

(6 pages)

Reg. No. :

Code No. : 8920

Sub. Code : HBAM 13

M.B.A. (CBCS) DEGREE EXAMINATION,
NOVEMBER 2015.

First Semester

Business Administration

BUSINESS ENVIRONMENT

(For those who joined in July 2012 and afterwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL the questions.

Choose the correct answer :

1. The term "under developed country" mean that a country with
 - (a) Low per capita income
 - (b) Sales revenue maximisation
 - (c) Output maximisation
 - (d) None of the above.

2. Economic development of a country depends more on
 - (a) Natural resources
 - (b) Capital formation
 - (c) Entrepreneurs
 - (d) Availability of market.
3. When was the Panchayat Raj introduced in India?
 - (a) 1950
 - (b) 1959
 - (c) 1952
 - (d) 1962.
4. National Rural Employment Programme was introduced during
 - (a) Fifth five year plan
 - (b) Second five year plan
 - (c) Third five year plan
 - (d) Sixth five year plan
5. Chronic unemployment is measured by
 - (a) US data
 - (b) CWS data
 - (c) Both (a) and (b)
 - (d) None of the data.

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6. The unemployment rate is the number of unemployed divided by the
- (a) Total population
 - (b) Total labour force
 - (c) Total skilled workers
 - (d) Total unskilled workers
7. The direction of the trade is determined by
- (a) Competitive advantage
 - (b) Absolute advantage
 - (c) Both (a) and (b)
 - (d) The exchange rate.
8. Trade and exchange control refers to
- (a) Tariffs
 - (b) Quotas
 - (c) Restrictions on International – Capital movements.
 - (d) All of the above.
9. Who is the “custodian of the Foreign Exchange Reserves”?
- (a) Finance Ministry
 - (b) RBI
 - (c) IDBI
 - (d) EXIM Bank.

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10. The technique of “Transfer Pricing” is generally used by MNCs in the host country to
- (a) Avoid paying taxes
 - (b) Satisfy the demand of local elites
 - (c) Increase their sales
 - (d) Minimize their losses.

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Describe the Indians natural resources.

Or

- (b) Discuss the significance of understanding the business environment.

12. (a) Differentiate between private limited and public limited companies.

Or

- (b) Trace and analyse the industrial and business policy Environment in India. Since independence upto 1991.

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13. (a) Explain the areas of social responsibility of business.

Or

- (b) Describe the organisational approaches to social responsibility.

14. (a) Explain the procedure and limitation of export policy.

Or

- (b) Describe the various energy sources in India.

15. (a) Explain the advantages of FDI.

Or

- (b) What are the objectives and roles of WTO?

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Explain how changes in business environment affect the business.

Or

- (b) Briefly state how educational and cultural factors affect business.

17. (a) What are the features and defects of Industrial Policy of 1948?

Or

- (b) Discuss the jurisdiction and power of the MRTP commission.

18. (a) "Income distribution will increase poverty" – Comment.

Or

- (b) "In long run Indians will lose their job due to globalisation" – Comment.

19. (a) Briefly list out the basic challenges of international management.

Or

- (b) Explain the foreign trade structure and policy.

20. (a) Explain the different types of foreign investment.

Or

- (b) Describe the impact of foreign direct investment in Indian Economy.

