

TERM END EXAMINATION: JUNE – 2018
MANAGEMENT PROGRAMME
UNDERSTANDING OF BUSINESS AND ITS ENVIRONMENT

MP-01
DIM-01

Time: 3 hours

Full Marks: 100

Read the instructions carefully before attempting questions from each group.

GROUP – A

Q.No. 1. Answer all questions selecting the right options. Each carries 1 Mark [1 X 10 = 10]

- i. In the PEST framework for environmental analysis what does the letter E stand for?
a) Ethical b) Ecological c) Educational d) Economic

- ii. Analyzing processes of change in the business environment involves conceptualizing it as:
a) Complex b) Static c) Dynamic d) Diverse

- iii. The performance of business in the private sector is conventionally measured in terms of:
a) The salaries of members of Boards of Directors
b) Profitability
c) Number of employees
d) Customer satisfaction

- iv. What key word can be used to describe the basic economic problem that all societies face?
a) Selfishness b) Greed c) Inequality d) Scarcity

- v. 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)

- vi. 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:
a) Consumer activism
b) Consumer sovereignty
c) Consumerism
d) Consumer therapy

- vii. A multi-national corporation (MNC) is defined by:
a) Carrying out production in more than one country
b) Having sales in more than one country
c) Having a multi-ethnic workforce
d) Having suppliers in more than one country

- viii. In SWOT analysis the 'O' stands for:
a) Obstacles b) Opportunities c) Openings d) Objection
- ix. The 'I' in BRIC stands for:
a) Indonesia b) Ireland c) India d) Iceland
- x. What does the term "bottom of the pyramid models" refer to?
a) That economic development will always mean that the rich get richer and the poor, poorer.
b) That technology will tend to lead to rewards being concentrated in the "Head" rather than the "Tail".
c) That globally there is a distinct hierarchy of developed and undeveloped countries.
d) That economic policies should actively seek to encourage the latent entrepreneurship and demand that exists amongst the poor in developing countries.

GROUP – B

Q.No. 2. Answer any 4 questions each within 50 words. Each carries 5 marks [5 X 4 = 20]

- a) Define business environment.
b) Explain the concept of division of labour with example.
c) What do you mean by social responsibility of business?
d) Discuss the law related to minor's contract in India.
e) Explain the legal contractual capacity of an intoxicated person.
f) What is meant by 'unpaid seller'?

GROUP – C

Q.No.3. Answer any 4 questions each within 200 words. Each carries 10 Marks [10 X 4 = 40]

- a) Explain the elements under the micro and macro environment?
b) Discuss the relationship between business and society.
c) Differentiate between sole proprietorship and partnership firm.
d) Should Businesses have social objectives? If so, explain why or why not?
e) Enumerate the growth and evolution of business concept.
f) Identify the distinguished characteristic features of modern business with suitable examples?

GROUP – D

Q.No.4. Answer any 2 questions each within 250 words. Each carries 15 Marks [15 X 2 = 30]

- a) What are the economic and non-economic activities of business? Discuss their relative importance with example.
b) What is partnership deed? Illustrate the contents of a partnership deed.
c) What do you understand by a company? Outline the features of a company.
d) Discuss the various essential elements of a contract under the Indian Contract Act, 1872.
-