22COP101N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MCom DEGREE EXAMINATION MAY 2026
(First Semester)

Branch-**COMMERCE**

BUSINESS ENVIRONMENT

Time: Three Hours   Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** marks   (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	List the type of environment that deals with customs, beliefs, and traditions of society. a)Legal b)Social c)Cultural d) Economic	K1	CO1
	2	Classify "inflation" and "interest rates" as part of which business environment? a)Social Environment b).Economic Environment c)Cultural Environment d) Political Environment	K2	CO1
2	3	Fiscal policy mainly involves changes in which of the following? a) Interest rates b) Taxes & government spending c) Export and import quotas d) Currency exchange rates	K1	CO2
	4	Illustrate how a company might respond to higher interest rates when planning future investments. a) Increase investment by borrowing more b)Delay or reduce investments due to the higher cost of borrowing c)Invest only in foreign markets d)Increase production immediately without consideration of borrowing costs	K2	CO2
3	5	What type of economy does India follow? a)Capitalist b)Socialist c)Mixed Economy d)Commend Economy	K1	CO3
	6	*Relate which organization protects consumer rights in India?* a)SEBI b)CCPA c)RBI d)FSSAI	K2	CO3
4	7	Which of the following factors is a part of the social environment? a) Economic policies b)Caste and community structures c)Technological advancements d) Legal regulations	K1	CO4
	8	Explain how foreign culture impacts local businesses. a)It decreases competition in the market b)It introduces new products and services c)It eliminates traditional practices d)It reduces consumer choices	K2	CO4
5	9	What is the primary objective of the World Trade Organization (WTO)? a) To regulate trade disputes between countries b) To increase trade barriers c) To provide loans to developing countries d) To promote a single global currency	K1	CO5
	10	Show in which type of disaster is caused by natural forces? a) Earthquake b)Industrial fire c) Chemical spill d) Nuclear accident	K2	CO5

Cont…

SECTION - B (35 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Explain the significance of the business environment for organizations.	K2	CO1
		(OR)		
	11.b.	Outline the features of Business environment		
2	12.a.	Assume how monetary and fiscal policies influence business decisions.	K4	CO2
		(OR)		
	12.b.	Examine a new industrial policy that addresses current economic challenges.		
3	13.a.	Assess the role of the public sector in India, focusing on its achievements and shortcomings.	K5	CO3
		(OR)		
	13.b.	Determine recent trends in privatization and disinvestment in India, with examples.		
4	14.a.	Analyze the effects of urbanization on the business environment in India.	K4	CO4
		(OR)		
	14.b.	Examine the significance of caste and community in shaping business practices in India.		
5	15.a.	Identify the role of MNCs in promoting economic development in emerging markets.	K3	CO5
		(OR)		
	15.b.	Discuss the importance of community involvement in disaster management.	K6	

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Demonstrate the relationship between the economic environment and business performance.	K3	CO1
2	17	Explain the effects of macroeconomic parameters, such as national income and inflation, on business operations.	K2	CO2
3	18	Analyze the impact of India's legal environment on business, with a focus on consumer protection laws and consumerism.	K4	CO3
4	19	Explain the role of businesses in promoting social responsibility towards various social groups in India.	K5	CO4
5	20	Discuss the ethical challenges that companies face in a globalized business environment.	K6	CO5

Z-Z-Z END