



RF-4643-44

M. B. E. (Sem. IV) Examination

April / May – 2010

Paper - XVII : Business Environment & Policy

Time : 3 Hours]

[Total Marks : 100

RF-4643

Instructions :

(1)

नीचे दशांशवेक निशानीवाणी विगतो उत्तरवखी पर अवश्य कभवी. Fillup strictly the details of signs on your answer book.	Seat No. :
Name of the Examination :	<input type="text"/>
<input type="checkbox"/> M. B. E. (Sem. 4)	<input type="text"/>
Name of the Subject :	<input type="text"/>
<input type="checkbox"/> XVII : Business Environment & Policy	<input type="text"/>
<input type="checkbox"/> Subject Code No. : <input type="text" value="4"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="checkbox"/> Section No. (1, 2,.....) : <input type="text" value="1"/>	<input type="text"/>
	Student's Signature

- (2) Question No. 1 is **compulsory** in both sections
(3) Figures at the end of the question indicate marks
(4) Answer any **two** questions from the rest under both the sections

- 1 (a) What is economic System? Explain in detail the different types of economic systems with its merits and demerits. **15**
(b) Write briefly about the Union Budget 2010-11. **5**
- 2 What do you mean by monetary policy? Discuss the various tools used to attain the objectives of monetary policy. **15**
- 3 Discuss the trends of industrial growth in India during the plan period. Examine the main features of Industrial growth in the post-reforms period. **15**
- 4 Examine in detail the circular flow of national income with the help of a sector model. **15**
- 5 Write briefly:- **15**
(a) Indicators of national income
(b) Political factors affecting the bussiness environment.

Instructions :

(1)

नीचे दर्शाविए निशानीवाणी विगतो उत्तरवही पर अवश्य लખवी. Fillup strictly the details of signs on your answer book. Name of the Examination : M. B. E. (Sem. 4) Name of the Subject : XVII : Business Environment & Policy Subject Code No. : 4 6 4 4 Section No. (1, 2,.....) : 2	Seat No. : <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Student's Signature
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- (2) Question No.1 is **compulsory** in both sections.
 (3) Figures at the end of the question indicate marks.
 (4) Answer any **two** questions from the rest under both the sections.
 1 Case study:- 20

Balsara Hygiene products Ltd., which had some fairly successful household hygiene products introduced in 1978 a toothpaste, Promise, with clove oil (which has been traditionally regarded in India as a effective deterrent to tooth decay and tooth ache) as a unique selling proposition. By 1986 promise captured a market share of 16% and became the second largest selling toothpaste brand in India. There was, however, an eros in of its market share later because of the fighting back of the multinationals. Hindustan lever's Close Up gel appealed to the consumers, particularly to the teens and young, very well and toppled Promise from the second position.

Supported by the Export Import Bank of India's Export Marketing Finance programme and development assistance, Balsara entered the Malaysian market with Promise and another brand of tooth paste, Miswak.

The emphasis on the clove oil ingredient of the promise evoked good response in Malaysia too. There was good response to Miswak also in the Muslim dominated Malaysia, its promotion highlighted the fact that miswak (Latin name:- Salvadora persica) was a plant that had been used for centuries by as a tooth cleaning twig. It had references in Koran; Quoting from Faizal-E-Miswak, it was pointed out that prophet Mohammed used "miswak before sleeping at night and after awakening". The religious appeal in the promotion was reinforced by the findings of scientists all over the world, including Arabic ones, of the antibacterial property of clove and its ability to prevent tooth decay and gums.

Market intelligence revealed that there was a growing preference in the advanced countries for nature based products. Balsara tied up with Auromere Imports Inc.(AAII), Los Angeles. An agency established by American followers of Aurobindo, an Indian philosopher saint. Eight months of intensive R & D enabled Balsara to develop a tooth paste containing 24 herbal ingredients that would satisfy the required parameters. Auromere was voted as No.1 toothpaste in North Eastern USA in a US Health magazine survey in 1991.

The product line was extended by introducing several variants of Auromere. A saccharine free toothpaste was introduced. It was found that mint and menthol were taboo for users if homoeopathic medicines. So a product free of such mints was developed. Auromere Fresh Mint for the young and Auromere China Mint containing a combination of cinnamon and peppermint were also introduced. When the company realized that Auromere was not doing well in Germany because of the forming agent used in the product, it introduced a chemical free variant of the product.

Based on the above case study answer the following questions.

- (1) Explain in detail the various factors which have been advantageous to Balsara
 - (2) Why was the product line extended by the company? State and discuss the various situations that led to the product extension.
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- 2 What do you mean by culture? Explain the various societal factors that are responsible for the formation of the business strategy. 15
 - 3 All innovations need not be commercially successful. Comment with respect to reasons for the new product failure. 15
 - 4 Write short notes on:- 15
 - (a) Cultural Adaption
 - (b) Cultural Transmission
 - 5 “A profession is bound by certain ethical principles and rules of conduct which reflect its responsibility, authority and dignity.”-Comment. 15