

Question bank (150) question

BBA SEM VI

Sub : Business Environment

1. A company is affected by two broad set of factors are _____
 - A. Local and regional
 - B. Regional and national
 - C. Internal and external
 - D. Financial and non-financial
2. _____ is a statement which derives the role that an organization plays in a society
 - A. Goals
 - B. Mission
 - C. Objective
 - D. Success
3. Economic environment refers to all forces which have a _____ impact on business
 - A. Political
 - B. Natural
 - C. Economic
 - D. Social
4. The _____ of the government covers all those principles ,policies,rules and procedures and control the industrial enterprise of the economy.
 - A. Industrial
 - B. Fiscal
 - C. Monetary
 - D. Macro
5. _____ environment is beyond the control of the business
 - A. Internal
 - B. External
 - C. Micro
 - D. Macro
6. Micro environment is also called as _____
 - A. General environment
 - B. Operating environment

C. Economic environment

D. Political environment

7. _____ environment can be defined as that part of the environment that is concerned with the entire social system.

A. General environment

B. Operating environment

C. Social environment

D. Political environment

8. _____ economy is not owned or managed by the government but owned by private individuals.

A. Social

B. Capitalist

C. Mixed

D. Macro

9. _____ environment sets the basis for developmental activity of the business system.

A. Financial environment

B. Technology environment

C. Global environment

D. Macro environment

10. _____ audit implies a report on the social performance of business unit.

A. Global

B. Local

C. Natural

D. Social

11. External factors affecting a business environment also be referred to ____factors

A. Controllable

B. Uncontrollable factors

C. Relevant

D. Global

12. Study of human population is called as _____ environment

A. Political

B. Social

C. Demographic

D. Economic

13. Which is not the part of compositional characteristics of population?

- A. Size and growth
- B. Power
- C. Density
- D. Literacy rate

14. Which is the one not included in national culture

- A. Language
- B. Internet
- C. Belief
- D. Attitude

15. Culture spreads from one place to another and such transmission is called as_____

- A. Difference
- B. Reputation
- C. Adoption
- D. Heritage

16. Which of the following migration of population does not change the size of the population?

- A. External migration
- B. Internal migration
- C. International migration
- D. National migration.

17. What is the main occupation of kshatriyas

- A. Engaged in cleaning
- B. Engaged in trade
- C. Engaged in army work
- D. None of the above

18. A systematic application of scientific knowledge to practical task is known as_

- A. Technology
- B. Culture
- C. Demographic
- D. Legal

19. Characteristic of population: calculation of sex ratio (Gender) means

- A. Number of females per thousand male
- B. Number of males per hundred female

- C. Number of females per hundred male
 - D. Number of females per thousand male
20. As per Malthu's theory growth of population is increase
- A. Geometrically
 - B. Arithmetically
 - C. Progressively.
 - D. Drastically
21. Corporate values are the _____ of the corporate sector
- A. Shared values
 - B. Moral beliefs
 - C. Customer satisfaction
 - D. Goodwill
22. The economic system in which business units or factors of production are privately owned and governed is called as _____
- A. Capitalism
 - B. Socialism
 - C. Democratic
 - D. Republic
23. Under ____ economic system, all the economic activities of the country are controlled and regulated by the government in the interest of the Public
- A. Capitalism
 - B. Socialism
 - C. Democratic
 - D. Republic
24. The economic system in which both public and private sectors co-exist is known as _____ economy
- A. Capitalism
 - B. Socialism
 - C. Democratic
 - D. Mixed
25. Policy regarding population is termed/called as
- A. Indian Population policy
 - B. National population policy
 - C. Demographic population policy.

D. Population policy.

26. Fiscal policy refers to the policy of government regarding taxation, public expenditure and____

A. Public debt

B. Budgets

C. Policies

D. Deposits

27. ----- is the process of analyzing the environment for the identification of the factors which have implication for the business.

A. Scanning

B. Assessment

C. Evaluation

D. Information

28. Fiscal policy is called as _____policy

A. Monetary

B. Budgetary

C. Industrial

D. Economic

29. One concept of culture determines the _____ of people

A. Experience

B. Ethos

C. Education

D. Wealth

30. Self fulfillment and immediate gratification are _____ cultural values

A. Decreases

B. Rises

C. Diminishes

D. Corporate

31. Which condition population remain stable

I. High birthrate and high death rate

II. Low birthrate and high death rate

III. High birthrate and low death rate

IV. Low birthrate and low death rate

A. I & III

B. I & IV

C. II & III

D. All of the above

32. ----- is a very important factor that provides competitive advantage

A. Innovation

B. Modulation

C. Dimension

D. Variation

33. Which can be a method of privatization

A. Denationalization

B. Purchasing shares

C. Takeover

D. Merger

34. In india liberalization and privatization began from__

A. 1991

B. 1971

C. 1981

D. 1947

35. Industrial policy of 1948 aimed at _____

A. Industrialization

B. Growth of agriculture

C. Development of infrastructure

D. Development of service sector

36. The aim of the private sector is to maximize _____

A. Loss

B. Profit

C. Import

D. Export

37. Business are raising/generate fund through

A. Capital market

B. Money market

C. Both

D. None of the above

38. _____ means the proportion of a nation population living in urban areas.

