

# Business Studies

## Business Environment

- Q1.** One of the important methods of privatisation is \_\_\_\_\_. **1 Mark**  
**A** Disinvestment                      **B** Privatisation of ownership, through the sale of equity.  
**C** Either (A) or (B)                      **D** None of these
- Q2.** The economic reforms of 1991 or New Economic Policy aimed at: **1 Mark**  
**A** Liberalisation.              **B** Privatisation.              **C** Globalisation.              **D** All of these.
- Q3.** Which of the following option correctly describes the difference between specific and general forces of business environment? **1 Mark**  
**A**  
Specific forces affect the individual enterprise directly, whereas general forces have indirect impact on all business enterprises.  
**B**  
General forces have direct impact on individual enterprise, whereas specific forces have indirect impact on business enterprise.  
**C**  
Specific forces does not affect an enterprise at all, whereas general forces affects directly on all business enterprises.  
**D** None of the above.
- Q4.** Which of the following is not an example of legal environment? **1 Mark**  
**A** Baby food advertisement must inform the potential buyers that mother's milk is the best.  
**B**  
Every advertisement of cigarettes should carry the warning that "cigarettes are injurious to health".  
**C** The government of India has banned the advertisement of alcoholic product.  
**D** Shift in demand from typewriter to computer.
- Q5.** Which of the following does not explain the impact of Government policy changes on business and industry? **1 Mark**  
**A** More demanding customers    **B** Increasing competition    **C** Change in agricultural prices  
**D** Market orientation.
- Q6.** The voluntary organisation is achieved by \_\_\_\_\_. **1 Mark**  
**A** Setting up consumers associates or councils    **B** Organising consumer co-operatives  
**C** Either (A) or (B)                      **D** None of these
- Q7.** Which of the following does not explain the impact of Government policy changes on business and industry? **1 Mark**  
**A** More demanding customers    **B** Increasing competition    **C** Change in agricultural prices  
**D** Market orientation
- Q8.** Which of he following does not characterise the business environment? **1 Mark**  
**A** Uncertainty              **B** Employees              **C** Relativity              **D** Complexity.
- Q9.** Which of the following is an example of social environment? **1 Mark**  
**A** Money supply in the economy                      **B** Consumer protection Act



- A** Equal pay to male and female workers for equal work.  
**B** Import of animal fat for manufacturing Vanaspati ghee was banned by the government.  
**C** Cell phone have taken over the market from landline phone.      **D** All of these.
- Q24.** How much of the activities were being made available for the private sector as per the New Industrial Policy, 1991? **1 Mark**  
**A** One-fourth      **B** Half      **C** Three-fourths      **D** One-sixth
- Q25.** What does L signify in environment scanning tool - PESTLE? **1 Mark**  
**A** Legal      **B** Logical      **C** Legitimate      **D** Language
- Q26.** How can government of a country play a major role in making Globalization fairer? **1 Mark**  
**A**  
Government can ensure that labour laws are properly implemented and the workers get their rights.  
**B**  
Government can support small producers to improve their performance till the time they become strong enough to complete.  
**C** Government can negotiate at WTO for fairer rules.      **D** All of them
- Q27.** Which of the following is a set of examples of external environment of a business? **1 Mark**  
**A** Institutions, organisations and forces operating outside the company.  
**B** Institutions, organisations and forces operating inside the company.  
**C** Commitment, attitude and morale of he employers.  
**D** Economic and non-economic environment.
- Q28.** Subsidy to cotton textile industry is an example of \_\_\_\_\_. **1 Mark**  
**A** Economic environment.      **B** Social environment.      **C** Legal environment.  
**D** Political environment.
- Q29.** In the New Industrial Policy 1991, the number of industries reserved for public sector is \_\_\_\_\_. **1 Mark**  
**A** 5      **B** 8      **C** 10      **D** 15
- Q30.** Which of the following does not characterize the business environment? **1 Mark**  
**A** Uncertainty      **B** Relativity      **C** Employers      **D** Illegal affairs
- Q31.** The term Globalization means \_\_\_\_\_. **1 Mark**  
**A** Integration of the economy of a country with the world.      **B** Easing trade policies  
**C** Reduction in Corporate and non-corporate taxes.      **D** All the three
- Q32.** Obstacles to privatisation are: **1 Mark**  
**A** Opposition by labourers.      **B** Problem of financing.      **C** Political pressure.  
**D** All of these.
- Q33.** An essential pre-requisite for a successful privatisation is \_\_\_\_\_. **1 Mark**  
**A** Globalisation      **B** Nationalisation      **C** Liberalisation      **D** All the above
- Q34.** The first international earth summit was held in the year \_\_\_\_\_. **1 Mark**  
**A** 1991      **B** 1992      **C** 1993      **D** 1995
- Q35.** The first New Small Scale Industrial Policy was announced on \_\_\_\_\_. **1 Mark**  
**A** August 6, 1989      **B** May 5, 1990      **C** August 6, 1991      **D** December, 1996
- Q36.** Which factor has been the most rapidly changing component in an organisation's general environment in the past quarter century? **1 Mark**  
**A** Global      **B** Economic      **C** Social      **D** Technological

