Final Test Semester 1 Paper 6 INDIAN INSTITUTE OF MATERIALS MANAGEMENT Business Environment [PGDMM, PGDSCM & L (2 years)]

Instructions:
1. Answer all 50 questions. Each question carries 2 marks Total: 100 Marks
2. Duration 1 Hour.

*Required

1. Email *

_____________________________

2. Name *

_____________________________

3. Roll Number *

_____________________________

4. According to ______, business environment is the aggregate of all conditions, events and influences that surround and affect it.

Mark only one oval.

☐ Reinecke

☐ Keith Davis

☐ Reinecke and Schoell

☐ Philip Kotler
5. Customers are an important part of ____ environment, while the economic framework of a country comes under the ____ environment.

*Mark only one oval.*

- micro, macro
- macro, macro
- macro, micro
- micro, micro

6. The characteristics of strategic management ____ vary with the level of strategic management ____.

*Mark only one oval.*

- activity, decisions
- suggestions, activity
- decisions, suggestions
- decisions, activity

7. Constant ________ ensures that business persons are aware, and make responses towards the possible change in the business environment.

*Mark only one oval.*

- screening
- scanning
- monitoring
- assessing

8. ____ analysis involves examining both internal and external environments of an organisation.

*Mark only one oval.*

- SWOT
- SWAT
- SAP
- ETOP
9. Any threat which may harm the normal functioning of an organisation is called _________.

   Mark only one oval.

   ( ) operational risk
   ( ) strategic risk
   ( ) workforce risk
   ( ) business risk

10. ______ refers to factors that have a direct influence on company’s overall performance.

    Mark only one oval.

    ( ) Business environment
    ( ) Micro business environment
    ( ) Macro business environment
    ( ) Strategic business environment

11. A strategic tool used by organisations to evaluate their internal activities is known as ________.

    Mark only one oval.

    ( ) balanced scorecard
    ( ) historical analysis
    ( ) value chain analysis
    ( ) benchmarking

12. Data regarding savings and investments is offered by the _____.

    Mark only one oval.

    ( ) Planning Commission
    ( ) Registrar General of India
    ( ) Reserve Bank of India
    ( ) National Sample Survey
13. All organisations, whether big or small, are part of the business environment and are divided into ___ categories.

*Mark only one oval.*

- two
- three
- four
- five

2 points

14. Governments impose ___ tax as well as selective tax on companies’ specific products to manage demand and raise _____.

*Mark only one oval.*

- general, revenue
- revenue, profit
- toll, revenue
- revenue, sales

2 points

15. _____ analysis is used for macro environment scanning.

*Mark only one oval.*

- STEEOPLE
- SLEPT
- PESTLE
- LONGEPESTLE

2 points

16. The Constitution of India was stimulated by Pandit Jawaharlal Nehru on ______ and was later implemented by the Constituent Assembly in January 1947. It came into existence on ______.

*Mark only one oval.*

- 9 December 1946, 26th January 1950
- 9 December 1946, 26th January 1949
- 9 December 1947, 26th January 1950
- 9 December 1947, 26th January 1949

2 points
17. A _____ refers to an economy that works on the principle of the free market mechanism.  2 points

*Mark only one oval.*

- socialist economy
- mixed economy
- capitalist economy
- controlled economy

18. The failure of the free-market mechanism is widely affected by the _____.

*Mark only one oval.*

- low priority for public utilities
- growth of monopolies
- emphasis on profit
- judgment of individuals

19. According to RBI, as of March 15, 2019, the foreign exchange reserves of India were _____ billion.  2 points

*Mark only one oval.*

- US$ 401.64
- US$ 403.64
- US$ 405.64
- US$ 407.64

20. “_____ is a form of economic policy which regulates and controls the management of public debt, borrowings, expenditure and tax system within a country.”  2 points

*Mark only one oval.*

- Fiscal policy
- Economic policy
- Industrial policy
- Monetary policy
21. "In ____, Foreign Exchange Management Act (FEMA) was brought to replace Foreign Exchange Regulation Act (FERA), _____."

Mark only one oval.

☐ 1999, 1972
☐ 1998, 1973
☐ 1999, 1973
☐ 1998, 1972

22. ____ includes all the laws that define and regulate legal rights and duties. But, ____ includes all the laws that define the duties of individuals or legal entities.

Mark only one oval.

☐ Procedural law, Civil law
☐ Substantive law, Civil law
☐ Civil law, Criminal law
☐ Criminal law, Procedural law

23. An agreement between two or more persons/parties subject to certain terms and conditions for legal consideration is called _____.

Mark only one oval.

☐ Agreement
☐ Business
☐ Contract
☐ Partnership

24. After a wide review and resulting repeal, the old Indian Trade and Merchandise Act, 1958 was replaced by the new _____. which conforms to TRIPS.

Mark only one oval.

☐ The Patents Act, 1970
☐ The Indian Copyright Act, 1957
☐ Consumer Protection Act, 1986
☐ Trade Marks Act, 1999
25. ________ influences the consumption habit of people.  

Mark only one oval.

- Social system
- Social institutions
- Social worker
- socio-cultural environment

26. India’s first code of corporate governance was released in ______, by the Confederation of Indian Industry (CII).  

Mark only one oval.

