

B B A DEGREE END SEMESTER EXAMINATION - MARCH 2026**UGP(HONS.) SEMESTER - IV: VALUE ADDED COURSE****(BBA INTEGRATED MARKETING & BBA BUSINESS ANALYTICS)****COURSE:24UBBAVAC202 - BUSINESS ENVIRONMENT AND PUBLIC POLICY***(For Regular 2024 Admission)*

Time : 2 Hours

Max. Marks : 70

PART A**Answer any five out of eight questions**

1. State the primary meaning of 'Business Environment' in a commercial context. (CO1,K U)
 2. List four specific components that constitute a firm's Micro-environment. (CO1,K,U)
 3. Identify the core objective behind the enactment of the Competition Act. (CO5,U,K)
 4. Explain the concept of 'Privatization' within the framework of the 1991 New Economic Policy. (CO2,An)
 5. Clarify the meaning of 'Fiscal Deficit' regarding government accounts. (CO2,An)
 6. Enumerate two specific roles played by the RBI in managing Monetary Policy. (CO2,An)
 7. Describe the essence of 'Corporate Social Responsibility' (CSR) for modern corporations. (CO4,E)
 8. Outline the relevance of the Information Technology (IT) Act for digital businesses. (CO5,U,K)
- (3 x 5 = 15)**

PART B**Answer any three out of six questions**

9. Illustrate how a manager utilizes the PESTEL framework to navigate strategic shifts. (CO1,K U)
10. Contrast the Micro and Macro environments using relevant industry examples. (CO1,K U)
11. Analyze how 'Liberalization transformed the Indian manufacturing sector after 1991. (CO2, An)

12. Examine the various instruments of Fiscal Policy used to curb inflationary pressures. (CO2, An)
13. Discuss the direct correlation between technological innovation and a firm's market edge. (CO4, E)
14. Explain the way cultural values and demographics shape regional consumer demand. (CO4, E)
(5 x 3 = 15)

PART C

Answer any one question out of two questions

15. Construct a SWOT analysis for a new Electric Vehicle (EV) venture in India, highlighting ecological and technological factors. (CO5,U K)
16. Critically assess the influence of the Judiciary and Executive branches on the operational freedom of MNCs in India. (CO3,A)
(20 x 1 = 20)

PART D

Answer any one case study

17. **a) Analyse the case study provide below.**

India's telecom sector shows how government and businesses shifted from a strict government monopoly to a lively, competitive market. The Telecom Regulatory Authority of India (TRAI) acts as the main referee, but the government plays a dual role: setting rules as regulator and collecting big fees as revenue seeker.

In the early days, the Department of Telecommunications (DoT) fully controlled the sector as a state-owned monopoly. Reforms started in the 1990s with policies like the National Telecom Policy of 1994 and 1999, opening doors to private players and turning it competitive. TRAI, set up in 1997, promotes fair play, low prices, and consumer protection by advising on licenses and spectrum use.

A major clash came over Adjusted Gross Revenue (AGR)—fees telecom firms pay based on revenue. Companies like Vodafone Idea and Bharti Airtel argued only core telecom income counted, but DoT wanted a wider net, including non-telecom earnings like rent or interest. In 2019, the Supreme Court backed DoT, slapping firms with about ₹1.47 lakh

crore (\$18 billion) in dues, interest, and penalties. This "Dominance Model" nearly crushed weaker players, risking market failure where one giant like Reliance Jio could dominate.

To avoid a monopoly harming consumers, the government switched to a supportive role. In 2021, it rolled out a Telecom Reforms Package: a four-year pause on AGR and spectrum payments, plus options to convert dues into government equity in firms. It also eased foreign investment rules. These moves eased the debt burden, kept Vodafone Idea alive, and preserved a multi-player market.

Questions:

1. Explain how the Indian telecom sector transitioned from a government monopoly to a competitive market, highlighting the role of TRAI in this evolution. (CO5,U K)
2. Describe the key issues in the AGR crisis, including the Supreme Court's 2019 ruling and its impact on major telecom companies like Vodafone Idea and Airtel. (CO3 ,E)
3. Analyze how the 2021 Telecom Reforms Package balanced the government's revenue needs with the goal of preventing market failure and maintaining competition. (CO3,U K)
4. Write an Executive summary of the case study. (CO5,U K)

OR

b) Coca-Cola FEMSA, the Mexican-based franchise that produces Coca-Cola in Latin America, faced a defining crisis in 2016. While the "brand" is American, the "business" is deeply local. In May 2016, the company was forced to stop the production of its flagship sweetened beverages in Venezuela. This wasn't because people stopped wanting Coke, but because the basic building block of the product—sugar—had vanished from the market.

The Venezuelan government had implemented strict "Price Controls" on sugar to keep it affordable for the poor. However, these prices were so low that farmers could no longer

afford to grow sugarcane. Production collapsed, and the government, running out of U.S. dollars, could not import enough to fill the gap. FEMSA found itself with world-class bottling plants, a massive fleet of trucks, and thousands of workers, but zero raw materials to make their primary product.

Instead of closing its doors and leaving (as other companies did), FEMSA pivoted to a "Minimum Viable Product" strategy. They shifted their entire production capacity to Coca-Cola Light (which uses artificial sweeteners) and Bottled Water. To maintain their workforce during the shutdown, they offered "Solidarity Compensation"—a base pay that helped workers survive even when the machines weren't running. They bet on the long term, refusing to abandon their market share to competitors like Pepsi.

By early 2026, as the transitional government begins to remove price controls, FEMSA's "loyalty strategy" has paid off. Because they never fully left, they have the distribution network ready to flood the market as sugar production restarts.

Questions:

1. How did government price controls (Legal) create a supply chain collapse (Economic) for a private company? (CO5,U K)
2. If you were the manager, would you have shut down the plant entirely to save money, or followed FEMSA's "Solidarity" model? (CO5,K U)
3. What are the risks of a company becoming 100% dependent on a single local raw material? (CO1,An)
4. Write an Executive summary of the case study. (CO5,U K)

(5 x 4 = 20)