

Enrollment No.....



Faculty of Management  
End Sem (Odd) Examination Dec-2017  
MS5CO06 Business Environment

Programme: MBA Branch/Specialisation: Management

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. ....is the sum total of all external and internal factors that influence a business. 1  
(a) Business environment (b) Micro environment  
(c) Macro Environment (d) All of these
- ii. Government policy framework is an element of : 1  
(a) Micro environment (b) Macro Environment  
(c) Both (a) and (b) (d) None of these
- iii. An economic system where both private enterprises and a degree of state monopoly coexists is called as: 1  
(a) Capitalist (b) Mixed (c) Socialist (d) None of these
- iv. In India, Liberalisation began from: 1  
(a) 1991 (b) 1981 (c) 1956 (d) 1947
- v. An enterprise operating in several countries but managed from one (home) country is called as..... 1  
(a) Joint enterprise (b) Cooperative enterprise  
(c) Transnational enterprise (d) Multinational enterprise
- vi. ....defined as the action of an organization selling or liquidating an asset or subsidiary. 1  
(a) Disinvestment (b) Privatization  
(c) Globalization (d) Transformation
- vii. FEMA stands for: 1  
(a) Foreign Exports Monitoring Act  
(b) Foreign exchange Management Act  
(c) Free Export Marketing Act  
(d) Free Export Management act.

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viii.	Reserve Bank of India has established on.....	<b>1</b>
	(a) 5 <sup>th</sup> April 1955                      (b) 1 <sup>st</sup> April 1935	
	(c) 10 <sup>th</sup> April 1937                      (d) 25 <sup>th</sup> May 1936	
ix.	FTP 2015-20 introduces two new schemes, namely.....	<b>1</b>
	for export of specified goods to specified markets and	
	..... for increasing exports of notified services.	
	(a) Merchandise Exports from India Scheme, Services Exports	
	from India Scheme.	
	(b) Merchandise Exports to India Scheme, Services Exports to	
	India Scheme.	
	(c) Merchandise Exports information Scheme, Services Exports	
	Information Scheme.	
	(d) Merchandise Imports from India Scheme, Services Exports in	
	India Scheme.	
x.	The WTO officially commenced on:	<b>1</b>
	(a) 5 <sup>th</sup> January 1995                      (b) 1 <sup>st</sup> January 1995	
	(c) 10 <sup>th</sup> April 1994                      (d) 15 <sup>th</sup> April 1994	
Q.2	i. Define Business environment.	<b>2</b>
	ii. Explain social environment and its elements.	<b>3</b>
	iii. What do you understand by Micro and Macro environment of	<b>5</b>
	business? Explain.	
OR	iv. Explain with the help of suitable example “the impact of	<b>5</b>
	components of business environment on strategic decisions of	
	business organisation”.	
Q.3	i. Enumerate the elements of economic environment.	<b>4</b>
	ii. Define Economic System. Explain its types in brief.	<b>6</b>
OR	iii. Define Globalisation. Write down the impact of liberalisation	<b>6</b>
	privatisation and globalisation on Indian Business.	
Q.4	i. What do you mean by Disinvestment?	<b>3</b>
	ii. Define and highlight features of private sector and Co-operative	<b>7</b>
	sector enterprises with suitable examples.	
OR	iii. Define MNC. Explain the Impact of MNC’s on Indian Economy.	<b>7</b>

