



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

**PAPER ID : 270128**

Roll No. 

1	4	0	3	2	7	0	0	9	3
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**M.B.A.**

(SEM. I) (ODD SEM.) THEORY  
EXAMINATION, 2014-15  
**BUSINESS ENVIRONMENT**

Time : 3 Hours]

[Total Marks : 100

**Note :** Attempt all questions. All questions are compulsory.

**SECTION-A**

1. Attempt any five parts of the following - **5x4=20**
- (a) Mention the salient features of business environment and state its importance.
  - (b) Examine the impact of monetary policy on stock markets and money supply.
  - (c) Explain the term liberalization and also mention the measures adopted in connection with the liberalization strategy.
  - (d) With reference to the term globalization ,explain the role of Transnational Corporations.
  - (e) Explain some of the features of FEMA, 1999.
  - (f) What do you understand by Indian Financial System.?

## SECTION-B

### 2. CASE STUDY

10x3=30

Cultural barrier is one of the talked about in International business problems. It is however very interesting to note that cross border transmission of culture is very rampant. Many politicians, sociologists and others are highly critical of the invasion of western culture in the developing countries. The export of American culture is interpreted as a means to spread American imperialism. And The Coca Cola culture or the corn flakes culture or the pop culture are terms which have come to be very broadly used to include, besides the pop music and associated things, the western products and styles such as foreign-jeans, cola drinks, fast foods, Hollywood movies and the like the youth, particularly are crazy about. They have fast spread to the developed and developing countries.

The emergence of culture as economic goods that can be traded-crafts, music, films, TV programmes, software's, books, tourism etc. -has contributed very substantially to the globalization of culture.

A UNESCO study shows that world trade in goods with cultural content-printed matter, literature, music, visual, arts, cinema and photographic, radio, and television equipment-has grown tremendously. For United States the largest single export industry is not aircraft, computers, or automobiles-it is entertainment, in films, and television programmes. Hollywood films grossed more than \$30 billion world wide in 1997, and in 1998 a single movie, Titanic, grossed more than \$1.8 billion.

As the Human Development Report 1999 points out, the vehicles for this trade in cultural goods are the new technologies. Satellite communications technology from the mid 1980's gave rise to a powerful new medium with a global reach and to such global media networks as CNN. The development of the internet is also spreading culture around the world, over an expanded telecommunications infrastructure of fiber optics and parabolic antennas.

The Report referred to above points out the global market for cultural products is becoming concentrated, driving out small and local industries. At the core of the entertainment industry - film, music and television - there is growing dominance of US products, and many countries are seeing their local industries wither. Although India makes the most films each year, Hollywood reaches every market, getting more than 50% of its revenue from overseas, up from just 30% in 1980. It claimed 70% of the film market in Europe in 1996, up from 56% in 1987- and 83% in Latin America and 50% in Japan. By contrast, foreign films rarely make it big in the United States, taking less than three percent of the market there.

**Questions:-**

- (a) In the light of the above account, evaluate the view that culture is a highly difficult barrier to international business.
- (b) What are the implications of the spread of pop culture for business?
- (c) What could be the reasons for the adoption, particularly by the youth, of the pop culture?

**SECTION-C**

**10x5=50**

3. What is business environment? Define micro and macro environment. State the difference between two.

**OR**

Explain briefly Industrial Policy of India in recent years.

4. What is stock exchange? Describe its importance and functions.

**OR**

What are the objectives of Monetary Policy in India? Discuss its working in detail.

5. What do you understand by Direct and Indirect Tax? State the term MODVAT and CENVAT. Explain the difference between two.

**OR**

What is corporate Governance? Describe the reasons for its growing demand.

6. What do you understand by the term privatization? State the reasons for privatization. Examine the obstacles of privatization in India.

**OR**

What is foreign Investment? State its types and significance.

7. Write short notes on any two of the following-
- (a) Social Responsibility of business enterprises
  - (b) Role of Multinational Corporations
  - (c) Globalisation