- Q37.** Internal factors of business environment include \_\_\_\_\_.
- A** Vision of the organization                      **B** Mission of the organization  
**C** Vision and mission of the organization  
**D** Vision and mission of the organization and other internal mechanism of the organization.
- 1 Mark**
- Q38.** The word 'Privatisation' is invented by\_\_\_\_\_.
- A** Peter F. Drucker      **B** Taylor                      **C** Mayo                      **D** Vroom
- 1 Mark**
- Q39.** Consumer attitudes and beliefs about diet, health and nutrition are influenced by which of the following?
- A** Economic environment      **B** Cultural environment      **C** Social environment  
**D** Natural environment
- 1 Mark**
- Q40.** In the New Industrial Policy, 1991 industrial licensing had been abolished for the following Industries \_\_\_\_\_.
- A** Coal and lignite              **B** Paper and News print      **C** Drugs and Pharmaceutical  
**D** None of the above
- 1 Mark**
- Q41.** New Economic Policy aims at the following objective(s)\_\_\_\_\_.
- A** Privatisation      **B** Globalisation      **C** Liberalisation      **D** All the above
- 1 Mark**
- Q42.** Business enterprises cannot work in:
- A** Isolated environment.      **B** Complex management.      **C** Uncertain management.  
**D** None of these.
- 1 Mark**
- Q43.** Which is incorrect from the following highlights of the New Small Scale Industrial Policy, 1991?
- A** Launch of factoring services by SIDBI  
**B** Permission to other units to invest upto 24 percent in the SSI.  
**C** Package for handloom and handicraft sector.  
**D** Tiny sector investment limit raised to Rs. 7 lakhs.
- 1 Mark**
- Q44.** \_\_\_\_\_ is the process of analysing the environment for the identification of factors which have impact on or have implication for the business:
- A** Environment forecasting.      **B** Environment assessment.      **C** Environment scanning.  
**D** None of these.
- 1 Mark**
- Q45.** Privatization means\_\_\_\_\_.
- A**  
The transfer of ownership or management of an enterprise from the public sector to the private sector.  
**B** The transfer of ownership of an enterprise from the private sector to the public sector.  
**C** The withdrawal of the state from an industry, partially or fully.      **D** Both (A) and (C)
- 1 Mark**
- Q46.** Prior to liberalisation\_\_\_\_\_ of the most important industries were exclusively reserved for the public sector.
- A** 7                      **B** 10                      **C** 12                      **D** 17
- 1 Mark**
- Q47.** Integrating domestic economy with world economy is called \_\_\_\_\_.
- A** Privatisation      **B** Globalisation      **C** Nationalisation      **D** All the above
- 1 Mark**
- Q48.** Rapid integration between countries is known as\_\_\_\_\_ .
- A** International trade      **B** Globalisation      **C** Liberalisation      **D** Privatisation
- 1 Mark**
- Q49.** The components of social environment is/ are:
- A** Expectations from workforce.                      **B** Educational system and literacy rates.  
**C** Birth and death rates.                      **D** All of the above.
- 1 Mark**

