

Subject Code: MB915

MBA I Semester [R09] Regular Examinations, January 2010

BUSINESS ENVIRONMENT

Time: 3 Hours

Max Marks: 60

Answer any Five Questions including Q.No 8 which is compulsory

All questions carry EQUAL marks

1. Up to what extent does culture influence business? Examine the key cultural components that affect business
2. What is disinvestment? Explain the concept of disinvestment with an Indian context in detail.
3. What is fiscal policy? What are its objectives?
4. What is Balance of Payments? What do you understand by cyclical and monetary disequilibrium of BOP? Discuss.
5. Discuss the free trade agreements and its effect on external trade with special reference to Indian Economy.
6. 'WTO is the third pillar of global business' Discuss.
7. Critically evaluate the intellectual property rights under WTO.

8. CASE(Compulsory)

In January of last year, the S.S. Vulgass an oil tanker of the Big Dirty Oil Company ran around in the area just north of Vancouver, spilling millions of gallons of crude into the waters and on to the beaches of British Columbia and southern Alaska. The damage to the industry, the ecology and the quality of life of the local residents is incalculable but in any case will require many millions of dollars for even the most minimal clean up.

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The ship struck a small atoll well-marked on the navigational maps, but it was a dark night and the boat was well off course. On further investigation, it was discovered that the Captain of the Vulgass, Mr. Slosh, had been drinking heavily. Leaving the navigation of the ship to his first mate, Mr. Mudd, he retired to his cabin, to “sleep it off”. Mr. Mudd had never taken charge of the ship before, and it is now clear that he misread the maps, misjudged the waters, maintained a speed that was inappropriate and the accident occurred. Subsequent inquiries showed the captain Slosh had been arrested on two drunk driving convictions within months of the accident. The Vulgass itself, a double hulled tanker, was long due for renovation and it was suggested, would not have cracked up if the hull had been trebly reinforced, as some current tankers were.

R.U. Rich, the chief Executive officer of Big Dirty Oil declared the accident a “tragedy” and offered two million dollars to aid in the clean up. The premier of British Columbia was outraged. Environmental groups began a consumer campaign against Big Dirty Oil, urging customers to cut up and send in their Big Dirty Oil credit cards in protest. In a meeting to the shareholders just last month CEO Rich proudly announced the largest quarterly profit in the history of the Big Dirty Oil Company. He dismissed the protests as “the outpourings of Greenies and other fanatics” and assured the shareholders that his obligation was, and would always be, to assure the highest profits possible in the turmoil of today’s market.

Questions:

- (a). The question is, who is responsible?
- (b). Against whom should criminal charges be leveled?