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Roll No.

MB-106

**M. B. A. (FIRST SEMESTER)
MID SEMESTER
EXAMINATION, Nov., 2022
BUSINESS ENVIRONMENT**

Time : 1½ Hours

Maximum Marks : 50

- Note :** (i) This question paper contains two Sections—Section A and Section B.
(ii) Both Sections are compulsory.
(iii) Answer any *two* sub-questions among (a), (b) and (c) in each main question of Section A.
(iv) Each question carries 10 marks.
(v) Section B consisting of case study is compulsory. Section B is of 20 marks.

Section-A 2×5=10

1. (a) Discuss the macro environmental factors affecting business decisions. (CO1)

P. T. O.

- (b) "Environmental scanning is a technique to assess the potential and risk involved in current business environment with respect to uncertainty in business environment."

Discuss and comment. (CO1)

- (c) The market is flooded with better quality toys of foreign origin. The result is fall in revenue of the indigenous or local companies as their products are much inferior and are also costlier in less demand in the market.

Which dimension of Business Environment can be seen here affecting the local companies' revenue? (CO1)

2. (a) Identify the various dimensions of business environment : (CO3)

(i) With the election of a new government the Sensex drops by 748 points.

(ii) A particular channel refrains from showing the advertisement of a particular product as it is banned by the government.

- (iii) A software is in high demand among the industrial buyers as it can connect all the branches of a company as a single integrated unit.

(iv) At the time of Holi a large number of manufacturing firms get involved in making colors which are used in the celebration of this colorful festival.

(v) It is not advisable to open a luxury car showroom in the middle of an economy where per capita income is very low.

- (b) Sketch out the structure of financial system in India explaining the importance of different financial institutions in the operations of capital financial market.

(CO1)

(c) Define the role of small scale industry in India. (CO1)

3. (a) Illustrate the concept of stakeholders in business ? State the role of business towards the different stakeholders. (CO2)
- (b) Write the reforms initiated in India to make the Make in India program a success. (CO2)
- (c) Why corporate social responsibility is a need of an hour ? Explain the provision of corporate social responsibility mentioned in Companies Act 2013. (CO2)

Section-B

4. **Case Study :** (20 Marks) (CO2)
- ‘On Your Marks’ is a good shoe manufacturing company. The company is the first to start a shoe having a unique technology giving it a long life. However the company knows that it exists in an environment where everything around it counts; so everything around it matters. Therefore, it is trying to observe every small aspect of the business environment. There are various factors which are closely

related to each other and can't be understood in isolation like change in lifestyle which can be linked to the improved demand of technologically advanced shoes. However, the company can't be self satisfied. It will have to adjust to rapidly changing technology, fragmentation of market, changing brand loyalties, etc. It has got good man power and a very well established production department. It knows that various resources in the form of inputs have to be transformed into the best products and sold for increasing its revenue. However, there are various challenges which the company is facing. These are in the form of protests done by labour unions throughout the country which sometimes assume the form of strikes. The board of directors is keen to adapt to this difficult situation. Government is playing a very positive role, like it did a few years back, and is freeing the business

environment from unnecessary restrictions and government controls. The company is hopeful of emerging as a winner under such government support.

Questions :

- (i) Examine which features of business environment are highlighted in the above case. (CO4)
- (ii) Examine the importance of business environment highlighted in the above case. (CO4)
- (iii) Summarize which dimension of business environment is highlighted above. (CO5)
- (iv) Summarize which economic reform is discussed in the last part of the case. (CO5)