- Q50.** Rolling plan was introduced by \_\_\_\_\_. **1 Mark**  
**A** V.P. Singh      **B** Prof. Myrdal      **C** Manmohan Singh      **D** P. Chidamparam
- Q51.** Which of the following best indicates the importance of business environment? **1 Mark**  
**A** Identification      **B** Improvement in performance      **C** Coping with rapid changes  
**D** All of them
- Q52.** At present (2018) \_\_\_\_\_ industries are reserved for the public sector. **1 Mark**  
**A** 5      **B** 2      **C** 8      **D** 12
- Q53.** In the New Industrial Policy 1991, direct foreign investment in high priority industries will be allowed upto \_\_\_\_\_. **1 Mark**  
**A** 40%      **B** 45%      **C** 50%      **D** 51%
- Q54.** Which of the following is not a part of the economic environment of business? **1 Mark**  
**A** Competitive Environment      **B** Economic System      **C** Changes in Patent Laws  
**D** None of these
- Q55.** In the New Industrial Policy 1991, the asset limit of MRTP Companies is \_\_\_\_\_. **1 Mark**  
**A** Rs. 25 Crores      **B** Rs. 80 Crores      **C** Rs. 100 Crores      **D** No limit
- Q56.** Democratic Planning is adopted in \_\_\_\_\_. **1 Mark**  
**A** Capitalist economy      **B** Socialist economy      **C** Mixed-economy      **D** Fascist economy
- Q57.** Peter F. Drucker used the term 'Privatisation' in his famous book, \_\_\_\_\_. **1 Mark**  
**A** What is Privatisation?      **B** The Age of Discontinuity      **C** Quality and Competition  
**D** Global Economy
- Q58.** Demand for LED TVs are increasing day by day. Thus, TV manufacturers have started making LED TVs instead of LCD. Identify the significance of business environment being portrayed in the given case: **1 Mark**  
**A** Helpful in tapping useful resources.  
**B** Helps the firm to identify threats and early warning signals.  
**C** Helps in coping with rapid changes.      **D** All of the above.
- Q59.** A rolling plan is a \_\_\_\_\_. **1 Mark**  
**A** Plan where there is no fixation of dates      **B** Circle plan      **C** Future plan  
**D** Performance plan
- Q60.** According to the Industrial Policy resolution of 1956. Schedule A contains \_\_\_\_\_. **1 Mark**  
**A** 15 major industries      **B** 12 major industries      **C** 17 major industries      **D** 14 major industries
- Q61.** As a foreign tourist visited India, he noticed that Indian markets, tastes, trends and regulations were different from that of his country. Which feature of business environment is reflected here? **1 Mark**  
**A** Business environment has uncertainty.      **B** Business environment is dynamic.  
**C** Business environment is a relative concept.      **D** All of the above.
- Q62.** Due to globalisation, which of the following cannot move between countries? **1 Mark**  
**A** Technology      **B** Investment      **C** Services      **D** Land
- Q63.** Which dimension of business environment is concerned with improvement and innovations, which provides new ways of producing goods and services? **1 Mark**  
**A** Technological environment.      **B** Economic environment.      **C** Legal environment.  
**D** None of the above.
- Q64.** Rapid integration or inter-connection between countries is called \_\_\_\_\_. **1 Mark**

