

MANAGEMENT PROGRAMME**Term-End Examination****June, 2007****MS-3 : ECONOMIC AND SOCIAL
ENVIRONMENT**

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

Note : There are two Sections A and B. Attempt any **three** questions from Section A, carrying 20 marks each. Section B is **compulsory** and carries 40 marks.

SECTION A

1. (a) What is Environmental Movement ?
(b) Discuss in detail the policy measures taken by the Government and the efforts made by business firms for promotion and protection of the natural environment. Give examples.
2. What is the rationale for private sector development ? Critically examine the problems and prospects of privatisation.

3. What are the long term objectives of planning ? How far have the strategies adopted helped to achieve growth, employment, and equity ?

4. (a) Discuss the merits and demerits of currency convertibility for a developing economy.
(b) Discuss the incentives given by the Government to Exporters as a part of EXIM Policy.

5. (a) Briefly discuss the significance and need for financial reforms.
(b) What reforms have taken place in the Small Scale Sector ? Discuss with examples.

SECTION B

6. Write short notes :
- Constituents of Balance of Payments Account of India.
 - Public Sector Policy of Government of India.
7. Read the case study carefully and answer the question that follow :

Case Study

Finolex's Focus on Exports

Pune-based Finolex is the market leader in the Indian cable industry providing a range of products. The main activity of the company is to manufacture and market cables that are used in wide range of electrical and telecommunication applications. With more competitors entered into the market, Finolex Cables had a difficult year in 2002 - 03 with sales turnover of Rs. 433.92 crore and profit after tax of Rs. 24.71 crore being lower than its previous year's figures of Rs. 555.96 crore and Rs. 65.94 crore, respectively. The company suffered a major setback from dwindling demand for its jelly-filled telephone cables (JFTC). As a result, production of communication cables was 3,154 TCKM (Thousand Crore Kilometres) against production of 6,674 TCKM in

2001 – 02. The sales were lower primarily due to substantial reduction in the procurement quantity of JFTC by its major customer, Bharat Sanchar Nigam Limited (BSNL).

The top management of the company was earlier happy with the sales in the domestic territory. The company carried out international market research and came to know about the opportunities for sales in overseas markets because most of the countries had opened up their economies and liberalised imports. To overcome domestic stagnation in demand for JFTC, they started exporting this product into foreign countries. The product has been according higher attention in the international markets in the recent years. During 2003 – 04, total foreign exchange earnings showed a quantum jump to Rs. 87.38 crore from Rs. 47.31 crore in the previous year.

Question

Discuss the reasons for formulating export business plan by Finolex Cables.