

Self Evaluation Test – 1

Maximum Marks: 20

Time: 45 minutes

1. "Social trends present various opportunities and threats to business enterprises." Give an example. (1)
2. What is the aim of 'demonetisation'? Explain its three features. (4)
3. The court passed an order that all schools must have water purifier for the school children as
 - (i) Society in general is more concerned about quality of life.
 - (ii) Innovative techniques are being developed to manufacture water purifier at competitive rates.
 - (iii) Incomes are rising and children at home are also drinking purified water.The government is also showing positive attitude towards the water purifier business. Identify the different dimensions of business environment by quoting from the above details. (5)
4. Why it is important for business enterprises to understand their environment? Explain briefly. (5)
5. Nandrachal Networks and Technologies Ltd, is a leader in technology innovation in U.S.A. creating products and solutions for a connected world. It has a large Research and development team which invented the first smart watch W-I, which besides showing the time would also monitor few health parameters like heart beat, blood pressure, etc. While in search of markets abroad, the company found that in India, the reform process was underway with the aim of accelerating the pace of economic growth. The company decided to take advantage of the fact that licensing requirements had been abolished. The company was also aware that there had been increased level of interaction and interdependence among the various nations of the world and India could be made a base for its international trade. It set up its office in Gujarat with a view to capture the Indian market. In a short span of time, the company emerged as a market leader. Success of the company attracted many other players to enter the market. Competition resulted in reduction in prices, thereby benefitting the customers.
 - (a) In the above paragraph, two major concepts related to government policy have been discussed. Identify and explain those concepts.
 - (b) Also, explain briefly any three impacts of those concepts on Indian business and industry. (5)