- A. Privatization
- B. Globalization
- C. Urbanization
- D. Liberalization

39. _____ change is a potent force for the reconfiguration of industrial boundaries

- A. Technological
- B. Economical
- C. Organizational
- D. Environmental

40. What was the period of the 12th five-year plan of India?

- A. 2007 to 2012
- B. 2012 to 2017
- C. 2017 to 2022
- D. 2010 to 2015

41. Corporate contribution to political parties are now been _____ in our country

- A. Legalized
- B. Customized
- C. Introduced
- D. Authorized

42. Currently _____ is implemented by government in place of Five year plan.

- A. Make in India
- B. NITI aayog
- C. Skill India
- D. PM aayog

43. The _____ is an introduction to the constitution and contains its basic philosophy.

- A. Preamble
- B. Society
- C. Process
- D. Service

44. The term fraternity implies the spirit of _____

- A. Brotherhood
- B. Judiciary
- C. Justice

D. Value

45. _____ signifies the absence of any arbitrary restraint on the freedom of individual action and creations for the development of personality of The individual.

A. Fraternity

B. Liberty

C. Secularism

D. Socialism

46. Secularism is understood to mean according equal encouragement to all _____

A. Country

B. Ethics

C. Values

D. Religion

47. _____ state can have an elected or hereditary head

A. Democratic

B. Autocratic

C. Socialized

D. Republic

48. _____ is a systematic application of scientific or other organized knowledge to practical task.

A. Technology

B. Society

C. Demography

D. Responsibility

49. The era of deregulation liberalization begin in _

A. 1950 - 51

B. 1980-81

C. 1991-92

D. 1960-61

50. Identification of companies technological assets that may provide _____ in new businesses

A. Opportunities

B. Development

C. Failure

D. Authority

51. Which one of the following is a part of economic environment?
- A. Public debt
 - B. Lifestyle of people
 - C. Technological changes
 - D. Level of education
52. Proper understanding of business environment is not a prerequisite for
- A. Tapping of useful resources.
 - B. Identification of opportunities and threats.
 - C. Formulation of strategies.
 - D. Better coordination of employee efforts.
53. Legal rules and regulations relevant to business are included in ____ environment of business.
- A. Legal
 - B. Political
 - C. Economic
 - D. Technological
54. India is good example for _____ economy
- A. Socialist
 - B. Mixed
 - C. Capitalist
 - D. Communist
55. _____ are a primary mechanism for motivating business activities
- A. Social relationship
 - B. Profit
 - C. Customers
 - D. Assets
56. According to whom, business environment is defined as total of all things external to firms and industries which effect their organization and Operations
- A. Arthur.m.welmer
 - B. John wick
 - C. Bayord.o.wheeler
 - D. Mathew smith
57. Business includes ____
- A. Non-economic activities

B. Economic activities

C. Social activities

D. Production activities

58. _____ Is vast and fascinating subject for business

A. Technology

B. Profit making

C. Change

D. People

59. What is the single word that can best describe todays business

A. Technology

B. Profit making

C. Change

D. People

60. _____ involves freedom of doing business.

A. Globalization

B. Privatization

C. Liberalization

D. None of the Above

61. Which of the following modern business is dynamic

A. Mass production

B. Mass marketing

C. Mass sales

D. Mass purchase

62. Which of the following is not an economic activity

A. A doctor practicing

B. A lawyer practicing law

C. A professional cricketer playing cricket

D. A student playing cricket

63. A valid definition of a business purpose is to ___

A. Create a customer

B. Maximize profits

C. Serve the society

D. Increase the wealth in the firm

64. The Constitution declares India to be a sovereign, socialist, secular, democratic republic, assuring its citizens of justice, equality, and liberty, and endeavours to promote fraternity among them. The words "socialist" and "secular" were added to the definition in year:

- A. 1956
- B. 1976
- C. 1970
- D. 1952

65. Which of the following is not a fundamental right in the Constitution of India?

- A. Right to work
- B. Right to Equality
- C. Right to Education
- D. Right against exploitation

66. _____ environment is very significantly influenced by the world trade organization principles and agreements.

