Q.P. Code: 16MB703 **R16**

Reg. No: | | | | | | | | | | |

SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR (AUTONOMOUS)

MBA I Year I Semester Regular & Supplementary Examinations JAN 2018

Business Environment

Time: **3 hours** Max. Marks: **60**

SECTION – A

(Answer all Five Units **5 x 10 = 50** Marks)

UNIT-I

1 a. Discuss briefly the dynamic nature of the 'Demographic Environment of India' since independence and its implications for the business. 10M

OR

2 a. What are the salient features of Industrial Policy 1991? 5M

b. Explain the differences between 1948 Industrial Policy and 1991 Industrial Policy. 5M

UNIT-II

3 a. Define 'Public Revenue'. Explain the various sources of public revenue. 10M

OR

4 b. Explain the recent trends in India's 'Fiscal Policy' and 'Monetary Policy'. 10M

UNIT-III

5 a. Define BOPs. What are the major components of it? 5M

b. What are your suggestions to set-right the disequilibrium in BOPs? 5M

OR

6 a. Discuss the functions of EXIM Bank. 5M

b. Explain the role of EXIM Bank in the economic development in India. 5M

UNIT-IV

7 a. What is 'WTO'? Explain its functions. 5M

b. Discuss the anti-dumping measures. 5M

OR

8 a. Write about TRIPS, TRIMS, and GATS. 10M

UNIT-V

9 a. Explain the important 'features' and 'special provisions' of the Sick Industries Companies Act (SICA), 1985. 10M

OR

10 a. What are the essential features of Consumer Protection Act, 1986? Explain the Scope of the Act. 10M

SECTION – B

(Compulsory Question)

1 x 10 = 10 Marks

11. **Case Study**

India’s problem is not lack of resources; it is the inability and or unwillingness to mobilize resources into the public sector. The Indian economy is not facing a resources crisis; it is confronting a fiscal crisis.

The reasons for this are the steady decline over the years in the share of direct taxes in spite of the fact that both incomes and savings of the top 10 per cent of the households in the country have been steadily increasing. The government does not appear committed to placing greater reliance on direct taxes to mobilize resources. It is unwilling to tax the rich and therefore has no option except to fall back on indirect taxes and rely more than ever on borrowing from those who expect interest and tax concessions from temporarily parting with their resources to enable the government to continue its “development programmes”. Grave inter-sectorial imbalances also exist in India’s tax structure because agricultural incomes are virtually tax free. The Raj Committee had recommended the introduction of an agricultural tax to remove this inequity, but the State governments did nothing to implement the recommendation. The long-term fiscal policy also did nothing to eliminate this inter-sectorial inequity.

Public sector enterprises failed to generate the contemplated re-investible surplus and the small surplus that became available from these enterprises was not attributable to improved efficiency.

The fiscal deficit reflects the total resource gap, which equals the excess of total government expenditure the indebtedness of the government.

Question:

1. Suggest some remedies for the new fiscal policy to combat fiscal crisis.

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