**A** Urbanization      **B** Liberalization      **C** Globalization      **D** Migration

- Q65.** Appropriate technology \_\_\_\_\_. **1 Mark**  
**A** Is technology that seeks to replace energy intensive and polluting technologies.  
**B** Is technology that is best suited to the local internal and external environment in which a business operates.  
**C** Will occur when "high-tech" solutions replace "low-tech" ones.  
**D** Is when one business copies the technology that has been developed by another.
- Q66.** Globalisation means: **1 Mark**  
**A** Removal of unnecessary government control and restrictions from business and industries.  
**B** Reducing the role of public sector.      **C** Integration of various economies of the world.  
**D** Reduction in tax rate by the government.
- Q67.** Increase in the number of working women and the rise in no family households are examples of \_\_\_\_\_. **1 Mark**  
**A** The geographic shifts in population      **B** The changing family  
**C** The changing age structure of the population  
**D** A better-educated and more white-collar population
- Q68.** \_\_\_\_\_ refer to changes and inclination towards new products: **1 Mark**  
**A** Traditions.      **B** Values.      **C** Trends.      **D** None of these.
- Q69.** Which one is not an element of internal environment? **1 Mark**  
**A** Marketing capability      **B** Operational capability      **C** Money and Capital market  
**D** Personal capability
- Q70.** Globalization means \_\_\_\_\_. **1 Mark**  
**A** Integrating economy with world economy.  
**B** Disintegrating economy with world economy.  
**C** Economically dependent at the global level.      **D** None of these
- Q71.** The benefit(s) of globalization is/are \_\_\_\_\_. **1 Mark**  
**A** Efficient allocation of capital      **B** Better working financial system  
**C** Smoother consumption patterns enjoyed by countries      **D** All of the above
- Q72.** Stagflation is characterized by \_\_\_\_\_. **1 Mark**  
**A** Inadequate growth, inflation and unemployment      **B** Inflation and disinflation  
**C** Inflation and deflation      **D** Deflation and unemployment
- Q73.** In the New Industrial Policy, 1991 Industrial licensing will be compulsory for \_\_\_\_\_. **1 Mark**  
**A** 10 industries      **B** 15 industries      **C** 18 industries      **D** 20 industries
- Q74.** As per New Industrial Policy, 1991, the following were referred to Board of Industrial and Financial Reconstruction. **1 Mark**  
**A** Sick Private Sector Units      **B** Sick Public Sector Units      **C** Developed Private Sector Units  
**D** Developed Public Sector Units
- Q75.** Which of the following restrictions were removed by the liberalization policy? **1 Mark**  
**A** Industrial licensing      **B** Clearance from the MRTP act      **C** Foreign Exchange restrictions  
**D** All the above
- Q76.** Gandhian Plan inspired \_\_\_\_\_. **1 Mark**  
**A** Democratic Planning      **B** Sarvodaya Planning      **C** Developmental Planning

- D** Dynamic Planning
- Q77.** Which of the following is the reason for improvement or change in technology? **1 Mark**  
**A** Nationalisation      **B** Privatisation      **C** Globalisation      **D** None
- Q78.** Which of the following best indicates the importance of business environment? **1 Mark**  
**A** Identification      **B** Improvement in performance      **C** Coping with rapid changes  
**D** All of them.
- Q79.** The New Industrial Policy (1991) aims to make changes in\_\_\_\_\_. **1 Mark**  
**A** Industrial licensing, Foreign Investment and Public Sector Management.  
**B** Foreign Technology Agreements and Monopolies and Restrictive Trade Practices Act.  
**C** Foreign Investment and Foreign Technology Agreements.      **D** Both (A) and (B).
- Q80.** Human Development as its main locus in the\_\_\_\_\_. **1 Mark**  
**A** Eighth plan      **B** Nineth plan      **C** Seventh plan      **D** Tenth plan
- Q81.** If there is a transfer of assets from the public sector to the private sector it is referred as \_\_\_\_\_. **1 Mark**  
**A** Privatization      **B** Deregulation      **C** Nationalization      **D** Individualism
- Q82.** The first industrial policy resolution was issued by the Government of India in \_\_\_\_\_. **1 Mark**  
**A** 1947      **B** 1948      **C** 1949      **D** 1950
- Q83.** Which one of the following is not an element of internal environment? **1 Mark**  
**A** Mission/ Objectives      **B** Human Resources      **C** Customers  
**D** Shareholders' values
- Q84.** The business environmental factors are \_\_\_\_\_. **1 Mark**  
**A** Static      **B** Dynamic      **C** Both (A) and (B)      **D** None of these
- Q85.** Industrial investment in backward areas can be induced under delicensing system by: **1 Mark**  
**A** Providing infrastructural facilities      **B** The use of tax-subsidy mechanism  
**C** Both (A) and (B)      **D** None of these
- Q86.** Inflation is defined as \_\_\_\_\_. **1 Mark**  
**A** Persistent rise in general price level      **B** Fall in general price level  
**C** Fall in the value of money      **D** Purchasing power of consumer
- Q87.** Globalisation leads to \_\_\_\_\_. **1 Mark**  
**A** No change in competition among the producers.  
**B** Lesser competition among the producers.      **C** Greater competition among the producers.  
**D** None of these.
- Q88.** Which among the following have not been opened for private sector participation? **1 Mark**  
**A** Power Sector      **B** Telecommunication Sector      **C** Education Sector  
**D** Railways
- Q89.** Products of different countries are available in the markets of India, because of the process of \_\_\_\_\_. **1 Mark**  
**A** Globalization      **B** Industrializatio      **C** Privatization      **D** Urbanization
- Q90.** LPG stands for \_\_\_\_\_. **1 Mark**  
**A** Liberalization, Privatization, Globalization      **B** Liberalization, Privatization, Generalization  
**C** Liberty, Poverty, Government      **D** Liberty, Privatization, Governance
- Q91.** **1 Mark**

