**SAINTGITS COLLEG OF APPLIED SCIENCES**

**PATHAMUTTOM, KOTTAYAM**

**First Internal Examination (July 2018)**

**B.Com First Semester (Computer Applications)**

**DIMENSIONS AND METHODOLOGIES OF BUSINESS STUDIES**

**ANSWER SCHEME**

Total Marks: 50 Name:……………………

Time: 2 hours Roll No:……………………

***Section A***

***Short answer questions.***

***Answer all any 5. Each question carries 2 mark* (5x2=10 marks)**

[Download the original attachment](http://mail.google.com/mail/?view=att&th=12649ac036880405&attid=0.2&disp=attd&realattid=f_g4nizah71&zw)

1. Define Business.

Business- economic activity with production and distribution of goods with an intension of earning profit and satisfying human wants.

1. What is NITI AYOG?

The National Institute for Transforming India is the premier policy’ Think Tank’ of the govt of India aiming to foster involvement and participation of State Govts in the economic policy-making process

1. Who is a Karta? Who takes over the business on his death?

Karta- Head of the HUF who is the eldest of the family.

The business continues even after his death as the next eldest person takes over his business.

1. Who is an external stakeholder?

External Stakeholders-entities not within a business but who care about or are affected by its performance. Eg: Customers, Suppliers

1. What is disinvestment?

Disinvestment- selling of assets, govt selling its share in Public Sector Undertakings in which it has a major share

1. What is the difference between genetic industry and extractive industry?

Genetic industry-engaged in reproducing and multiplying certain species of animals and plants and selling them in the market for profit. Eg: Cattle breeding farms

Extractive Industries- which extract, raise or fabricate raw materials from above or beneath surface of the earth. Eg; Mining

***Section B***

***Brief Answer questions.***

***Answer any 5 questions. Each question carries 5 marks***

**(5 × 5 = 25 marks)**

7. Which are the internal functions of business?

Internal functions-primary activities happening inside or within the premises of an organization.

Functions:

Finance

Production

HR

Office

8. What are the merits of liberalisation?

Merits

Free trade and countries specialize

Total domestic production of goods and services boosted

Exporters are able to access expansive markets for their products

Increase in foreign investment

Increase in efficiency of domestic firms

Rise in the rate of economic growth

9.Write a short note on global objectives of business.

Global objectives set up to face the competition in the global market. Today the entire world is one market.

Raise Standard Of Living

Reduce Disparities among Nations

Globally competitive Goods and Services

10.What are the benefits of outsourcing?

Outsourcing benefits

Free up cash, personnel , facilities and time resources of a company

Cost savings through reduced labour costs, taxes.

Improve efficiency and increase its competitiveness

Core business competency

Avoid govt regulatations

11. What do you mean by’ aids to trade’?

Aids to trade- activities which help in the purchase and sale of goods and services

Transport

Insurance

Warehousing

Banking

Advertising

12.What are the limitations of privatisation?

Limitations:

Natural monopoly

Public Interest

Govt loses potential dividends

Problem of regulating private monopolies

***Section C***

*Long essay questions*

*Answer any one question which carries 15 marks.*

**(1 × 15= 15 marks)**

13. What is business environment? Explain the components of business environment?

Business Environment-Sum total of internal and external forces that affects the functioning of a business.

Components:

Internal Environment- exists within the organization imparting strength or causing weakness to the organization.

External Environment- forces and conditions that cannot be controlled by the business, uncontrollable factors. Classified into Micro and Macro environment.

Micro Environment includes

Customers

Suppliers

Labour

Competitiors

Marketing Intermediaries

Macro Environment includes

Economic factors

Social factors

Political factors Technological factors

Global or International Business

14.Examine the role of public sector in the development of business in the Indian economy

Public sector enterprises – those that are managed , controlled, owned and financed by the state or central govt or both.

Role:

Generation of Employment and Income

Capital Formation

Infrastructure Development

Strong Industrial Base

Export Promotion and Import Substitution

Balanced Regional Development

Contribution to Public Exchequer

Promotion of Research and Development