- A. Economic
- B. Global
- C. Legal
- D. Political

67. Fundamental Rights have no value without....

- A. Right to Freedom
- B. Right to Freedom of Religion
- C. Right to Constitutional Remedies
- D. Right to Property

68. _____ feature of business environment states that various factors of business environment affect each other.

- A. Pervasive
- B. Continuous
- C. Dynamic
- D. Interrelatedness

69. Competition is beneficial to the competing firms besides benefiting the ____

- A. Producers
- B. Intermediaries
- C. Finances

D. Consumers

70. _____ is a short-term unsecured promissory note issued by reputed business organisations at a price lower than its face value and redeemable at par.

A. Treasury bill

B. Commercial paper

C. Certificate of deposit

D. Promissory note

71. _____ is a source of financing to meet very short-term fund requirements of commercial banks with a provision of renewal.

A. Treasury Bill

B. Commercial Paper

C. Certificate of Deposit

D. Call Money

72. _____ is the market which helps existing investors to sell their securities.

A. Primary market

B. Secondary market

C. Capital market

D. Commodity market

73. _____ is the institution which provides a platform for trading of existing securities having long-term maturity.

A. SEBI

B. WTO

C. Stock exchange

D. RBI

74. _____ is the primary motive for a business enterprise

A. Profit

B. Maximize customers

C. Human objective

D. Maximize suppliers

75. The following statement with respect to culture is false

A. Culture is enduring

B. Culture is changing

C. Culture is evolved among the members of a society

D. Culture is determined by national boundaries

76. _____ is the business through which new ideas and innovations are given a sharp and are converted into useful products and services

- A. Market leadership
- B. Challenge
- C. Joy of creation
- D. Growth

77. _____ is the integration of world economy into a single market through removal of trade barriers between countries.

- A. Privatisation
- B. Liberalisation
- C. Globalisation
- D. Both (a) and (b)

78. 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

79. The short term financial instruments traded in money market is commonly called

- A. Bonds
- B. Shares
- C. Notes
- D. Commercial Papers

80. Macro environment is also known as _____

- A. Direct environment
- B. Indirect environment
- C. Competitive environment
- D. Social environment

81. _____ micro environment is also known as direct environment

- A. Economic
- B. Political & legal
- C. Competitors
- D. Suppliers

82. State directive principles are

- A. Suggestion to direction

- B. Instruments of instruction
 - C. Principles of instruction
 - D. Responsibility to state principles
83. The macro environment consists of ____
- A. Economic political & legal
 - B. Consumer competitors
 - C. Public
 - D. Middlemen
84. What does micro environment consists of ____
- A. Economic
 - B. Political & legal
 - C. Consumers competitors
 - D. Demographic
85. Who is responsible for presenting the Union Budget before the Parliament?
- A. Prime Minister
 - B. RBI Governor
 - C. Finance Minister
 - D. None of the above
86. _____ refers to all forces which have an economic impact
- A. Technological environment
 - B. Political environment
 - C. Economic environment
 - D. Social environment
87. Political environments refers to the influence excreted by the _____ political institutions
- A. 2
 - B. 3
 - C. 4
 - D. 5
88. What are the bodies which political environment consists of
- A. Middlemen
 - B. Suppliers
 - C. Customer
 - D. Legislature executive & judiciary
89. _____ decides on a particular course of action

A. Legislature

B. Executive

C. Judiciary

D. Public

90. _____ is also called government which implements whatever is decided by the parliament

A. Legislature

B. Executive

C. Judiciary

D. Public

91. _____ plays the watch dog in order to ensure that both function in public interest and within the boundaries of constitution

