

# ACE UGC

**NET | JRF | SET**

# COMMERCE

**(Unit Solved Paper) USP**



**Bushra Shazli**

# Business Environment

## Unit Solved Paper-1

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**Time : 1 hour**

**Maximum Marks : 100**

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**Note :** This paper contains fifty (50) objective type questions, each question carries two (2) marks. Attempt all the questions.

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1. Business Environment is effected by \_\_\_\_\_ factors.  
(A) Internal (B) External  
(C) Both (A) and (B) (D) None of above
2. Environment factor which are beyond the control of individual is known as :  
(A) Internal (B) External  
(C) Both (A) and (B) (D) None of above
3. In the PEST framework for environmental analysis what does the letter E stand for ?  
(A) Ethical (B) Ecological  
(C) Educational (D) Economics
4. Which of the following technique is not used in business environment scanning ?  
(A) PESTEL analysis (B) Industry analysis  
(C) SWOT Analysis (D) Government analysis
5. Which among these is not a method of privatization ?  
(A) Denationalization (B) Franchising  
(C) Sale of Business (D) All of these
6. FEMA signifies  
(A) Free Export Management act (B) Foreign Exchange Management act  
(C) Foreign Exchange Monitoring Act (D) Free Export Marketing Act
7. The objective of the 11th Five year plan approach paper is to achieve  
(A) Inclusive Growth (B) Inclusive Finance  
(C) Growth and equality (D) social justice
8. Laissez faire policy is adopted in  
(A) Socialistic economic system (B) Capitalistic economic system  
(C) Mixed Economic system (D) Communist economic system
9. Change in technology, political factors, demand of population are \_\_\_\_\_ factors  
(A) Internal (B) External  
(C) Both (A) and (B) (D) None of above

10. \_\_\_\_\_ factors affects the organization and not necessary to the whole economy  
 (A) Micro Factor (B) Macro Factors  
 (C) Both (A) and (B) (D) None of Above
11. It is the \_\_\_\_\_ which tells the purpose of existence of business  
 (A) Mission (B) Vision  
 (C) Both (A) and (B) (D) None of above
12. Which of the following would have unlimited liability :  
 (A) Cooperative society (B) Company  
 (C) Shareholders (D) Sole proprietorship
13. \_\_\_\_\_ is the conscious effort to operate in a manner that balances stockholder interests.  
 (A) Cause-Related Marketing (B) Corporate social Responsibility  
 (C) Corporate structure (D) Intelligent corporate design
14. Who said that the "one social responsibility of business is to increase profits ?  
 (A) Michle porter (B) Edward Freeman  
 (C) Milton Friedman (D) Michael Freeman
15. Indian is called a Mixed economy because of the existence of  
 (a) Public Sector (b) Private Sector  
 (c) Joint sector (d) Cooperative Sector
- Codes :**  
 (A) (a), (d) (B) (a), (b)  
 (C) (c), (d) (D) (b), (d)
16. The planning commission of India constitute in the year:  
 (A) 1942 (B) 1947  
 (C) 1950 (D) 1955
17. The significant development in the sphere of foreign exchange was introduced of \_\_\_\_\_.  
 (A) Foreign Exchange Regulation Act (FERA) (B) Foreign Exchange Management (FEMA)  
 (C) The Export - Import Policy 2005-06 (D) EXIM Bank
18. Which of the following is not an instrument of monetary policy ?  
 (A) Deficit Financing (B) Statutory Liquidity Ratio  
 (C) Cash Reserve Ratio (D) Open Market Operations
19. The objective of \_\_\_\_\_ is to achieve growth with equity.  
 (A) The Ninth plan (B) The Tenth plan  
 (C) The Eighth plan (D) The seventh Plan

**20.** Forms of Mixed economy consists of

- |                        |                    |
|------------------------|--------------------|
| (A) Public Sector      | (B) Private Sector |
| (C) Cooperative Sector | (D) All of these   |

**21.** No planning can start without setting

- |            |                   |
|------------|-------------------|
| (A) Budget | (B) Objectives    |
| (C) Powers | (D) None of these |

**22.** Financial suitability and job opportunity are the advantages in \_\_\_\_\_ scale of operation.

- |                 |                 |
|-----------------|-----------------|
| (A) Small scale | (B) Large scale |
| (C) Corporation | (D) Very small  |

**23.** Which of the following is not a part of the economics environment of business ?

- |                             |                     |
|-----------------------------|---------------------|
| (A) Competitive Environment | (B) Economic System |
| (C) Change in Patent Law    | (D) None of these   |

**24.** Economies derived from large scale of business are :

- |                  |                   |
|------------------|-------------------|
| (A) Internal     | (B) External      |
| (C) Both a and b | (D) None of above |

**25.** Which concern does CSR Address ?

- |                            |                       |
|----------------------------|-----------------------|
| (A) Monetary Profit        | (B) Legal and Regular |
| (C) Social and Environment | (D) Human Resources   |

**26.** What does RBV refers in the context of CSR ?

- |                         |                           |
|-------------------------|---------------------------|
| (A) Reward Based View   | (B) Resources Based View  |
| (C) Research Based View | (D) Revolution Based View |

