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**Second Semester MBA Degree Examination, December 2010**  
**Indian Business Environment**

Time: 3 hrs.

Max. Marks:100

**Note:1. Answer any FOUR full questions, from Q.No.1 to Q.No. 7.**  
**2. Question No. 8 is compulsory.**

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|---|---|--|
| 1 | a. What is environmental scanning?<br>b. Briefly explain the nature of modern business.<br>c. Explain briefly how socio – cultural environment affects the business.                      | (03 Marks)<br>(07 Marks)<br>(10 Marks) |
| 2 | a. What is the meaning of fiscal policy?<br>b. Explain the features of foreign trade policy.<br>c. Explain the objectives and credit control tools of monetary policy in India.           | (03 Marks)<br>(07 Marks)<br>(10 Marks) |
| 3 | a. How do you measure per capita income?<br>b. “India as a developing economy”. Comment.<br>c. What is a business cycle? Explain the different phases of the business cycle.              | (03 Marks)<br>(07 Marks)<br>(10 Marks) |
| 4 | a. What is GDP?<br>b. Discuss the difficulty involved in the measurement of national income.<br>c. Briefly explain the advantages and disadvantages from WTO to India.                    | (03 Marks)<br>(07 Marks)<br>(10 Marks) |
| 5 | a. Define a MNC.<br>b. Briefly explain SWOT analysis of Indian economy.<br>c. Explain SEBI achievements.  | (03 Marks)<br>(07 Marks)<br>(10 Marks) |
| 6 | a. Define money.<br>b. Explain the instruments of capital market.<br>c. Briefly explain the role and functioning of the RBI.  | (03 Marks)<br>(07 Marks)<br>(10 Marks) |
| 7 | a. What is E – banking?<br>b. Explain the Narasimhan committee recommendations on banking reforms.<br>c. Define the term HRD (Human Resource Development). Explain the importance of HRD. | (03 Marks)<br>(07 Marks)<br>(10 Marks) |

**8 CASE STUDY :**

**Ohio’s Outsourcing ban ; Options for India.**

The Indian software industry could be in for some more tough times, given that even the Indian government is finding it hard to come up with a tangible solution to the Obama regime’s no outsourcing trade. India has little legal options against protectionist measures taken by the US government, with regard to outsourcing.

Infact, it is difficult for the Indian government to try and negotiate a deal, is the fact that, the US economy has still not recovered completely. Clearly, its a sensitive issue, when, most of the states are in the election mode.

It is the second such instance in less than two months, where, the software industry – a key contributor to the country's GDP – is facing the heat due to the Obama government's protectionist policies. But sadly, in both the cases, not much breakthrough has been achieved, leaving the industry to only wait and watch.

Visa fee hike for IT professionals, which the US has escalated by 2,000 dollars for the two categories - H1B and L1 – that IT companies use to send workers to the US for project work which created employment opportunity. Indian corporates, including the IT industry, have created jobs not only in India but also in USA.

**Questions :**

- a. What is the impact of outsourcing ban to India? (05 Marks)
- b. What are the effects of this ban on American business? (05 Marks)
- c. In what way the corporates of India have to tackle this issue? (05 Marks)
- d. To prevent this type of situations, in future, what are the measures to be taken by the Government? (05 Marks)

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