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Q.5	i. Explain structure and functions of Indian Financial system.	<b>4</b>
	ii. Explain the role and functions of RBI.	<b>6</b>
OR	iii. Explain the various tools of Monetary policy.	<b>6</b>
Q.6	Attempt any two:	
	i. Explain objectives and functions of WTO in detail.	<b>5</b>
	ii. Explain Foreign Trade Policy 2015-20.	<b>5</b>
	iii. Dabur India is one of the biggest manufacturers of natural, herbal	<b>5</b>
	and ayurvedic products, healthcare and personal products, and	
	food products. It could cut its raw material expenditure to 50% by	
	purchasing the raw materials through e-sourcing. Dabur reduced	
	its stock at the stockists’ end, and entered into a 10-year IT	
	outsourcing-cum-consulting contract with Accenture. Their new	
	advertisement campaign has helped them a lot.	
	In order to reduce its interest outgo, it has managed to get low cost	
	debt rather than high cost debt. Dabur has already entered the	
	global market. As part of the business strategy, it has acquired	
	Redrock, a UAE-based company, and renamed it as Dabur	
	International. Dabur International’s joint venture in Bangladesh,	
	which has a manufacturing unit in Dhaka, became operational in	
	2003-04. They have already set up a joint venture in Pakistan and	
	a manufacturing unit in Nigeria. The company’s international	
	business, including exports from India, contributed 9.6% to the	
	total sales. Dabur’s FMCG business is expected to do well with	
	increasing demand.	
	Question:	
	Q1. Why does Dabur go global as business strategy?	
	Q2. Carry out SWOT analysis of Dabur India	

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MS5CO06 Business Environment

Marking Scheme

Q.1	i.	.....is the sum total of all external and internal factors that influence a business.	1
		(a) Business environment	
	ii.	Government policy framework is an element of :	1
		(b) Macro Environment	
	iii.	An economic system where both private enterprises and a degree of state monopoly coexists is called as:	1
		(b) Mixed	
	iv.	In India, Liberalisation began from:	1
		(a) 1991	
	v.	An enterprise operating in several countries but managed from one (home) country is called as.....	1
		(d) Multinational enterprise	
	vi.	.....defined as the action of an organisation selling or liquidating an asset or subsidiary.	1
		(a) Disinvestment	
	vii.	FEMA stands for:	1
		(b)Foreign exchange Management Act	
	viii.	Reserve Bank of India has established on.....	1
		(b) 1 April 1935	
	ix.	FTP 2015-20 introduces two new schemes, namely..... for export of specified goods to specified markets and ..... for increasing exports of notified services.	1
		(a) Merchandise Exports from India Scheme ,Services Exports from India Scheme	
	x.	The WTO officially commenced on:	1
		(b) 1 January 1995	
Q.2	i.	Definition Business environment.	2
	ii.	Social environment – 1.5 marks	3
		Elements – 1.5 marks	
	iii.	Micro environment – 2.5 marks	5
		Macro environment – 2.5 marks	
OR	iv.	Impact component-wise 4 * 1 mark = 4 marks	5
		Example = 1 mark	

Q.3	i.	Correct explanation = 4 marks	4
	ii.	Definition Economic System – 3 marks	6
		Explanation of each type – 3 marks	
OR	iii.	Definition Globalisation – 2 marks	6
		Impact of liberalisation privatisation and globalisation - 4 marks	
Q.4	i.	Meaning and explanation of Disinvestment =3 marks	3
	ii.	Features of private sector - 3.5 marks	7
		Features of Co-operative sector enterprises – 3.5 marks	
OR	iii.	Definition of MNC – 2 marks	7
		Impact of MNC point wise 1 mark each (5 * 1 mark = 5 marks)	
Q.5	i.	Structure Indian Financial system – 2 marks	4
		Functions of Indian Financial system – 2 marks	
	ii.	Role of RBI – 2 marks	6
		Functions of RBI – 2 marks	
		Objectives of SEBI – 2 marks	
OR	iii.	Various tools with explanation – 6 marks	6
Q.6		Attempt any two:	
	i.	Explain objectives and functions of WTO in detail.	5
		(Objectives=2.5+ functions=2.5)	
	ii.	Explain Foreign Trade Policy 2015-20.	5
		(Policy explanation point wise)	
	iii.	Q1. Why does Dabur go global as business strategy? - 2.5 marks	5
		Q2. Carry out SWOT analysis of Dabur India - 2.5 marks	

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