**27.** The Present Indian Monetary system is based on :

- |                                |                                 |
|--------------------------------|---------------------------------|
| (A) Gold Reserve System        | (B) Proportional Reserve System |
| (C) Convertible Current System | (D) Minimum Reserve System      |

**28.** Where is the Indian Institute of Foreign trade Located ?

- |               |               |
|---------------|---------------|
| (A) New Delhi | (B) Mumbai    |
| (C) Hyderabad | (D) Ahmedabad |

**29.** Which one of the following is not correct ?

- |                                  |                                   |
|----------------------------------|-----------------------------------|
| (A) First Five year plan 1951-56 | (B) Second Five Year Plan 1956-61 |
| (C) Third Five Year Plan 1961-66 | (D) Fourth Five Year Plan 1966-71 |

**30.** Relaxing the restrictions and control imposed on Business and industry means :

- |                    |                       |
|--------------------|-----------------------|
| (A) Liberalization | (B) Privatization     |
| (C) Globalization  | (D) None of the above |

**31. Liberalization means :**

- (A) Reducing number of reserved industries from 17 to 8
- (B) Liberating the industry, trade and economy from unwanted restrictions
- (C) Opening up of economy to the world by attaining international competitiveness
- (D) Free determination of interest rates

**32. Advantages of Multi- national companies are :**

- (A) Funds Availability
- (B) Provision of Employments
- (C) Increasing Competitions
- (D) All of Above

**33. SEZ policy in India is motivated by the experience of :**

- (A) Japan
- (B) China
- (C) USA
- (D) Germany

**34. The Consumer protection act 1986 extends to**

- (A) The Whole India
- (B) The Whole India Except Jammu and Kashmir
- (C) The Whole India Except Nagaland Tribal Area
- (D) Both (B) and (C)

**35. The Consumer protection act 1986 enacted in :**

- (A) 24 Dec. 1986
- (B) 24 Oct 1987
- (C) 24 Aug 1986
- (D) 15 June 1986

**36. The responsibility for administrating FEMA is vested with the :**

- (A) Foreign Exchange Regulation Act
- (B) Foreign Exchange dealers Association of India
- (C) Foreign Exchange Department in a bank
- (D) Reserve Bank of India

**37. Fiscal policy and monetary policy are \_\_\_\_\_.**

- (A) Different means used to attain different goals
- (B) Different means used to attain the same goals
- (C) The same means to attain the same goals
- (D) The same means to attain different goals

**38. Intellectual Property rights are pertaining to**

- (A) Medicines already patented
- (B) Matters Published on or before 1990
- (C) Imports of goods and services
- (D) None of the above

**39. If the amount claimed by a consumer as compensation is Rs. 89 lakhs the case under the consumers protection act shall be filed with**

- (A) District Consumer Redressal Forum
- (B) State Consumer Disputes Redressal Commission
- (C) National Consumer Disputes Redressal Commission
- (D) Supreme Court

40. This is the Govt's strategy in respect of public expenditure and revenue which have a significant impact on business.

- (A) Monetary Policy (B) Trade Policy  
(C) Fiscal Policy (D) Foreign Exchange Policy

41. Arrange the following concepts / acts in the order in which they came into force

1. Competition Act 2. Foreign Exchange management Act  
3. Consumer Protection Act 4. Securities and exchange Board of India Act

**Codes :**

- (A) 3, 4, 2, 1 (B) 4, 3, 1, 2  
(C) 1, 2, 4, 3 (D) 2, 1, 3, 4

42. Match the following

**List-I : (Industry)**

- (a) Small Scale Enterprise  
(b) Tiny Enterprise  
(c) SME sector Enterprise  
(d) Export oriented small Scale Enterprise

**List-II : (Investment Limit)**

- (i) Rs. 25 Lakh  
(ii) Rs. 10 Crores  
(iii) Rs. 5 Crores  
(iv) Rs. 1 Crores

**Codes :**

- (A) (a)-(iv), (b)-(i), (c)-(iii), (d)-(ii) (B) (a)-(iv), (b)-(i), (c)-(ii), (d)-(iii)  
(C) (a)-(iv), (b)-(ii), (c)-(i), (d)-(iii) (D) (a)-(iv), (b)-(ii), (c)-(iii), (d)-(i)

43. Among the following which forum can reappoint the same person as its member :

- (A) District Forum (B) State commission  
(C) National Commission (D) None of the above

44. The Intervening period between Third and Fourth Five year Plans is regarded as

- (A) Plan Period (B) Plan Holidays  
(C) Plan Days (D) None of these

45. The pre-liberalization era of India economy was under the grip of

- (A) Unemployment era (B) Under - employment  
(C) Fiscal deficit (D) Unfavorable and alarming Balance of payment

46. The popular route of privatization of public enterprises in India has been :

- (A) Disinvestment (B) Initial Public offer  
(C) Outright Sale (D) Sales of Strategic Partner

47. Globalization in term used to describe the process of removal of restriction on which of the following ?

- (A) Foreign Trade (B) Investment  
(C) Both (A) and (B) (D) None of these