

**CASE STUDIES- BUSINESS ENVIRONMENT (CHAPTER-3)**

Q1.To upgrade and adopt technology which is more advanced as compared to existing technology, the business houses and production units were allowed to import capital goods from advanced countries. This helped in increasing the per-acreage cultivation across the country. Farmers and producers of other products were allowed to exchange the technological upgradation.

Which economic reform is discussed in the above lines? Explain. (3 Marks)

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Q2. The Government is considering a pioneer proposal to launch a single debit-cum credit card to increase the ease and usage for the consumers. The card which will be called the “National Mobility Card” will have unique advantages for making payments in metro, buses, parking and making transactions during visits abroad. After hearing this news, Mega Bank decided to launch a “Mega Mobility Card” on similar lines , so that they could be the first to exploit the opportunity, arising due to the increasing trend of digitization. In order to improve their performance, they laid down a plan to hire more people in their marketing department and prepared guidelines to train their sales force to market the new card facility being launched by the bank. By quoting the lines, identify and explain any two points of importance of understanding Business Environment discussed above. (4 Marks)

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Q3. In a note to the Parliament's Committee of Finance headed by an opposition leader, the RBI said that The Government on 7th November, 2016 advised the RBI to mitigate the triple problems of counterfeiting, terrorist financing and black money, The Central Board of the Reserve Bank might consider withdrawal of the legal tender status of the notes in high denominations of Rs.500 and Rs. 1,000.

Identify and explain the dimensions of Business Environment that affected the working of business during that period. Also, state any two features of Demonetisation done for the aforesaid period. (4 Marks)

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Q4. The Government is working on a scheme to promote energy efficient homes by offering cheaper loans, lower registration fees and extend the incentive to make existing residential properties more efficient through retrofitting. Identify and explain the dimensions of Business Environment highlighted in the above lines. (4 Marks)

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Q5. Tech giant Samsung has been widely promoting its world's first portable smart phone, while rivals such as Huawei had been racing to bring similar devices to the market. This kind of technological upgradation by Samsung shall bring a lot of competition for other mobile companies. Other mobile companies, such as Apple ,MI need to predict such future happenings much in advance to face competition. The Chinese rivals are the strong competitors. Samsung said that after months of refining

the Galaxy fold which is ready for use on high speed 5G networks in the same markets, it will release the smart phone in South Korea, followed by select countries including US, Germany, France as the political conditions are different in US, Germany, China and Pakistan. The political conditions and legal conditions have a great impact on these MNCs. Identify the features of Business Environment highlighted in the above case. (4 Marks)

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Q6. Necessity is the mother of invention. Malika Sadani and her husband Mohit had two daughters who struggled with skin allergies and asthma. After realising the dearth of natural, safe and effective products for babies in India, Malika, a banker with degrees in Engineering and Business Management, instead of importing products decided to make them locally and that is how MOM's CO was born. All products like body wash for eczema prone baby skin, a natural mosquito repellent or a herbal tea that stimulates lactation are made. Mohit handles finance and marketing. Production has been assigned to a local manufacturer. They study the Business Environment and found that the possible threats would be reducing the cost of production and maintaining quality simultaneously. They further analysed the opportunities of Business Environment which helped in deciding the future of action and helped in policy formation.

Employees who are the nerves of any organisation are looked after very well by providing fair wages irrespective of gender, caste or creed and are encouraged to carry out their plans.

a) Identify the feature and importance of Business Environment highlighted above, quoting lines from above.

b) Identify the principle followed by the organisation, quoting lines from the above.

(4 Marks)

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Q7. In an environment of rising petroleum prices and a large middle-class population in India, KV Motors Ltd. recognised the need for small cars in India. It created a product far superior than their competitors not only in terms of quality but also in terms of overall driving experience. It soon became the leader in the small car market. As the Indian government was encouraging foreign investment, MNCs having a big name in car manufacturing entered the Indian market.

KV Motors further expanded its services network and quality, creating an entry barrier for the competitors. It depicted its strengths through various brand-building activities. As a result, the market share of KV Motors is refusing to go down in spite of all major auto makers as its competitors. Identify the economic reforms highlighted in the above case. (4 Marks)

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Q8. Edu Comp is the first company which identified the need of teachers and students in India. The company supplied smart boards through which teachers are teaching in an interesting and creative way. This new way of teaching was welcomed

and supported by schools, students and parents. It is really helpful for teachers and students. Many schools are coming up with this facility for their students. The business of the company is growing day-by-day.

a) Which importance of Business Environment is benefitting the given company?

b) Describe any three other points which highlight the importance of Business Environment. (4 Marks)

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Q9. Social media had witnessed active campaigns seeking boycott of Chinese products this Diwali in India. The boycotts urged Indians to shun Chinese products and buy Indian products instead. However this had started hurting Indian retailers and wholesalers. In the light of the tension between India and Pakistan, China had aligned itself openly with Pakistan, drawing the ire of the common Indians. A large section had taken to social media and people had spread the call for boycott by word of mouth. Wholesalers in India's largest wholesale market- Sadar Bazar already claimed that they had seen a drop of at least 20% in Chinese products before Diwali.

a) Define Business Environment.

b) Identify and briefly describe the types of Business Environment in the above mentioned case. (5 Marks)

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Q10. Education is a catalytic tool that can transform the future of our children and youth. Keeping this in mind, the newly appointed Modi Government has presented a draft of New Education Policy 2019. This policy will enable the education system competent for a vibrant new India.

a) Which dimension of Business Environment will be affected in the situation presented above?

b) State the impact of the above mentioned change on the economy.

c) State two more components of the dimension of the Business Environment mentioned above. (5 Marks)

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Q11. Increased awareness towards health has increased the demand for products like organic food, mineral water, gyms, etc. In fact, this change in demand is driven by multiplicity of factors like rising health consciousness, changing lifestyles, increase in disposable income and growing availability of organic food products in shopping malls, retail outlets and online outlets. As a result, there is an accelerated growth in E-business as customers also prefer to buy products and services via the Internet, telephone and television. This is also resulting in the entry of strong competitors.

However, this has harmed business in other industries like tobacco, liquor, etc. In the light of the above changes taking place, The Government mandates the statutory health warning to cover 85% display on cigarettes packaging.

In the context of the above case:

1. Which dimension of the Business Environment is highlighted in the case of cigarette packaging?
  2. Identify and explain the feature of Business Environment highlighted in the given case.
  3. By quoting lines from the paragraph, identify the components of specific forces and general forces being discussed in the above case other than the one identified in part (1). (6 Marks)
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Q12. With the rise in awareness about fitness, running has become an integral part of most people's fitness journey. An increasing number of Indians are taking part in running. Keeping this in mind, sportswear brand Adidas has launched comfortable big sized track suits, smart trackers, watches and shoes as they are conscious about the changes in social trends. Adidas is continuously monitoring and adjusting itself as per the changes. This improves their performance and increases the demand of their product.

They organised a campaign that running is changing and gave a name to the campaign "Running after dreams". This campaign positively contributed to their success.

a) Identify and explain the dimension of Business Environment by quoting the lines.

b) Explain the importance of Business Environment highlighted above.

c) Which particular feature of Business Environment is being referred to here?

Explain.

(6 Marks)

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