

- 4 Describe salient features of Indian culture and values? Explain how their acceptance on a large scale may change the face of the business activities of our country in a more favourable direction. $12\frac{1}{2}$

OR

- 4 Give in brief the objectives and rationale of Consumer Protection Act, 1986. Explain the jurisdiction of the forums established under this act. $12\frac{1}{2}$

- 5 Do you think that Government Policies for Small-Scale Industries have helped in achieving the objectives of SSIs? If yes, why? If no, why? $12\frac{1}{2}$

OR

- 5 Financial sector reforms have played a major role in development of positive business environment in India. Explain. $12\frac{1}{2}$

- 6 Explain benefits and drawbacks of E-Banking in India. $12\frac{1}{2}$

OR

- 6 What are Multi National Corporations? What part they are playing in the overall promotion and development of Indian business and industry? Critically explain with suitable examples. $12\frac{1}{2}$



(Following Paper ID and Roll No. to be filled in your Answer Book)

PAPER ID : 7110

Roll No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

M. B. A.

(SEM. II) EXAMINATION, 2008-09

BUSINESS ENVIRONMENT

Time : 3 Hours]

[Total Marks 100]

- Note :
- (1) Question paper contains **three** parts.
 - (2) All questions are **compulsory**.
 - (3) Figures given at the side of question indicate marks.

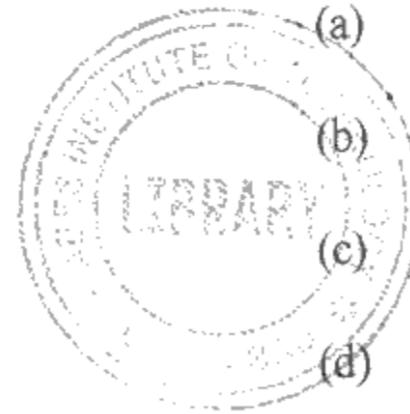
PART - I

- 1 Attempt **all twenty** parts of the question. $1 \times 20 = 20$
Choose the correct answer and write its serial order in the answer book :
- (i) What does the term 'third sector' refer to?
 - (a) The high technology industries
 - (b) The service sector
 - (c) The voluntary sector
 - (d) Small and medium sized enterprises (SMEs)
 - (ii) The companies macroenvironment actors do not consists of
 - (a) Demographic
 - (b) Technological
 - (c) Competitors
 - (d) Political



- (iii) Which of the following is a characteristic of a mixed economy?
- Economic planning
 - Private control
 - Capitalism
 - None of the above
- (iv) Which of the following actors do not constitute microenvironment?
- Suppliers
 - Marketing intermediaries
 - Customers
 - Socio-cultural factors
- (v) The idea that consumers are in charge of the economic system because their preferences drive business decisions about what to produce is referred to as:
- Consumer activism
 - Consumer sovereignty
 - Consumerism
 - Consumer therapy
- (vi) Buyers can exercise high bargaining power over their suppliers if: (Select all the answers that apply)
- The volume they buy accounts for a large percentage of their suppliers' sales.
 - There are few buyers in the market.
 - They have many suppliers to choose from.
 - There is a high concentration of suppliers.
- (vii) The approach leads to analysis of environmental opportunity and threats is known as:
- ETOP
 - SAP
 - QUEST
 - SWOT

- (viii) Mixed economy means where:
- Only public sector operates
 - Government has no role to play
 - Private and public sectors both operate.
 - Freedom of consumption and production.
- (ix) Which of the following is not a socio-cultural environmental factor:
- buying and consumption habits of the people.
 - beliefs and values of the people
 - right to vote of the people
 - customs and traditions of the people
- (x) A multi-national corporation (MNC) is defined by
- Carrying out production in more than one country
 - Having sales in more than one country
 - Having a multi-ethnic workforce
 - Having suppliers in more than one country
- (xi) Who among the following has said that "Purpose of business corporation is to maximise the financial return, earned on its financial investment, plus the amount of social return on its social investment".
- Melvin Anshen in his book "Audit for Management"
 - Dr. Clark C. Abt in book "Audit for Management".
 - J.R.D. Tata in his book "Social Audit in India"
 - Reincke and Schoell in his book "Introduction to Business"
- (xii) Which one of the following is not the objective of MRTP Act, 1961 ?
- Promoting competition
 - Checking restrictive trade practices
 - Checking monopoly
 - Checking unforce trade practices



