the network Diagram: Creat visual representation of the project using a PERT chart with nodes representing activities and arrows indicating dependencies & task flow.
5. Determine Critical Path: Identify longest path through the network diagram.
6. Manage Task Progress: Track the progress of each task, Update PERT chart & ensure project stays on Schedule

Advantages and Limitations of PERT:

- Visual representation — Provides Visual Overview
- Critical path Identification — Identifies critical path, avoids delay
- Improved Planning & Scheduling — provides project planning, scheduling resource allocation.

· Risk Management – consideration of uncertainty
· Enhanced Communication – visual nature improves communication
· Adaptability – PERT chart updated as project progresses.

Limitations:

1. complexity – time consuming for large project
2. Time estimation Accuracy – PERT relies on accurate time estimates.
3. Subjectivity – Input to PERT chart is subjective
4. Potential for over focus on Time. – Over emphasis on time
5. Rigidity – Not suitable for projects requiring frequent changes.
6. Resource Intensive. – Requires input from various team members.

(OR)

10 a. The Biggest challenges Entrepreneurs face when starting their own business: (10M)

Starting a new business presents numerous challenges

· financial constraints
· Market Uncertainty
· Competition
· Time management
· Hiring & Retaining talent
· Adaption to business landscape
· funding, managing cash flow.

1. Financial challenges
→ Lack of funds: Securing sufficient capital to start and operate the business is a major hurdle
→ Cash flow management: managing income, expenses
→ financial planning: Creating budget and financial plan for long term success.
→ funding acquisition: Seeking and obtaining funding from investors is time consuming, competitive.

2. Market and Business Challenges: 26.
→ Market Uncertainty: Unpredictable market condition, Customer preferences, economic downturns.
→ Competition: facing established business or other startups require strong competitive strategy

→ Finding customers:- Attracting, retaining customer is challenging.
→ Time management : Balancing multiple roles and responsibilities
→ Scaling Business: Growing business requires careful planning and execution.

3. Operational challenges
- Hiring and retaining talent: finding and keeping qualified employees is crucial for business growth.
- Team building: Building strong/cohesive team can be difficult
- Regulatory Compliance; Adhering to legal and regulatory requirements can be complex and time consuming
- Adaptability: Adapt to changing market, customers' needs.

4. Personal challenges:
- Emotional Resilience: Entrepreneurship can be emotionally taxing, requiring resilience & perseverance.
- Work life Balance:- Maintaining healthy work life balance can be difficult
- Burnout: Entrepreneurs are at risk of burnout due to long hours and high pressure situations.

10b) Why Business plans fail? (5M)

1. Failure to address the customers' problems & needs
2. Unrealistic goals set by the promoters.
3. Lack of commitment to the business by the promoters.
4. Lack of experience of the promoters.
5. Lack of professionalism.
6. Poor Execution
7. Improper market research
8. Unrealistic financial projections
9. Lack of adaptability to changing market conditions.
10. Weak management team.

1. Poor Execution: (i) Lack of clear goals/objectives
→ Business plan needs well defined, SMART goals. (Specific, measurable, Achievable)

(ii) Inadequate monitoring and evaluation
- Regular tracking progress is needed
- Make adjustments as needed.

(iii) Insufficient Resources:
Lack of funding, technology can hinder the implementation.

2. Market related issues:
- Improper Market research: Failing to understand target market, product, service
- Ignoring competition : Not analyzing competitor's strengths.
- Poor product market fit : Product/service does not solve real problem.
- changing market conditions : Failing to adapt to consumer preferences, technology, economy

10.(c) PERT and CPM. (5M)

PERT and CPM are both project management techniques. They differ in their approach to project scheduling & risk management.
Program Evaluation and Review Technique used for projects with uncertain task durations and focuses on probabilistic time estimates.
Critical Path Method is used for projects with well defined, deterministic task durations and focuses on identifying the critical path for efficient scheduling

Feature	PERT	CPM
Time Estimates	Probabilistic (optimistic, pessimistic, most likely)	Deterministic (fixed duration)
Activity Type	Non repetitive Unpredictable	Repetitive predictable
Focus	Time management & risk assessment	Time and cost management efficiency
Project Type	Research & Development	Construction, manufacturing
Example	R & D projects new product developments	Construction Manufacturing