- 1996
- 1997
- 1998
- 1999

27. It is the discloser of all the relevant information to the stakeholders or interest group. It is called _____.  

Mark only one oval.

- Responsibility
- Transparency
- Accountability
- Unambiguous

28. It includes extraction of raw materials, mining, fishing and agriculture produce, forestry and other tangible goods. It is called _____sector/tier.  

Mark only one oval.

- primary
- secondary
- tertiary
- quaternary
29. _____, also known as democratized funding, is a Web-based tool that involves raising capital from various lenders through a social platform.  

*Mark only one oval.*

- Factoring mechanism
- Private equity
- Peer to Peer (P2P) lending
- Crowdfunding

2 points

30. The growth in the healthcare market is estimated to be INR 8.6 trillion by _____ in India.  

*Mark only one oval.*

- 2020
- 2021
- 2022
- 2023

2 points

31. In 2001, the Reserve Bank of India (RBI) had forex reserves of _______. By March 2019, these reserves have increased to _____________.  

*Mark only one oval.*

- $15 billion, $100 billion
- $20 billion, $300 billion
- $39 billion, $402 billion
- $50 billion, $500 billion

2 points

32. It is a traditional mode of entry where a company sells its goods/services in a foreign land, without establishing its operations there. It is called _____.  

*Mark only one oval.*

- Licensing
- Franchising
- Foreign direct investment (FDI)
- Exporting

2 points
33. The ratio of a country’s exports prices and its imports prices is called _____.

*Mark only one oval.*

- [ ] Terms of trade
- [ ] Public debt
- [ ] Current account deficits
- [ ] Inflation

34. _____ are a set of principles that help in differentiating between what is morally right and what is morally wrong.

*Mark only one oval.*

- [ ] Values
- [ ] Ethics
- [ ] Duties
- [ ] Responsibilities

35. The company with the motto—“Don’t be evil”—has donated more than $1 billion to renewable energy projects. It is _____.

*Mark only one oval.*

- [ ] Intel
- [ ] Microsoft
- [ ] Google
- [ ] Nustar Energy

36. In _____, the Paris Agreement was ratified by __________ states and the EU to deal with greenhouse gas emissions.

*Mark only one oval.*

- [ ] 2015, 192
- [ ] 2016, 194
- [ ] 2017, 193
- [ ] 2018, 195
37. The Global Competitiveness Report was published by the ___________.  

*Mark only one oval.*

- World Economic Forum (WEF)
- World Trade Organization (WTO)
- World Health Organization (WHO)
- United Nations (UN)

38. ______ environment consists of employees, suppliers, customers, competitors and the local community.  

*Mark only one oval.*

- Macro
- Mini
- Micro
- Mecro

39. Taking into consideration the fact that about ______ of the Indian population recognise rural India its home.  

*Mark only one oval.*

- 40%
- 50%
- 60%
- 70%

40. Which of the following constitutes external forces that affect the functioning of business?  

*Mark only one oval.*

- Business
- Environment
- Enterprise
- Management
41. Which environment can be controlled by an organisation, like men, money, material and method?

*Mark only one oval.*

- [ ] Internal
- [ ] Business
- [ ] External
- [ ] Economic

42. Which one of the following comes under macro environment?

*Mark only one oval.*

- [ ] Political conditions
- [ ] Economy
- [ ] Technology
- [ ] All of these

43. Which of the following serves as an important link between a business firm and its ultimate customers?

*Mark only one oval.*

- [ ] Customers
- [ ] Competitors
- [ ] Marketing intermediaries
- [ ] Public

44. Which one of the following helps in defining objectives and policies for a business?

*Mark only one oval.*

- [ ] Strategic management
- [ ] Business management
- [ ] Economic management
- [ ] None of these
45. Which of the following requires brainstorming for making future predictions?  

Mark only one oval.

- Monitoring
- Forecasting
- Screening
- Scanning

46. The term ‘________’ means setting the best standard as per the industry and then comparing company’s performance with the set standards.  

Mark only one oval.

- benchmarking
- scanning
- forecasting
- monitoring

47. Which tool is used to analyse external components of the business environment?  

Mark only one oval.

- SWOT
- SAP
- ETOP
- None of these

48. _________ are responsible for downfall of an organisation.  

Mark only one oval.

- Opportunities
- Strengths
- Threats
- Weaknesses
49. Risks that affect the financial or monetary position of an organisation are called __________.

*Mark only one oval.*

☐ marketing risks
☐ financial risks
☐ operational risks
☐ strategic risks

50. Which one of the following is not a constituent of micro business environment?  

*Mark only one oval.*

☐ Marketing intermediaries
☐ Suppliers
☐ Competitors
☐ None of these

51. This analysis offers a way to compare the firm’s performance and assists in identifying its strengths and weaknesses over the years. It is called _____________.

*Mark only one oval.*

☐ value chain analysis
☐ historical analysis
☐ balanced scorecard
☐ benchmarking

52. Information pertaining to the sales of the product is offered by the __________.

*Mark only one oval.*

☐ sales force report
☐ accounting resources
☐ internal experts
☐ miscellaneous reports
53. Which of the following is comes under the non-government publications?

*Mark only one oval.*

- ☐ Confederation of Indian Industry (CII)
- ☐ Several press media associations
- ☐ The Bombay Stock Exchange
- ☐ All of these