

Code: BA1T4

**I MBA-I Semester-Regular/Supplementary Examinations  
January 2017**

**BUSINESS ENVIRONMENT**

Duration: 3hours

Max. Marks: 70

**SECTION-A**

**1. Answer any FIVE of the following: 5 x 2 = 10 M**

- a) What are main elements of business environment?
- b) What is environmental diagnosis?
- c) Importance of five year plans.
- d) Explain disinvestment mechanism.
- e) Role of SEBI in Indian financial structure.
- f) What is globalization?
- g) Explain SICA.
- h) What is Entrepreneurship?

**SECTION – B**

**Answer the following: 5 x 10 = 50 M**

2. a) What are the characteristics of Business Environment? What are the problems in understanding its influence on a business?

(OR)

b) What is the need of Five-year plans? How it help to restructure Indian industries after economic reform?

3. a) What is fiscal policy? Discuss in brief the main objectives of fiscal policy.

(OR)

b) Discuss the major components of balance of payment. Why there is a possibility of disequilibrium in BOP?

4. a) Distinguish bilateral and multilateral trade agreement. According to you which one is more suitable for Indian trade structure?

(OR)

b) Import licensing or export promotion, which one is more suitable for Indian economy in recent scenario?

5. a) Explain industrial sickness. Discuss different policy measures been taken by RBI to overcome it.

(OR)

b) What are needs of environmental law? What are the facilities and drawbacks presents in water pollution law? Justify it.

6. a) Briefly explain the importance of Entrepreneurship. What should be the qualities and characteristics of a good entrepreneur?

(OR)

b) What are the roles of financial institutes? How these institutes help entrepreneurs through development programmes? Discuss any two of them.

## SECTION – C

### 7. Case Study

**1 x 10 = 10 M**

Tata Motors was established in 1945, when the company began manufacturing locomotives. The company manufactured its first commercial vehicle in 1954 in a collaboration with Daimler Benz AG, which ended in 1969. Tata Motors was listed on the NYSE in 2004, and in 2005 it was ranked among the top 10 corporations in India with an annual revenue exceeding INR 320 billion. In 2004, it bought Daewoo's truck manufacturing unit, now known as Tata Daewoo Commercial Vehicle, in South Korea. It also, acquired a 21% stake in Hispano Carrocera SA giving it controlling rights in the company. Tata initially targeted the vehicle as "the least expensive production car in the world" — aiming for a starting price of 1,00,000 rupees or approximately \$2300 US despite rapidly rising material prices. Tata Motors plans to produce 2,50,000 Tata Nano Cars in the first phase and add 1,00,000 in the second phase, taking the total production capacity to 3,50,000 cars probably by the end the next financial year. As of August, 2008 material costs have risen from 13% to 23% over the car's development, and Tata now faces the choice of introducing the car with an artificially low introductory price, raising the price of the car, or foregoing profit on the car — the latter an unlikely proposition., while an increased price on the Nano will likely decrease demand.

- i. Briefly analyse the internal and external environment of tata motors while producing 'nano'.
- ii. Discuss SWOT associated with the production of 'nano' by tata motors.