

Roll No.

Total No. of Pages : 04

Total No. of Questions : 15

MBA / MBA(IB) (2012 & onward) (Sem.-2)

**BUSINESS ENVIRONMENT**

Subject Code : MBA-201

Paper ID : [C0246]

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTION TO CANDIDATES :**

1. SECTION-A contains SIX questions carrying FIVE marks each and students has to attempt any FOUR questions.
2. SECTIONS-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying EIGHT marks.

**SECTION-A**

1. Explain the concept of business cycle.
2. Outline the components of macro business environment.
3. What is the significance of public sector for the Indian economy?
4. What is competition act? Explain.
5. What is the significance of cross cultural business environment?
6. What are special economic zones?

**SECTION-B**

**Unit-I**

7. Outline the political dimensions of doing business in India. What is the role of judiciary and legislature in the smooth functioning of the business environment for a country like India? Discuss.
8. What is Environment Scanning? Outline the various techniques of environment scanning and their advantages and disadvantages for the business.

## Unit-II

9. What is the significance of monetary policy and the fiscal policy in the economic planning of a country? Discuss.
10. The legal environment in India is not conducive to the growth of the corporate sector today. Do you agree? What steps have been initiated by the new government to meet the challenges in the legal environment of India?

## Unit-III

11. Disinvestment in the public sector and privatization is the cure of most of the problems of the Indian economy. Do you agree? What are the constraints involved in this? Discuss.
12. What is the role of the joint sector and the cooperative sector in the growth of the Indian business? Explain with the help of examples or a case study to justify your stance.

## Unit-IV

13. What is the significance of foreign direct investment in the growth of any economy? Discuss its importance and limitations in the context of the Indian economy.
14. Critically evaluate the role and functions of WTO especially for India. Do you think the policies and regulations of WTO are biased towards developing countries, explain with examples.

## SECTION-C : CASE STUDY

### 15. Case : Lucent in the Era of Economic Reforms

#### History of Lucent

The merger of various AT&T subsidiaries, including the Bell Labs, a leader in the innovations in telecom industry, formed Lucent in the early 1990s, in the U.S. After this, Lucent became a major player in the telecom sector. AT&T had already been operating in India since 1980s in the form of joint ventures with various Indian conglomerates, including the Tata Access Systems and Bell Labs of Network Cellular services. They also had a joint venture with Finolex cables to manufacture Optic Fiber cables. Later on, when AT&T subsidiaries combined to become Lucent in 1996, Lucent consolidated its business with its partners in India also.

#### Telecom Policy in India

The Indian telecom sector in India, prior to the National Telecom Policy of 1994, was the monopoly of the Department of Telecom, a government body. The NTP of 1994 concluded that private investment and involvement would be required to bridge the gap in resources for the telecom infrastructure, needed for the economic development. But the policy had many shortfalls. The policy allocated licenses on the basis of the highest bid resulting in unrealistic bids by the private service providers. The targets of NTP 1994 could not be achieved, as the shortfalls in the policy slowed down the private sector entry.