Just after declaration of Lok Sabha elections 2009 results, the Bombay Stock Exchange price index rose by 2100 points in a day. This statement signifies the effect of which environment?

- A** Technological environment.      **B** Political environment.      **C** Legal environment.  
**D** Economic environment.

**Q92.** According to New Industrial Policy (1991), Which is incorrect?

**1 Mark**

**A** A flexible location policy will be followed.

**B**

Mandatory convertibility clause will not be applicable to long-term loans from the financial institutions for new projects.

**C**

In projects where imported capital goods are required, automatic clearance will be given in any cases.

**D** The system of phased manufacturing programme is abolished for new projects.

**Q93.** The use of advanced technology in industrial production causes\_\_\_\_\_.

**1 Mark**

**A** Fall in the unit cost of production and prices

**B** Increase in the demand for goods

**C** Increase in the demand for labour

**D** All the above

**Q94.** Terrorism in Jammu and Kashmir has badly affected tourism industry in the state. Name the environment highlighted in above statement:

**1 Mark**

**A** Social Environment.

**B** Political Environment.

**C** Legal Environment.

**D** Technological Environment.

**Q95.** According to the Industrial Policy Resolution of 1956, Schedule B has \_\_\_\_\_ Industries.

**1 Mark**

**A** 12

**B** 15

**C** 16

**D** 17

**Q96.** The non-controllable factors are referred to as \_\_\_\_\_.

**1 Mark**

**A** External factors

**B** Decision on a brand name

**C** Internal factors

**D** All of the above

**Q97.** The final step in deliberations before acting is termed as\_\_\_\_\_.

**1 Mark**

**A** Planning

**B** Controlling

**C** Decision making

**D** Supervising

**Q98.** Which environment prohibits the advertisement of alcoholic beverages?

**1 Mark**

**A** Economic.

**B** Social.

**C** Legal.

**D** Technological.

**Q99.** India's trade policy was\_\_\_\_\_.

**1 Mark**

**A** Outward-oriented

**B** Inward-oriented

**C** Growth-oriented

**D** Profit-oriented

**Q100.** Which Statement had given the preference to Indianisation of ownership of Industry?

**1 Mark**

**A** 1948 Policy Statement

**B** 1956 Policy Statement

**C** 1970 Policy Statement

**D** 1980 Policy Statement

**Q101.** Liberalisation, globalisation and privatisation are the aims of:

**1 Mark**

**A** Economic planning.

**B** Land reforms.

**C** Socialistic pattern of society.

**D** Economic reforms.

**Q102.** Economic Planning means a country's \_\_\_\_\_.

**1 Mark**

**A** Economic development

**B** Social development

**C** Both (A) and (B)

**D** None of these

**Q103.** Out of the following, the main sets of forces mostly affecting organisations are\_\_\_\_\_.

**1 Mark**

**A** External stakeholders, management and staff.

**B**

Existing and potential competitors, suppliers, customers and substitute products or service.

**C**

General environmental factors, competitive forces, factors internal to the organization and the interests of stakeholders.

**D** Government, competitors and consumers.

**Q104.** The scheme of broad banding of Industries was introduced in\_\_\_\_\_ **1 Mark**

**A** 1948                      **B** 1956                      **C** 1980                      **D** 1984

**Q105.** All those economic and non-economic factors which exercise their influence on the **1 Mark**

business activity in general and thus determine opportunities that a company may have to promote its business, will fall under which of the following categories?

**A** Macro environment              **B** Micro environment              **C** Economic environment  
**D** None of the above

**Q106.** The positive effects of liberalisation and globalization on business and industry are: **1 Mark**

**A** All round competition.              **B** World class technology.              **C** Both (a) and (b).  
**D** Neither (a) nor (b).

