



**MB 17**

**Third Year M.B.A. Examination, July 2010**  
**Course – 17 : ENTREPRENEURSHIP DEVELOPMENT AND SMALL**  
**BUSINESS MANAGEMENT**

Time : 3 Hours

Max. Marks : 75

**SECTION – A**

Answer **any five** questions. **Each** question carries **two** marks : **(5×2=10)**

1. a) Define the term Intrapreneur.
- b) What is TRYSEM ?
- c) Define the term sickness in business.
- d) Give the meaning of Foreign Market.
- e) What are Gantt charts ?
- f) Explain the meaning of innovation.
- g) Define the term Industrial estate.

**SECTION – B**

Answer **any two** questions. **Each** question carries **10** marks : **(2×10=20)**

2. Identify the characteristics of an ideal entrepreneur.
3. List out and examine in detail the government and institutional support provided to women entrepreneurs.
4. Discuss the nature of working capital and inventory management of small business.
5. Discuss in detail the problems and prospects in developing agro-related business entrepreneurship in India.

**P.T.O.**



## SECTION – C

Answer Question No. **10 (Compulsory)** and **any two** of the following. **Each** question carries **15** marks : **(15×3=45)**

6. Elucidate the role of an entrepreneur as Risk Bearer, Innovator and Organiser.
7. Examine the role of entrepreneurship in economic development.
8. Identify various support programmes drafted by government in entrepreneurial development.
9. Explain in detail the process of project formulation.
10. Case study : **Compulsory**

**Bababazzar .com**

Baba Bazzar is the first Indian E-commerce site offering the convenience to order fresh vegetables and other food products of various companies, including Nestles and Dabur, over the net. This concept has been tried in Australia and US. Currently, Baba Bazzar is catering to only selected areas in Chandhigarh. Delhi, New Delhi, Noida and parts of Gurgaon. They have plans to expand their operations to other major cities for nation-wide operations.

Baba Bazzar launched its website storefront in early 1998. The initial response was mixed. However, their promotional strategy has facilitated building an extensive customer base. At present Baba Bazzar has a customer base of more than two thousand. This base is growing steadily. They are adding to their base eight to ten new customers everyday.

Baba Bazzar started with the sale of vegetable as they felt that being a very basic commodity, the market potential was unlimited. From vegetables, they moved on to other food products to become a one stop shop for food stuffs. As the volume of business grows, they plan to go for backward integration and sourcing the vegetables from the farmers. This will ensure that consumers get better and fresher vegetables and food products.



Baba Bazzar had devised an inexpensive but engaging procedure of securing the transactions and building 'relationship'. To become a preferred Baba Bazzar shopper, the customer has to fill up a simple registration form online. The details furnished in this form are verified telephonically by the staff of Baba Bazzar. On verification the shopper (customer) is issued a shopper access pass word, which is required to be used at the time of ordering goods on the site. This pass word is sent to the shopper by courier to ensure security along with the user's Manual. This Manual introduces Baba Bazzar to the customer and guides them through it. This has enabled them to initiate a 'relationship' building process before the customer places the first order. It has allowed them 'to build trust' and give shopper a positive impression of the business-essential ingredients for the development and growth of their 'online' business.

The shoppers are required to make payment on delivery and have been given the following options :

- a) Cash on delivery
- b) Post-dated claques for up to one week from the time of the delivery.
- c) At the time of next delivery.

This procedure has been designed for the following reasons.

- d) In India customers do not entertain payment before receiving the goods and/or services.
- e) High processing costs of credit cards transactions, which according to them is about to 4-5% of the total transaction cost. This would increase the cost of goods.
- f) Low penetration of credit cards ; and
- g) Absence of secure payment gateways.

The procedure has enabled them to ensure the prices of goods are competitive, build an extensive database of their shopper's specific needs and requirements, and provide their shoppers personalized service.



The owners of Baba Bazzar developed the web storefront in-house because available software was unable to provide a seamless integration of their operations. This has also enabled to incorporate shopper's suggestions and update the website on an ongoing basis. Web site is simple, product display assist shoppers in making their shopping with a few clicks of the mouse. What started off as a basic E-com web site grew to be a customer-centric website within a short period. This is primarily due to the overwhelming response to the site, and the felt-need to grow by ensuring fulfillment of the customer's expectations. The strategy has also ensured steady growth in business.

Baba Bazzar is currently patronized by the yuppie, rushed for time working wives, who would be able to get to their nearest vegetable grocer, place an order and have it waiting on their doorstep, when they reach home, ally the click of a mouse from their work desk. Well, it is a matter of time when ordinary housewives may also begin using this web site.

**Questions :**

- 1) Analyse the case keeping SWOT analysis as a base.
  - 2) Draw a net work diagram showing the transactions of E-commerce between Baba Bazzar and the shoppers.
  - 3) Sketch out the adoptability levels of E-commerce for different categories of entrepreneurs.
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