

PARUL UNIVERSITY
FACULTY OF MANAGEMENT
BBA., Winter 2017 - 18 Examination

Semester: 5
Subject Code: 06101305
Subject Name: Business Environment

Date: 27-12-2017
Time: 02:00PM to 04:30PM
Total Marks: 60

Instructions

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as Directed.**A). Multiple choice type questions/Fill in the blanks. (Each of 1 mark)****(05)**

1. Indian money market comprises of:
 - a) One sector
 - b) Two sector
 - c) Three sector
 - d) Four sector
2. Which of the following form a part of indirect price controls?
 - a) Competition Act
 - b) Selective methods of credit control
 - c) Foreign Trade development and regulation Act
 - d) Essential Commodities Act
3. The flow of foreign Institutional Investment affect the following:
 - a) Money Supply
 - b) Foreign Exchange Reserves
 - c) Rates of Interest
 - d) All the above factors
4. The WTO came into existence from:
 - a) 01st January 1995
 - b) 01st April 1997
 - c) 01st June 1999
 - d) 01st July 2000
5. Fiscal policy refers to the policy of government regarding taxation public expenditure and _____.
 - a) public debt.
 - b) budgets.
 - c) policies.
 - d) deposits.

B). Define the following. (Each of 1 mark)**(05)**

1. Economic Environment
2. Treasury Bills
3. National Food Security Bill
4. Consumerism.
5. MNCs

C). Direct questions. (Each of 1 mark)**(05)**

1. What is consolidated Fund?
2. Expand the terms: TRIPS and TRIMS
3. Difference between GATT and WTO
4. What is PDS?
5. Any four roles of foreign Investment.

Q.2 Answer the following questions.

- A).Examine the main limitations of foreign direct investment. What precautionary measures you would suggest to deal with these limitations? (07)
- B).What is capital market? Distinguish between money market and capital market and state the main constituents of capital market. (08)

Q.3 Answer the following questions.

- A).Discuss the main objectives of India's import policy during the planning period. How these objectives can be achieved? (07)
- B).What are the different constituents towards which a business units has to discharge its duties and responsibilities? (08)

Q.4 Attempt any two questions. (Each of 7.5 mark) (15)

1. Disco Ltd. manufactures fashionable and designer clothes. Recently it finds that the demand for its products has been declining. After market research it was discovered that fashion and tastes of the consumers is changing at a fast pace. Customers' demand is increasing. New competitors have entered the market with new designs. It is very difficult for the company to predict future happenings. Also, it is difficult to know the extent of the relative impact of the social, economic, political, technological or legal factors on decrease in demand of its products in the market.

A meeting was held in which managers from different functional levels heading Production, Marketing, Finance, etc., for example, Chief Operating Officer, Chief Finance Officer, Vice President (Marketing) were present to discuss how to deal with the situation. After a long discussion, it was decided that they would study and analyze the market first to identify customer tastes and fashion and then manufacture garments accordingly. It was also decided to increase expenditure on advertising, after-sales services, etc.

- i) Identify any two features of business environment by quoting the lines from the above case.
 - ii) At which level of management the meeting of managers of Disco Ltd. was held?
 - iii) Identify any two impact of government policy changes on business, quoting lines from the above case.
 - iv) State the importance of understanding of environment by business managers in the light of the above para.
2. What is meant by administered prices? Examine the causes for administered prices and indicate its effects.
3. Critically examine the impact of globalization on the different sectors of the Indian economy
4. Explain the concept of technological environment and its importance as key determinants for evaluating the global competitiveness of the different nations of the world.