- (xiii) SEBI was given the status of a statutory body of Government of India in:
- (a) 1980
 - (b) 1992
 - (c) 1990
 - (d) 1984
- (xiv) In abbreviation FEMA and FERA, 'M' and 'R' stands for
- (a) Management and Regulations
 - (b) Monitoring and Regulations
 - (c) Management and Restrictions
 - (d) Monitoring and Restrictions
- (xv) New Industrial Policy which has partially opened the gate of Indian Economy was introduced in
- (a) 1956
 - (b) 1986
 - (c) 1991
 - (d) 1996
- (xvi) Which five year plan is under operation in India in January 2009?
- (a) Eighth Five Year Plan
 - (b) Ninth Five Year Plan
 - (c) Tenth Five Year Plan
 - (d) Eleventh Five Year Plan
- (xvii) Rate at which borrowing is done by commercial banks from RBI is called:
- (a) Repo
 - (b) SLRs
 - (c) OMOs
 - (d) BLRs

- (xviii) National Stock Exchange of India started its trading operations in the year:
- (a) 1990
 - (b) 1992
 - (c) 1994
 - (d) 1996
- (xix) Which of the following is not an indicator of globalisation?
- (a) Global Trade
 - (b) FDIs and FPLs
 - (c) Agreement with global trade organisations
 - (d) Fluctuation in crude oil prices
- (xx) Professional ethics is expressed by the Hippocratic oath of the Greek Physician as "Premium non nocere", which means:
- (a) Always do harmless business
 - (b) Not knowingly to harm
 - (c) Actions will not produce negative effects
 - (d) Professional ethics are bound to harm

PART - II

- 2 Read the following case / examples carefully and answer the questions given at the end :

Nano from Tatas may be the flash point. There were other heroes who proved to be successful innovators in India.

Ujwal Parghi is one among them. As director of Shri Kamadhenu Electronics, the Anand-based company founded by seven young entrepreneurs with less than half a million rupees as seed capital, he's been part of the innovation wave. His firm has developed Akashganga, an automatic milk collection and accounting system that has made lives of dairy farmers in cooperatives,



much easier. What previously took over five minutes, now gets done in just 30 seconds, saving dairy farmers from serpentine queues where they had to worry about their milk getting spoilt by the time it was measured. The machine incorporates a milk analyser that provides data on six parameters of milk simultaneously and helps monitor adulteration. Little wonder that Akashganga has, in addition to big dairy and food clients such as Amul and Nestle India, transformed milk collection systems across Maharashtra, Bihar, Jharkhand and Rajasthan and has even found a ready market in countries like Kenya, Uganda, Vietnam and Nepal.

In Bangalore, ReaMetrix has devised an immune monitoring test for HIV-positive patients, which has cut the cost of testing by one-fifth, thereby reaching out to the lower sections of the society that tend to have the highest infection rates. Now priced at Rs.125, the test earlier cost Rs.600-750 to administer. Moreover, the reagents were in liquid form and had to be maintained and transported at a specified temperature, failing which they were spoilt. ReaMetrix managed to develop the reagents in a dry state, so they can now be transported over long distances without refrigeration even in harsh climatic conditions.

Ahmedabad-based Troikaa Pharmaceuticals has successfully introduced an injectible (Dynapar AQ) of lower dosage volume for relief in post-operative pain, trauma pain, fracture, renal and billiary colic and other acute painful conditions. The Rs.105 crore company managed to bring down the dose from 3 ml earlier to 1 ml now at Rs.14 per unit.

Gramateller, an ATM that incorporates a fingerprint reader to authenticate the account holder, obviating

the need for an ATM card and PIN is developed by Chennai-based Vortex Engineering and the Tenet group of IIT Madras, is enabling a low-cost delivery model for banking services in rural areas and locations not covered by banks so far.

Bad roads and rising fuel costs prompted this firm to produce bikes that are 20% cheaper than the even the ones coming in from China. With sales of more than 50,000 bikes, and a share of 60% in the category, the company has helped save \$ 1 million in fuel costs per month for the nation.

Tide Technocrats Pvt Ltd. (TTPL) specialises in rural energy solutions. Its pico and micro hydel devices provide cheap power to rural areas that lack consistent access to grid power by utilising locally available natural water flow systems. Its biomass processing system taps an alternate source of energy for rural consumption.

(Source: Economic Times, dated Jan. 14, 2008)

- 2 (a) In what way innovations affect the business environment? Explain. $10 \times 3 = 30$
- (b) What are the advantages of becoming the first in technology in a particular industry?
- (c) The Nano car introduced in April 2009 will affect the business environment of Small Cars segment. Explain.

PART - III

- 3 Write short notes on any **two** of the following : $2 \times 6 \frac{1}{4} = 12 \frac{1}{2}$
- (a) SWOT
- (b) Capitalism
- (c) Characteristics of Mixed Economy
- (d) Difference between macro and micro environment.