**Q107.** Besides money what are the other developmental goals **1 Mark**

**A** Power, Oil, Food, etc.              **B** Respect, Security, Pollution free environment, etc.  
**C** Luxuries, Shelters, Water, etc.              **D** None of these

**Q108.** \_\_\_\_\_ assists in planning and helps in policy formation: **1 Mark**

**A** Group dynamics.              **B** Business environment.              **C** Turn around management.  
**D** None of the above.

**Q109.** The government has decided to replace the MRTP Act by a new competition law on the **1 Mark**

recommendations of the \_\_\_\_\_.

**A** Raghavan Committee              **B** Sivaraman Committee              **C** Narasimhan Committee  
**D** Wanchoo Committee

**Q110.** A perspective plan is a \_\_\_\_\_ **1 Mark**

**A** Short-term plan              **B** Long-term plan              **C** Medium-term plan  
**D** Very-short-term plan

**Q111.** \_\_\_\_\_reduces the control of government and encourages private participation: **1 Mark**

**A** Liberalisation.              **B** Privatisation.              **C** Globalisation.              **D** None of these.

**Q112.** \_\_\_\_\_is concerned with the withdrawal of State from an industry or sector, partially or **1 Mark**

fully:

**A** Liberalisation.              **B** Modernisation.              **C** Privatisation.              **D** Globalisation.

**Q113.** Booking of railway tickets through internet from home is an example of: **1 Mark**

**A** Economic environment.              **B** Political environment.              **C** Technological environment.  
**D** None of these.

**Q114.** What is included in legal environment of business? **1 Mark**

**A** Several acts passed by government.              **B** Court judgements.  
**C** Statutory warning prescribed under law              **D** All of the above.

**Q115.** The Gold Deposit Scheme was announced in the budget of\_\_\_\_\_ **1 Mark**

**A** 1990-91              **B** 1995-96              **C** 1999-2000              **D** 2000-01

**Q116.** A perspective plan covers a period of \_\_\_\_\_ **1 Mark**

**A** 20 to 25 years              **B** Upto one year              **C** 1 to 5 years              **D** 1 to 7 years

**Q117.** Which of the following does not come under the dimensions of business environment? **1 Mark**

**A** Economic.                      **B** Social.                      **C** Legal                      **D** Emotional.

- Q118.** The Twenty point programme is a package of \_\_\_\_\_. **1 Mark**  
**A** Poverty alleviation and improvement in quality of life.  
**B** Rural development and agricultural development.  
**C** Agricultural and industrial development. **D** Land reform measures and rural development.
- Q119.** Reason(s) for Privatization \_\_\_\_\_. **1 Mark**  
**A** Revenue for Government                      **B** Increasing the role of Public Sector  
**C** Inefficiency of foreign sector **D** Inefficiency, indifference, irresponsibility and corruption
- Q120.** External environment of business can be divided into \_\_\_\_\_. **1 Mark**  
**A** Micro environment and macro environment  
**B** Economic environment and non-economic environment  
**C** General environment and partial environment                      **D** None of the above
- Q121.** The importance of business environment is: **1 Mark**  
**A** Identifying first mover advantage.                      **B** Improving in performances.  
**C** Coping with rapid changes.                      **D** All of these.
- Q122.** The actual economic liberalization process began during \_\_\_\_\_. **1 Mark**  
**A** 1970's                      **B** 1980's                      **C** 1990's                      **D** 1960's
- Q123.** The role of macro environment from the point of view of business may be \_\_\_\_\_. **1 Mark**  
**A** Positive                      **B** Negative                      **C** Both (A) and (B)                      **D** None of the above
- Q124.** Which term stands for opening the economy to the world by removing protective barriers against free flow of trade, technology and investment among countries? **1 Mark**  
**A** Liberalisation                      **B** Globalisation                      **C** Privatisation                      **D** None of the above
- Q125.** The key word that can be used to describe the basic environment problem that all societies face is \_\_\_\_\_. **1 Mark**  
**A** Selfishness                      **B** Greed                      **C** Inequality                      **D** Scarcity
- Q126.** Which of the following does not characterize the business environment? **1 Mark**  
**A** Uncertainty                      **B** Employees                      **C** Relativity                      **D** Complexity
- Q127.** According to New Industrial Policy, 1991 approval will be given for direct foreign Investment upto \_\_\_\_\_ of foreign equity in high priority industries. **1 Mark**  
**A** 51 per cent                      **B** 25 per cent                      **C** 32 per cent                      **D** 41 per cent
- Q128.** When we analyze the processes of change in the business environment we are conceptualizing it as \_\_\_\_\_. **1 Mark**  
**A** Complex                      **B** Static                      **C** Dynamic                      **D** Diverse
- Q129.** Government undertakings engaged in the production of the following would continue to be kept out of the purview of the MRTP Act, under NIP 1991. **1 Mark**  
**A** Defence equipment & specified minerals                      **B** Atomic energy and government mints  
**C** Railways                      **D** All of the above
- Q130.** "Nothing can be said with certainty about the factors of business environment". Why?. **1 Mark**  
**A** Because business environment is simple. **B** Because business environment is dynamic.  
**C** Because business environment is certain.  
**D** Because business environment is inter-related
- Q131.** General forces that affect business environment do not include \_\_\_\_\_. **1 Mark**  
**A** Investor                      **B** Social conditions                      **C** Customers                      **D** Suppliers

