



FyBMS

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OP3AEK

March - 2016

TIME: 2.5 HOURS

MARKS: 75

- i. All the questions are compulsory. Each question carries 15 marks.
- ii. From Question No. 1 to question 4, answer any two out of three for each Question.
- iii. Question 5 all the questions are compulsory.

1. Write any two from the below (15)

- A. What is Business Environment? Discuss about its significance.
- B. What is Internal Environment? Write about its components.
- C. Distinguish between Micro Environment and Macro Environment.

2. Write any two from the below (15)

- A. Explain in details about Fiscal, monetary, Industrial and trade policy.
- B. Explain in details about functions of legislature and Judiciary.
- C. Discuss about the responsibilities of Government towards Business.

3. Write any two from the below (15)

- A. Define Social Audit. Discuss about the importance of Social Audit.
- B. What is Corporate Social Responsibility? Explain about its features.
- C. Explain about Porter's Competitive Strategies.

4. Write any two from the below (15)

- A. Point out the difference between GATT and WTO.
- B. What is Globalisation? What are its features?
- C. What is MNC? Discuss about merits and demerits of MNCs.

5. CASE STUDY: Corporate Governance at Infosys

Till late 1990's, corporate governance did not have much significance in India. In 1999, two committees namely, Confederation of Indian Industries (CII) and the Kumar Mangalam Birla committee were set up to recommend good governance norms. These committees set out with several recommendations, which were made mandatory for the companies to adhere to by 2001. Infosys Technologies Limited (Infosys) was one of the first companies in India which had complied with the recommendations made by the committees. By the late 1990's, Infosys had clearly emerged one of the best managed companies in India. Its corporate governance practices seemed to be better than those of many other companies in India. Because of its good governance practices, Infosys was the recipient of many awards. In 2001, Infosys was rated India's most respected company by business world. Infosys was also ranked second in corporate governance among 495 emerging companies in a survey conducted. It was voted India's best managed company five years in a row (1996-2000).

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Infosys accepted the recommendation of both CII and Kumar Mangalam Birla committee. It also benchmarked its corporate governance practices against the best managed companies in the world. It was one of the companies in India to publish compliance report on corporate governance. It maintained a high degree of transparency while disclosing information to stakeholders.

Infosys had an executive chairman and Chief Executive Officer (CEO) and a managing director, president and Chief Operating Officer (COO). The CEO was responsible for corporate strategy, brand equity, planning, external contacts, acquisitions and board matters. The COO was responsible for all day to day operational issues and achievement of the annual targets in client satisfaction, sales, profits, quality, productivity, employee empowerment, and employee retention. The CEO, COO, executive directors and the senior management, made periodic presentations to the board on their targets, responsibilities and performance.

Questions

- A. Comment on how adherence to social responsibilities of business creates a favourable business environment for business?(5)
- B. Explain the concept of Corporate Governance. List the important features of corporate governance in India on the basis of above case let.(5)
- C. Explain in your own words the various initiatives of Infosys towards compliance to corporate governance.(5)