INTERNATIONAL UNIVERSITY OF EAST AFRICA
'Learning to Succeed'

FACULTY OF BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS - DECEMBER 2025

PROGRAMME: MBA
YEAR/SEM: YEAR 1/SEMESTER 1
COURSE CODE: MBA 715
NAME: BUSINESS ENVIRONMENT ANALYSIS

DATE:
TIME:

INSTRUCTIONS TO CANDIDATES:

SECTION A

Section A is compulsory

Question 1:

Tesla’s Entry into the Indian Market

Tesla Inc., the world’s leading electric vehicle manufacturer, announced intentions to enter the Indian market, citing the country's vast population and growing middle class as major opportunities. However, the company encountered several roadblocks, including high import duties on EVs, inadequate charging infrastructure, and complex regulatory requirements. Tesla requested tariff reductions, but the Indian government emphasized local manufacturing over imports. Despite high interest from Indian consumers, especially in metro cities, Tesla’s entry has been delayed.

Questions

A. Conduct a PESTLE analysis of India’s business environment as it relates to foreign EV manufacturers like Tesla. **(10 Marks)**
B. Identify and evaluate the regulatory and infrastructural challenges Tesla would face if it entered the Indian market today. (10 Marks)
C. Discuss how Tesla could adapt its business model to align with India's 'Make in India' initiative.(10 Marks)
D. Propose a market entry strategy for Tesla that balances government expectations, affordability, and long-term sustainability. (10 Marks)

Question 2:

Ola Electric and the Push for Green Mobility

Ola Electric, a subsidiary of ride-hailing giant Ola, launched its electric scooters in 2021 with the aim of revolutionizing India’s green mobility

sector. The company received significant support through the FAME II (Faster Adoption and Manufacturing of Electric Vehicles) subsidy. However, despite early success, the company faced issues like battery safety, software glitches, and inadequate charging infrastructure. Consumers are enthusiastic but remain price-sensitive and infrastructure-dependent, making scaling difficult.

Questions

A. Evaluate the role of government policy and subsidies in the growth of Ola Electric and the broader EV ecosystem in India. (10 Marks)
B. Identify the social and technological challenges faced by companies promoting electric mobility in India.(10 Marks)
C. Assess how Ola Electric’s approach to manufacturing and distribution gives it a competitive edge or disadvantage. (10 Marks)
D. Recommend strategies for scaling EV adoption in India while ensuring safety, affordability, and convenience.

(10 Marks)

SECTION B

Chose any three questions from section B where each Question carries 20 Marks

Question 1:

Explain how competition analysis contributes to a firm's competitive advantage.

Question 2:

Evaluate the importance of environmental and ecological considerations in contemporary business strategy.

Question 3:

Differentiate between the internal environment and the external environment of a business, citing relevant examples.

Question 4:

Explain how technological advancements can create both opportunities and threats for firms.

Question 5:

Assess the impact of political and legal forces on the operational activities of a business.

Question 6:

Discuss the role of location in business environment analysis.

Question 7:

Discuss how social and cultural dynamics shape consumer behaviour and market demand.

Question 8:

Assess the influence of globalisation on business

operations in developing economies.

Question 9:

Explain how corporate governance practices influence a firm’s long-term sustainability.

Question 10:

Discuss how changes in demographic patterns affect market segmentation and business planning.

Question 11:

Assess the impact of political and legal forces on the operational activities of a business.

Question 12:

Assume you are a business consultant: outline five critical steps you would take to conduct a full environmental analysis for a manufacturing firm.