

## MANAGEMENT PROGRAMME

Term-End Examination

June, 2013

### MS-92 : MANAGEMENT OF PUBLIC ENTERPRISES

Time : 3 hours

Maximum Marks : 100

(Weightage : 70%)

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- Note :** (i) There are *two* Sections : **Section-A** and **Section-B**.  
(ii) Attempt *any three* questions from **Section-A**,  
carrying **20 marks** each.  
(iii) **Section-B** is *compulsory* which carries **40 marks**.
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#### SECTION-A

1. Briefly describe the concept of socialism in context to Public Enterprises. Also discuss the emergence of Indian brand of socialism and its impact on the economic development of the nation.
2. Define 'Corporate Governance' and explain its concept. Comment on the recommendations made by Birla Committee (2001) and Naresh Chandra Committee (2002) on corporate governance.
3. How has public sector reforms played a role of a 'social developer' ? Discuss giving examples.

4. (a) How is a Board in the case of Public Sector Enterprises (PSEs) constituted ? Explain.  
(b) What is the structure of Board of Directors of PSEs ?
  
5. List out various dimensions of privatization and explain any five with the help of examples.

## SECTION-B

6. The public sector, with more than 130 Government of India Undertakings today, occupies a key position in the economy of the country. It has already grown into an industrial giant with more than INR. 20,000 crores of investment. About one-fourth of it is in the railways, but steel, heavy electrical and oil industries also have a sizeable portion of the total investment.

The private entrepreneurs are always in search of profit and this motive urges them to move in fields where the returns are high and certain. In a developing country or in an under-developed country, this tendency has many drawbacks.

List out the challenges a Public Enterprise faces in comparison to its private competitors. Support your answer with the help of examples.

7. The Public Sector has played a very important role in the national economic development in India. The main objectives of the public sector enterprises are : to build a strong and sound base for heavy industries and to create infrastructural facilities for self-reliance and self-sufficiency in modern technological development, to prevent the concentration of wealth and economic power in a few hands, through public ownership of means of production and development, greater welfare of the common man and a rise in standard of living.

In pursuance of the Industrial Policy Resolutions of 1948 and 1956, the Government of India made an entry into industrial and commercial activities in a big way. Massive investments have been made in a wide spectrum of activities, which fall under the categories of basic and strategic industries, such as steel, mining, metallurgy, coal, petroleum and chemicals, ship-building, shipping and heavy machine building, etc. There is, however, another side of the picture. Most of these public sector industries have shown profits in recent years, but they suffer from many shortcomings.

List the shortcomings of the public sector enterprises, which are hindering their growth in the competitive environment.

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