A. Legislature

B. Executive

C. Judiciary

D. Public

92. Headquarters of World Trade Organization at

A. Geneva

B. Japan

C. South Korea

D. Russia

93. Globalization does not involve.

A. Reduction of barrier

B. Free flow of goods and services.

C. Global mechanism for settlement of Economic disputes.

D. Free flow of Capital

94. _____ should facilitate & enhance strategies thinking in organization

A. Strategic management

B. Environmental analysis

C. Business environment

D. Business analysis

95. The environment analysis that provides inputs for strategies decision making is _

A. Strategic management

B. Environmental analysis

C. Business environment

D. Business analysis

96. The first MNC came to India in ____

A. 1920

B. 1921

C. 1919

D. 1923

97. An effective crisis management plan will ____

A. Minimize the seriousness of the problem

B. Exaggerate minor incident

C. Use the internet to convey the public affairs message

D. Immediately apologize to the public and accept any liability

98. Economic growth can be measured by _____

A. The cpi

B. The cbi

C. Gdp

D. Mpc

99. What was the predecessor of WTO?

A. GAAT

B. IMF

C. ADB

D. UNCTAD

100. A multi-national corporation (MNC) is defined by

A. Carrying out production in more than one country.

B. Having sales in more than one country.

C. Having a multi-ethnic workforce .

D. Having suppliers in more than one country.

101. When was the first Five year Plan?

A. 1950.

B. 1951.

C. 1952.

D. 1953.

102. _____ identifies the early signals of possible environment changes

A. Scanning

- B. Monitoring
- C. Forecasting
- D. Assessing

103 The environmental factor that includes peoples attitude to family, religion etc is

- A. Cultural.
- B. Economic.
- C. Socio- cultural.
- D. Political.

104. _____ is concerned with developing projection of direction, scope, speed & intensity of environmental change

- A. Scanning
- B. Monitoring
- C. Forecasting
- D. Assessing

105. For the society, religion has no influence on.

- A. Holidays
- B. Language
- C. Role of women
- D. Marketing Practices

106. Social Stratification is done on the basis of

- A. Income level
- B. Caste
- C. Education
- D. All of the Above

107. The following factors are key drivers of globalisation

- A. Government action, exchange rates, competition and sociodemographic factors.
- B. Market convergence, competition, exchange rates and cost advantages.
- C. Cost advantages, government action, economic cycles and competition.
- D. Market, cost, competition and government policies.

108. Export control refers to restrictions on

- A. Domestic firms from engaging in exports.
- B. Items that can be exported from the country.
- C. Foreign countries exporting to the country.
- D. Domestic firms engaging in trade with nation.

109. Which of the following is not an essential feature of social environment?

- A. Competitiveness
- B. Respect for the individual
- C. Better quality of life
- D. Bailment

110. Technological environment consist of

- A. Proves cause and effect relationship
- B. Creation of Knowledge and its application
- C. Finding facts and maintenance
- D. Management of technology

111. _____environment refers to all economic factors which have a bearing on the functioning of a business

- A. Economic
- B. Technological
- C. Natural
- D. Social

112. Free trade is based on the principle of ____

- A. Comparative advantage
- B. Comparative scale
- C. Economies of advantage
- D. Production possibility advantage

113. Establishment Year of International Monetary Fund.

- A. 1945
- B. 1935
- C. 1845
- D. 2005

114. The second five year plan was given during 1956 regarding _

- A. Legal planning
- B. Soviet planning
- C. Government planning
- D. Agricultural planning

115. The operating risk in the host country does not include the risk of

- A. Change in government policies.
- B. Exchange control.

C. Price controls.

D. Sanctions.

116. The legal system in India is based on

A. Common law.

B. Civil law.

C. Theocratic law.

D. Hindu law.

117. The objectives of import duty is/are

A. To raise income for the government.

B. To restrict imports.

C. To encourage exports.

D. To raise income and restrict imports.

118. The following is not a feature of globalisation

A. Similar strategies are adopted by a firm in all markets.

B. Only multinational firms engage in international business.

C. The convergence of ideas and culture.

D. Obliteration of national boundaries.

119. WTO aims at:

A. Establishing rules for domestic trade

B. Restricting trade practices

C. Liberalising international trade

D. None of these

120. Which of the following is not a business opportunity generated by Globalisation ?

A. Access to low cost labour

B. Cheap International Transport

C. Currency Crisis

D. Less stringent regulations of the Business Environment

121. World Bank has cleared a loan to aid which Indian mission?

A. Start up India

B. Stand up India

C. Skill India

D. None of the above

122. Which of the following institutions cannot be included in the international financial and monetary system?

- A. World Bank
- B. WTO
- C. Bank for International Settlements
- D. IMF

123. Goals of World bank includes

- A. Promotion of foreign investment
- B. Promotion of international trade
- C. Facilitation of capital investment
- D. All of the Above

124. Which is not the member of World bank Group

- A. International monetary fund
- B. International finance corporation
- C. International development Association
- D. International bank for development and reconstruction

125. The World Bank is a recognized member of

- A. United Nations Development Council
- B. United Nations Development Group
- C. United Nations Security Council
- D. United Nations General Assembly

126. One of the long term objectives of the five year plan is reducing inequalities of ____ wealth and income

- A. Increased
- B. Decreased
- C. Medium
- D. Low level

127. 'World Bank' was founded in

- A. October, 1948
- B. April, 1949
- C. July, 1944
- D. May, 1945

128. Population is a component of the _____environment

- A. Demographic
- B. Social
- C. Natural

D. Technology

129. Which plan gives priority for family planning

A. State policy

B. Judicial policy

C. Industrial

D. Energy

130. Governments policy towards industries is called as _____

A. Economic policy

B. Industrial policy

C. Monetary policy

D. Work policy

131. Industrial policy was set up in the year ____

A. 1955

B. 1956

C. 1957

D. 1958

132. _____ technology saves time.

