(7 pages) **Reg. No. :** ....

Code No. : 21049 E **Sub. Code : EECO 21/ FECO 2 A**

B.Com. (CBCS) DEGREE EXAMINATION, APRIL 2026.

Second Semester

Commerce

Elective — BUSINESS ENVIRONMENT

(For those who joined in July 2023 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. How does the political environment impact businesses?
   (a) Through government policies and regulations
   (b) By affecting consumer preferences
   (c) By influencing technological advancements
   (d) By changing global trade laws

2. Which of the following is an example of a cultural factor affecting business?
   (a) Changes in tax policies
   (b) Changes in consumer behavior due to traditions
   (c) Inflation rates in the market
   (d) Government trade restrictions

3. What role does the Indian government play in business regulation?
   (a) Establishing business trends
   (b) Enacting policies and regulations
   (c) Creating new consumer markets
   (d) Controlling all business operations

4. Which article of the Indian Constitution deals with the protection of business and trade?
   (a) Article 19 (b) Article 21
   (c) Article 30 (d) Article 16

5. Which social group plays a significant role in influencing the buying decisions of a company's products?

   (a) Linguistic groups

   (b) Religious groups

   (c) Educational groups

   (d) Both (a) and (b)

6. Which type of social organization is characterized by family-based structures in traditional societies?

   (a) Caste-based organization

   (b) Clan-based organization

   (c) Nuclear family-based organization

   (d) Corporate-based organization

7. How does the GDP growth rate affect businesses?

   (a) It directly influences the pricing of products

   (b) It reflects the overall economic health, which affects demand and business expansion

   (c) It dictates the interest rates on loans

   (d) It has no impact on business activities

8. Which economic system focuses on private ownership and minimal government interference?

   (a) Mixed economy

   (b) Capitalist economy

   (c) Socialist economy

   (d) Command economy

9. Which of the following is a source of technology?

   (a) Human resource development

   (b) Research and development (R&D)

   (c) Government regulations

   (d) Consumer demand

10. What does "technology transfer" mean?

   (a) The movement of businesses to new locations

   (b) The process of moving technology from one country or company to another

   (c) The process of developing new products

   (d) The process of hiring skilled workers

PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) Describe the political environment and its impact on business activities.

Or

(b) How does the social environment influence business operations and strategies?

12. (a) Discuss the provisions of the Indian Constitution that pertain to business and trade.

Or

(b) How do government policies and regulations impact the functioning of businesses in India?

13. (a) How do social groups affect the marketing and branding strategies of businesses?

Or

(b) What are the different types of social organizations?

14. (a) How do macroeconomic parameters influence business strategies and decisions?

Or

(b) Explain the different types of economic systems.

15. (a) Explain the concept of technology transfer.

Or

(b) Describe the impact of technology on business operations.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Examine the role of the cultural environment in shaping consumer behavior and business practices.

Or

(b) What are the key components of the social environment that influence business operations?

17. (a) What are the major government policies that affect businesses in India?

Or

(b) Evaluate the role of government in regulating business activities in India.

18. (a) Examine the different social in India and their influence on business practices.

Or

(b) Overview about the social organizations.

19. (a) How businesses adjust to economic systems?

Or

(b) Evaluate the role of per capita income in business planning.

20. (a) Examine the process of technology transfer.

Or

(b) Evaluate the growth of the technology sector in India influenced local and global businesses?