- Q132.** Relaxing the restrictions and control imposed on business and industry means \_\_\_\_\_. **1 Mark**  
**A** Liberalization      **B** Privatisation      **C** Globalisation      **D** None of these
- Q133.** External sector liberalisation means \_\_\_\_\_. **1 Mark**  
**A** Relaxing restrictions on international flow of goods, services, technology and capital.  
**B** Relaxing restrictions on internal flow of capital.      **C** Relaxing the role of market.  
**D** All the above.
- Q134.** The Wildlife (Protection) Act was adopted in \_\_\_\_\_. **1 Mark**  
**A** 1972      **B** 1973      **C** 1934      **D** 1935
- Q135.** A capitalist economy is characterized by \_\_\_\_\_. **1 Mark**  
**A** Economic liberty      **B** Social ownership of means of production.      **C** Central planning  
**D** Social welfare objective
- Q136.** The MRTP Act and NIP, 1991 was made applicable to \_\_\_\_\_. **1 Mark**  
**A** All undertakings      **B** Financial institutions  
**C** Trade unions and associations of workmen      **D** Both (A) and (B)
- Q137.** The first consumer movement started in England after the \_\_\_\_\_. **1 Mark**  
**A** First world war      **B** Second world war      **C** Cold war      **D** None of these
- Q138.** WTO helped in \_\_\_\_\_. **1 Mark**  
**A** Privatization      **B** Reducing the barriers to trade  
**C** Helped in providing political stability for companies who are doing international business.  
**D** All of the above
- Q139.** In the past two decades, globalisation has seen rapid movements in \_\_\_\_\_. **1 Mark**  
**A** Goods, Services and People between Countries  
**B** Goods, Services and Investments between countries  
**C** Goods, Investments and People between countries      **D** None of the above
- Q140.** What is Globalisation? **1 Mark**  
**A** Process of rapid integration between countries.  
**B** Process of rapid integration of various states of a country.  
**C** Rapid integration of people of various countries only.  
**D** Integration of technologies of different countries only.
- Q141.** Business environment is multifaceted as \_\_\_\_\_. **1 Mark**  
**A** It is an opportunity for some but a threat for others.      **B** It has multiple work to do.  
**C** There are 40 many businesses.      **D** None of the above.
- Q142.** The period of Tenth Five Year Plan is \_\_\_\_\_. **1 Mark**  
**A** 1997-2002      **B** 2000-2005      **C** 2002-2007      **D** 2003-2008
- Q143.** "Trends refer to changes and inclination towards new products and services". This statement describes significant effect of which environment on business? **1 Mark**  
**A** Economic environment.      **B** Social environment.      **C** Political environment.  
**D** None of the above.
- Q144.** Demand for reservation in jobs for minorities refers to the \_\_\_\_\_ component of general environment of business: **1 Mark**  
**A** Social environment.      **B** Legal environment.      **C** Political environment.  
**D** None of these.
- Q145.** The 20-point programme was restructured in \_\_\_\_\_. **1 Mark**