A. Capital intensive technology

B. Labor intensive technology

C. Both

D. None of the above

133. _____ technology helps to gain more profit.

A. Capital intensive technology

B. Labor intensive technology

C. Both

D. Cant say

134. _____ technology having less chance of Error.

A. Capital intensive technology

B. Labor intensive technology

C. Both

D. Cant say

135. _____ technology require more human efforts.

A. Capital intensive technology

B. Labor intensive technology

C. Both

D. Cant say

136. Strata means....

A. Group of same kind of people

B. Group of different kind of people

C. Both

D. Cant say

137. In some circles a multinational corporations is referred to _____

A. Multinational collaboration

B. Multinational entity

C. Multinational enterprises

D. Multinational development

138. IMF stands

A. International money force

B. International monetary fund

C. Indian money fund

D. International multinational foreign

139. Multinational corporations is also referred to _____

A. Multinational collaboration

B. Multinational entity

C. Transnational corporation

D. Multinational development

140. FERA is foreign exchange regulation act for _____

A. Industries

B. Small scale

C. Labor

D. Owner

141. "Gujarat is dry state" - what can we conclude from statement.

A. Taboo

B. Social stratification

C. Taste and preference

D. None of the Above

142. Gdp is _____

A. Gross domestic product

- B. Gross domestic percentage
- C. Gross domestic personnel
- D. Gross domestic public

143. Psu is ____

- A. Private sector unit
- B. Private serious unit
- C. Private steel unit
- D. Private scale unit

144. What is the main role of the World Bank?

- A. To be a forum for trade and liberalization.
- B. To facilitate private investment around the world.
- C. To assist countries in development.
- D. All of the options given are correct.

145. Who gave a practical shape to privatization

- A. Margrat thatcher
- B. Louis peter
- C. Williams
- D. Fayol

146. Which one of the following is not a function of financial market?

- A. Mobilisation of savings
- B. Price determination of securities
- C. Floating of companies
- D. Lowering transaction cost

147. Which one of the following is a money market instrument?

- A. Unit of mutual fund
- B. Debenture
- C. Bond
- D. Treasury bill

148. Primary and secondary markets develop simultaneously because they

- A. Complement each other.
- B. Compete with each other.
- C. Control each other.
- D. Function independently.

149. Secondary market is in the form of

- A. Stock exchange.
- B. Money market.
- C. New issue market.
- D. Commercial exchange.

150. SEBI is a regulator of

- A. Capital market.
- B. Money market.
- C. Commodity market.
- D. Overseas market.

ANSWER KEY

1	C	31	B	61	A	91	C	121	C
2	B	32	A	62	D	92	A	122	C
3	C	33	A	63	A	93	A	123	D
4	A	34	A	64	B	94	B	124	A
5	B	35	A	65	A	95	A	125	B
6	B	36	B	66	B	96	B	126	A
7	C	37	C	67	C	97	A	127	C
8	B	38	C	68	D	98	C	128	A
9	A	39	A	69	D	99	D	129	A
10	D	40	B	70	B	100	A	130	B
11	B	41	B	71	D	101	B	131	B
12	C	42	B	72	B	102	A	132	A
13	B	43	A	73	C	103	C	133	D
14	B	44	A	74	A	104	B	134	A
15	A	45	B	75	D	105	B	135	B
16	B	46	D	76	C	106	D	136	A
17	C	47	A	77	B	107	D	137	C
18	A	48	A	78	B	108	B	138	B
19	A	49	A	79	D	109	D	139	C
20	A	50	A	80	B	110	B	140	A
21	B	51	A	81	A	111	A	141	A
22	A	52	C	82	B	112	A	142	A
23	B	53	A	83	A	113	A	143	A
24	D	54	B	84	C	114	A	144	C
25	B	55	A	85	D	115	D	145	A
26	B	56	A	86	C	116	D	146	C
27	A	57	B	87	B	117	D	147	D
28	B	58	A	88	D	118	A	148	A
29	B	59	C	89	A	119	C	149	A
30	B	60	C	90	B	120	C	150	A