**Sreenidhi Institute of Science & Technology**

A14

**(An Autonomous Institution**)

**Code No: 4Z106**

**MBA I - YEAR I - SEM, February, 2015 (Regular)**

**LEGAL AND ECONOMIC ENVIRONMENT OF BUSINESS**

**Time: 3 Hours Max. Marks: 60**

**Note: No additional answer sheets will be provided.**

**Part – A**

**10x1= 10 Marks**

**Answer all the QUESTIONS**

**Answer the following:**

1. Social Contract
2. Director of a Company
3. Guarantee Vs. Warranty
4. Monetary Policy
5. VAT
6. Balance of Payment
7. GATS
8. EXIM
9. TRIMS
10. Void Contract

**Part – B**

**5x10= 50 Marks**

**ANSWER ANY FIVE. ALL QUESTIONS CARRY EQUAL MARKS.**

1. a) Explain the essential elements of valid contract.

b) What is indemnity & Guarantee?

1. How the directions of a company are appointed as per the Companies Act 1956 and explain

their powers and duties?

1. What is “Bill of exchange”? Explain its characteristics and its differentiation from promissory note?
2. a) Differentiate between Fiscal policy and Monetary Policy.

b) How does industrial policy of 1991 differs from earlier policy?

1. Explain about Balance of payment and mention the causes & corrective measures of disequilibrium of balance of payments.
2. Describe the structure of WTO and explain about disputes settlement mechanism of WTO.
3. Answer the following:

a) Trade Blocks.

b) FDI in India.

c) Winding –up of a company.

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