



# INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Logistics & SCM  
Post Graduate Diploma in Materials Management - 2 years

June 2024

**PAPER No. 6** (enrollment code - CPM, CPS)  
**PAPER No. 4** (enrollment code - PMM, PSM, CMM, CSM)( OFFLINE EXAM)

## BUSINESS ENVIRONMENT

Date : 12.06.2024  
Time : 2.00 p.m to 5.00 p.m.

Max. Marks: 70  
Duration : 3 Hrs.

### Instructions:

1. Part A, contains 4 main questions (with 5 sub-questions) each question carries 1 mark - Total 20 marks
2. Part B answer any 3 questions out of 5 questions. Each question carries 10 marks - Total 30 marks
3. Part C is a case study. Read the case carefully and answer the questions - Total 20 marks

### PART – A

(20X1= 20 Marks)

(Compulsory - Attempt all questions each question carries 1 mark)

#### Q. 1. Fill in the blanks.

(5 marks)

- 1) All business aim to achieve \_\_\_\_\_
- 2) Environment means \_\_\_\_\_ near you.
- 3) Parliament of India consists of \_\_\_\_\_ and Rajya Sabha .
- 4) Trade Related Aspects of Intellectual Property Rights (TRIPS) mandated by \_\_\_\_\_
- 5) \_\_\_\_\_ policy implies the policy of the government regarding expenditure and tax .

#### Q. 2. State True or False (Do not reproduce the statement)

(5 marks)

- a) A business firm and its environment are not mutually interdependent.
- b) Failure to adapt to a new technology is Strategic risk.
- c) Consumer fraud is not a violation under Criminal law .
- d) The needs, tastes and habits become identical at a global level is called global convergence .
- e) The behaviour and attitudes of individuals and their relationships determinethe socio-cultural environment.

#### Q.3. Expand the following: `

(5 marks)

- i)CAG-      ii) ETOP-      iii)FTA      iv)LPG      v) SEBI

#### Q. 4. Match A and B

(5 marks)

	Column A		Column B
1.	Service Sector	A	Kingship
2.	Largest funded health scheme	B	Tertiary tier
3.	Fuzzy tax	C	free-market economy.
4.	capitalist economy	D	Ayushman Bharat
5.	political system	E	Corruption

## PART B

[Total 30 marks]

Answer any THREE out of the following five questions: (10 Marks each)

**Q5-** Strategic decisions are based on what a manager forecasts rather than what he knows explain the relationship between strategic management and business environment? [10 marks]

**Q6-** Write short notes on following [ 2 x 5 = 10 marks]

- |                          |                 |
|--------------------------|-----------------|
| a) MRTP act              | c) Inflation    |
| b) Ethics                | d) poverty line |
| e) Public sector concept |                 |

**Q7-** Describe various methods of organizational appraisal in detail? [10 marks]

**Q.8** Elaborate the main elements of political environment of India [10 marks]

**Q.9 a)** What is SWOT analysis? [5 marks]

**b)** What is Risk assessment. [5 marks]

## PART C

[Total: 20 Marks]

**Q.10 CASE STUDY- Compulsory**

Mega Ltd manufactured water heaters. In the first year of its operations, the revenue earned by the company was just sufficient to meet its costs.

To increase the revenue, the company analyzed the reasons behind the less revenues. After analysis, the company decided:

To reduce the labor costs by shifting the manufacturing unit to a backward area where labor was available at a very low rate

To start manufacturing solar water-heaters and reduce the production of electric water heaters slowly. This will not only help in covering the risks but also help in meeting other objectives like upliftment of rural life and development of local area.

**Questions -**

- Identify and explain the objectives of management discussed above.
- State any two values which the company wanted to communicate to society and how to apply it?

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