

School of Finance and Commerce**Bachelor of Commerce Honours
Semester End Examination - Jul 2024****Duration : 180 Minutes
Max Marks : 100****H1UB406T -F030602TB Business Environment Sem IV**General Instructions*Answer to the specific question asked**Draw neat, labelled diagrams wherever necessary**Approved data hand books are allowed subject to verification by the Invigilator*

- 1) Which environment has direct and indirect impact on the working of business firms? K1(2)
- 2) Explain the concept of trade policy and its importance for businesses. K2(4)
- 3) Describe liberalization, privatization, and globalization in the context of the economic environment. K2(6)
- 4) The term 'business environment' means the sum total of all individuals, institutions and other forces that are outside the control of a business enterprise but that may affect its performance. Explain the statement. K3(9)
- 5) Examine the trade policy alignment with national development objectives benefit businesses? K3(9)
- 6) What is planning commission? What have been the key reason of evolution of NITI Aayog? K5(10)
- 7) What is the role of the WTO in promoting free trade and reducing trade barriers? Discuss the benefits and challenges of WTO membership for countries. K4(12)
- 8) PepsiCo is the largest selling beverage the world over, of course after its arch rival Coca Cola. It accounts for a 37% share of the global beverage market, and therefore they need to understand each and every country's market in order to stay in line with their PESTLE situations. Pepsi is a big brand, currently holds the 23rd place in the Interbrands report of the World's Leading Brands. Their advertisements feature major celebrities and athletes like David Beckham, Robbie Williams, Britney Spears, and Michael Jackson etc. Their market reach is also very diverse, as they're present in almost every country from the US to New Zealand. Pepsi is a non-alcoholic beverage and is therefore regulated by the FDA. So, they're supposed to maintain a firm standard of the laws set out by the FDA with consistency. Also, many different markets across the world have different set of regulations that are either relaxed or are either stringent. There is competitive pricing by Pepsi's competitors and that is one factor that Pepsi has to keep in mind at K5(15)

all times. Pepsi has to communicate its image as a global brand so that the people can associate it with themselves as something that connects the world together. Usually, the social implications are seen in marketing campaigns for example certain countries have religious festivals, so Pepsi has to keep in line with all those festivals in order to understand the psyche of their market and how they can cash upon the opportunity. With the advent of the new age in technology, companies have completely integrated themselves with all the recent changes that have taken place. To mention a recent trend that has greatly picked up and something that almost every business is turning toward is Social Media. Pepsi was accused of using contaminated water, given a lab test that was done upon the water flowing into the Pepsi factory that was located nearby an industrial estate. A massive recall was issued for the products from shelves and then the product was tested costing the company many billions of dollars upon the tests as India is a very major market. As the recent economic downturn has plagued the economy, companies had to restructure their sales and marketing campaigns greatly. Also, with diminishing profits they had to undergo downsizing internally and re-think upon how to penetrate the market. Economic conditions have the highest influence on a business, regardless of what trade it is in. Though, in Pepsi's favor, the economic downturn that started in 2008 resulted in increased sales of its beverages mainly as people were being laid off from jobs, they were spending time with friends and family or at home.

Q. From the following information of Pepsi Co. perform the PESTLE analysis.

- 9) What is FEMA? When was FEMA enacted, and what was its purpose? What are the key objectives of FEMA? K5(15)
- 10) Discuss qualitative credit control system under Monetary policy. K6(18)