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Second Semester MBA Degree Examination, June / July 2014
Macro Business Environment

Time: 3 hrs.

Max. Marks:100

Note: 1. Answer any THREE questions from Q.No. 1 to Q.No. 6.
2. Question No. 7 and 8 are compulsory.

- 1
 - a. What is Global outsourcing? (03 Marks)
 - b. Discuss the micro and macro structure of business environment. (07 Marks)
 - c. Examine the recommendations of the Narasimham committee on banking structure reforms. (10 Marks)
- 2
 - a. Differentiate between GATT and WTO. (03 Marks)
 - b. Highlight Indian Foreign Trade policy of 2009-14. (07 Marks)
 - c. List out the various entry strategies for International markets. (10 Marks)
- 3
 - a. Differentiate between open and closed economy. (03 Marks)
 - b. What is recession? Discuss the causes of recession. (07 Marks)
 - c. What is a business cycle? Highlight the different phases of business cycle with a diagram. (10 Marks)
- 4
 - a. What is economic persistence and coherence? (03 Marks)
 - b. Discuss in detail the classical trade theory given by Adam Smith and Ricardo. (07 Marks)
 - c. What is National Income? Discuss the problems in measuring National Income. (10 Marks)
- 5
 - a. What is Human Development Index? (03 Marks)
 - b. Discuss the Installments of monetary credit control in India. (07 Marks)
 - c. Explain the structure of Indian banking system. (10 Marks)
- 6
 - a. Differentiate between Personal Income and Disposable Income. (03 Marks)
 - b. State the reasons for disinvestment in PSU. (07 Marks)
 - c. Agriculture play's a significant role in the development of Indian Economy. Elucidate. (10 Marks)
- 7
 - a. Highlight the contribution of IT sector to Indian economy. (05 Marks)
 - b. Analyse the Automobile Industry of India. (05 Marks)
 - c. Is privatization a boon or a bane for Indian economy? Discuss. (10 Marks)
- 8 **CASE STUDY : (Compulsory)**

The Japanese are obsessed with cleanliness. Young people in Tokyo wash their hair almost every day. This is because of fear of germs, marketers sell pens that dispense antiseptics and bicycles with handle grips which resist germs.

Cash is favoured form of wedding gift. Any self respecting Japanese will give only virgin money at the bank (before it closes), the second best, thing is the clean ATMs. These ATMs Sanitise and press bills / currencies before disbursing them to customer. Money deposited in these machines is fed through a roller, heated to 392 degrees and cleaned of 95% of certain staphylococcus bacteria.

In Japan the ideogram for the number 4 (four) can also be read as death. Therefore consumer goods shipped to Japan in packages of four have experienced limited sales. On the other hand 3 & 5 are considered luckier. Japanese ladies are not comfortable with the word diet and do not admit that they are dieting by drinking something.

Questions :

- a. Assume that you own a Company in Japan. How does the above information affect your business? **(10 Marks)**
- b. Under which category of environmental classification, the above case can be analyzed. Justify. **(10 Marks)**