- A** 1978 and 1979      **B** 1982 and 1986      **C** 1980 and 1985      **D** 1990 and 1993
- Q146.** On which date PM Modi announced demonetisation? **1 Mark**  
**A** 13<sup>th</sup> November, 2016.      **B** 8<sup>th</sup> November, 2016.      **C** 18<sup>th</sup> November, 2016.  
**D** 8<sup>th</sup> October, 2016.
- Q147.** Privatisation is a \_\_\_\_\_. **1 Mark**  
**A** Global phenomenon      **B** Internal phenomenon      **C** New phenomenon  
**D** Traditional phenomenon
- Q148.** Which of the following is an example of social environment? **1 Mark**  
**A** Money supply in the economy      **B** Consumer Protection Act  
**C** The Constitution of the country      **D** Composition of family.
- Q149.** Globalisation refers to: **1 Mark**  
**A** Different economic reforms.  
**B** The process of rapid integration of interconnection between countries.  
**C** The process of allowing private sectors to set up more industries.  
**D** The process of removing trade barriers by government.
- Q150.** The Present Industrial Policy in India was introduced on \_\_\_\_\_. **1 Mark**  
**A** 6th April, 1985      **B** 6th June, 1990      **C** 24th July, 1991      **D** 24 May, 1995
- Q151.** Which of the following statements regarding privatisation is correct? **1 Mark**  
**A** Privatisation is panacea for all economic problems.  
**B** Privatisation always leads to attaining social and economic efficiency.  
**C** Privatisation may result in unbalanced development of industries in the country.  
**D** None of the above.
- Q152.** The First Five Year Plan model was based on \_\_\_\_\_. **1 Mark**  
**A** Harrod Domar Model      **B** Fel'dman Model      **C** Consistency Model  
**D** Mahalanobis model
- Q153.** Industrial licensing is confined to \_\_\_\_\_. **1 Mark**  
**A** 5 industries      **B** 8 industries      **C** 10 industries      **D** 15 industries
- Q154.** Long-term 5 year fiscal policy was first announced in the year \_\_\_\_\_. **1 Mark**  
**A** 1985      **B** 1986      **C** 1987      **D** 1988
- Q155.** Which of the following is not a challenge faced by business due to LPG policy changes? **1 Mark**  
**A** Increasing competition.      **B** Rapid changes in technological environment.  
**C** Lesser need for developing human resources.      **D** None of the above.
- Q156.** Liberalization means \_\_\_\_\_. **1 Mark**  
**A** Integrating among Economies      **B** Reduced Government Controls and Restrictions  
**C** Policy of Planned Disinvestments      **D** None of the Above
- Q157.** An economy is truly global, where there is: **1 Mark**  
**A** Freedom in taking decisions regarding expansion and contraction of business.  
**B** Free flow of goods and services across the nations.      **C** Disinvestment of public sector.  
**D** Reduction in tax rate.
- Q158.** The 20 point programme was announced in the year \_\_\_\_\_. **1 Mark**  
**A** 1975      **B** 1972      **C** 1969      **D** 1976
- Q159.** Which of the following makes the internal environment of business? **1 Mark**  
**A** Value system, goals and objectives and management structure.      **B** Physical assets

**C** Financial and Marketing resources.

**D** All the above

**Q160.** Economic and industrial liberalization was announced in the \_\_\_\_\_.

**1 Mark**

**A** Industrial policy resolution, 1948

**B** Industrial policy resolution, 1956

**C** Industrial policy statement, 1977

**D** Industrial policy, 1991

**Q161.** The term industrial policy refers to\_\_\_\_\_.

**1 Mark**

**A**

The Government's policy towards industries their establishment, functioning, growth and management.

**B** The Government's policy towards industrialization of a country.

**C** Government policy of industry.

**D** Government control on industry.

**Q162.** Which dimension of business environment requires putting a statutory warning on the packets of tobacco products?

**1 Mark**

**A** Technological environment.

**B** Economic environment.

**C** Legal environment.

**D** All of the above.

**Q163.** Important feature of 1991 Industrial policy is \_\_\_\_\_.

**1 Mark**

**A** Industrial licensing

**B** Liberalisation in licensing

**C** Compulsory licensing

**D** Reducing the investment limit of small scale units