



**INDIAN INSTITUTE OF MATERIALS MANAGEMENT**  
**Post Graduate Diploma in Supply Chain Management & Logistics**  
**Post Graduate Diploma in Materials Management - 2 years**  
**PAPER No. 6**

**Dec 2018**

**Business Environment**

**Date : 28.12.2018**  
**Time : 2.00 to 5.00 p.m**

**Max. Marks : 100**  
**Duration : 3 Hrs.**

**Instructions :**

- |   |                         |
|---|-------------------------|
| 1. From Part A – answer all questions (compulsory). Each sub questions carries 1 mark.  | <b>Total : 20 Marks</b> |
| 2. From Part B – Answer any 3 questions out of 6 questions. Each question carries 20 marks.   | <b>Total : 60 Marks</b> |
| 3. Part C is a case study (compulsory) with questions. Read the case study carefully and answer the questions (5 questions of 4 marks each) | <b>Total: 20 Marks</b>  |

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**PART A** **Total 20 marks**  
**(compulsory- each sub-question carries one mark)**

**Q.1 Please state whether the following statements are “True” or “False”.**

- 1) Every business unit has its own environment.
- 2) India liberalized its economic policy in 1990 .
- 3) Privatization is the process of involving private sector in the ownership of public sector.
- 4) Single tender is advertised in news papers.
- 5) Liberalization is total regulation of industries by Government.

**Q.2 Match the following:**

Column A	Column B
(1) Phased manufacturing Programs	(A) Short period loans
(2) Call money market	(B) Liberalization
(3) Deregulation of industries	(C) Abolished for all new industries
(4) FEMA	(D) FDI
(5) Big opportunities for local manufacturer	(E) Replacement of FERA

**Q. 3 Fill in the blanks:**

- a. FDI was allowed in 1991 when Indian economy was \_\_\_\_\_
- b. International trade statistics are released by \_\_\_\_\_
- c. WTO secretariat is located in \_\_\_\_\_
- d. The purpose of \_\_\_\_\_ is to promote international monetary cooperation
- e. World Economic Forum publishes Global \_\_\_\_\_ every year.

**Q.4 Write the full form of the following. (1 Mark each)**

- (1) GCI
- 2) MIGA
- (3) ADF
- (4) ICSID
- (5) SOE

**PART B**

**[Total 60 marks]**

**Answer any THREE out of the following five questions : (20 Marks each)**

**Q.5** Discuss various Macro and Micro environmental factors which influence the business.

**Q.6** a. Discuss the liberalization steps taken by Govt. in 1980s.

b. Explain the impact of reforms on Indian Industry.

**Q.7** a. Differentiate between privatization and disinvestment

b. Discuss the policy of India regarding the Navratnas.

**Q.8** a. Explain the impact of globalization on the functions of corporations.

b. Discuss the role of financial market in the Indian economy.

**Q.9** Write short notes on any four:- ( 4 x 5= 20 marks)

a. Industrial Licensing (1991)

b. BOP

c. FDI

d. WTO

e. Special Drawing Rights

f. International Monetary Fund

## PART C

[Total : 20 Marks]

### Q.10 CASE STUDY- Compulsory

After the dismal financial performance in the early 2000s, Yahoo! (Yahoo) is on its way back to profitability in 2003. Under the guidance of Terry Semel (Semel) CEO Yahoo, the portal is on the way to becoming the largest media company in the world. With the spread of broadband, brand advertising is steadily becoming the largest source of revenue for online companies. As advertisers flock to Yahoo, Semel has a tough task of convincing traditional media, which is responsible for most of its content, to continue their relationship with Yahoo

Semel believes that 'Social media' where content is generated by users themselves, through their photo and video blogs, podcasts and hyperlinks, is the "next big thing" on the internet both for the user and the advertiser. As Semel makes investments to make social media a reality, he wonders if his bet will pay off. With so much content being generated in Yahoo, will Yahoo be able to maintain the fine balance between guiding the user to the most relevant content and its own content?

### Questions

1. Discuss Yahoo's growth
2. Discuss the competition and changing markets
3. Explain Yahoo's new growth strategy in changing environment.
4. Give an overview of the case.

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