NAME : SNEHAL SURYAWANSHI

CLASS : F.Y. BCOM

SECTION : A

ROLL NO. : 110

TOPIC : A STUDY OF MARKET STRUCTURE OF IRCTC - MONOPOLY

INDIAN RAILWAY CATERING AND TOURISM CORPORATION

- **Introduction:**

IRCTC

Indian Railway Catering and Tourism Corporation (IRCTC) is under the ownership of Indian Railways, Ministry of Railways, Government of India that provides ticketing, catering and tourism services for the Indian Railways. The IRCTC was established on 27th September 1999, as a public sector undertaking completely owned by Government of India through the Indian Railways. It is the only entity that is authorised to provide certain services to the Indian Railways, including online ticketing, catering, and selling drinking water on trains and at railway stations. In May 2008, it was classed as a Miniratna public corporation which allowed it a certain degree of financial autonomy.

The IRCTC was listed on National Stock Exchange (NSE) in 2019, following which the Government of India's holding was reduced to 87%, with the remaining shares being publicly traded. In December 2020, the Government of India divested another 20%, reducing its holding in the IRCTC to 67%.

- Which market does IRCTC belong to?

The state-owned IRCTC has monopoly in the online ticketing and catering services for the Indian Railways. The term monopoly refers to that market in which there is a single seller of goods which has no close substitute. IRCTC is the only firm authorised to manage food services on trains and has a monopoly in the online ticketing and catering services for the Indian Railways.

It is one of the largest railways in the world, and is one of the world's largest employers. Because it is the only provider of railway transport in India it operates a monopoly position - consumers have no other provider the could use to travel by train. This can be seen in the way that it operates as a 'price setter'. That is, it can determine the prices that are charged in the market, because there are no rivals to undercut its price or make it change a higher price. Generally, consumers and governments object to companies gaining monopoly in a market. This is because it enables the company to set prices above normal competitive rates, and to practice price discrimination.

However, as the Indian Railways company is state owned it not considered in the same way as a private company would be. Rail networks are often considered to be a 'natural monopoly'. This is because only one provider can run a train on a given track at a given time, so naturally there cannot be competition. Some countries, such as the UK, try to

avoid this by allowing companies to bid to run lines, this creates competition when the contract on the line comes to be renewed. The railway network could be considered not to be a pure monopoly as there are substitutes that fulfil the same need - such as cars, buses, motorbikes, taxis and planes. So consumers can potentially replace train travel with a different method.

- **Source of Monopoly Power of IRCTC:**

Government Licensing -
The government has undertaken the providence of transportation facility through its departmental undertakings by Indian Railways.

- ~~Features~~ **Comparison of features:**

Single seller and a large number of buyers:
Under monopoly market, there is only a single seller or producer of a commodity. He may be a sole proprietor or a group of persons or joint-stock company or a state. However, the number of buyers against one seller is large. Same way, in case of IRCTC, the government is the only provider / producer of the railway service.

★ **Monopoly is an Industry:**

As there is only one producer or seller in the market, the difference between industry and firm disappears. Thus, it means that the monopoly can be said as an industry in the market. In other words, these two terms can be used in place of each other.

★ **Restrictions on the entry:**

There are some restrictions on the entry of new firms into the monopoly industry. Generally, there are patent rights, government laws, economies of scale, etc. which act as barriers to the entry of new firms. Also, a monopolistic firm has exclusive rights over the technique of production. Thus, due to the restriction of entry, the monopolist earns extra-normal profit in long as well as short periods.

In case of IRCTC, the government has undertaken its production exclusively through its departmental undertakings.

★ **Monopoly has no close Substitutes:**

The product, produced by the firm should have no close substitutes. Otherwise, the monopolist will not be able to determine the price of the commodity as per his discretion.

In case of Indian Railways, there are some substitutes like cars, motorbikes, buses, taxis, planes, etc.

Therefore it can't be called as pure monopoly. But still in case of transportation through railways, IRCTC has monopoly.

* **Price Maker:**

Being a single seller, the monopolist has full control over the price or supply of product. Thus, he can fix any price for his product. On the other hand, there is a large number of buyers, but the demand for a single buyer constitutes only a small portion of it. Hence, the buyer has to pay the price fixed by the monopolist. Therefore, the monopolist can be said as the price maker.

In case of IRCTC, the government determines the prices of railway tickets. Therefore, the government (monopolist) is the price maker.

* **Price Discrimination:**

A monopolist can charge any price from different consumers for the same commodity.

When a seller charges different prices for different commodities, it is known as price discrimination. Thus, this market includes price discrimination by the sellers.

Indian railways engages in policy of price discrimination in various ways. Indian railways discounts the price of its tickets for different type of passengers. For example, they offer different concessions to students, patients, sports person, handicapped person, teachers, unemployed youth etc. They charge fees based on various factors like age, sex, job type etc. Therefore, Indian railways is the best example for monopoly in price discrimination.

- Conclusion :

So, by the analysis of market structure of IRCTC, we can conclude that IRCTC is a state-owned entity and the only player in the markets that operate in the Industry, this makes it a monopoly as consumers have no other alternative. But it is generally considered as 'Natural Monopoly' because only one train can use the track at a given time. Also it not pure monopoly as there are different methods available to replace travelling by train. But as it is the single producer of railway services, it is considered in monopoly market.

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sub :- Economics - Assignment 1

class :- F.Y.B.com I

★ Assignment 1 ★

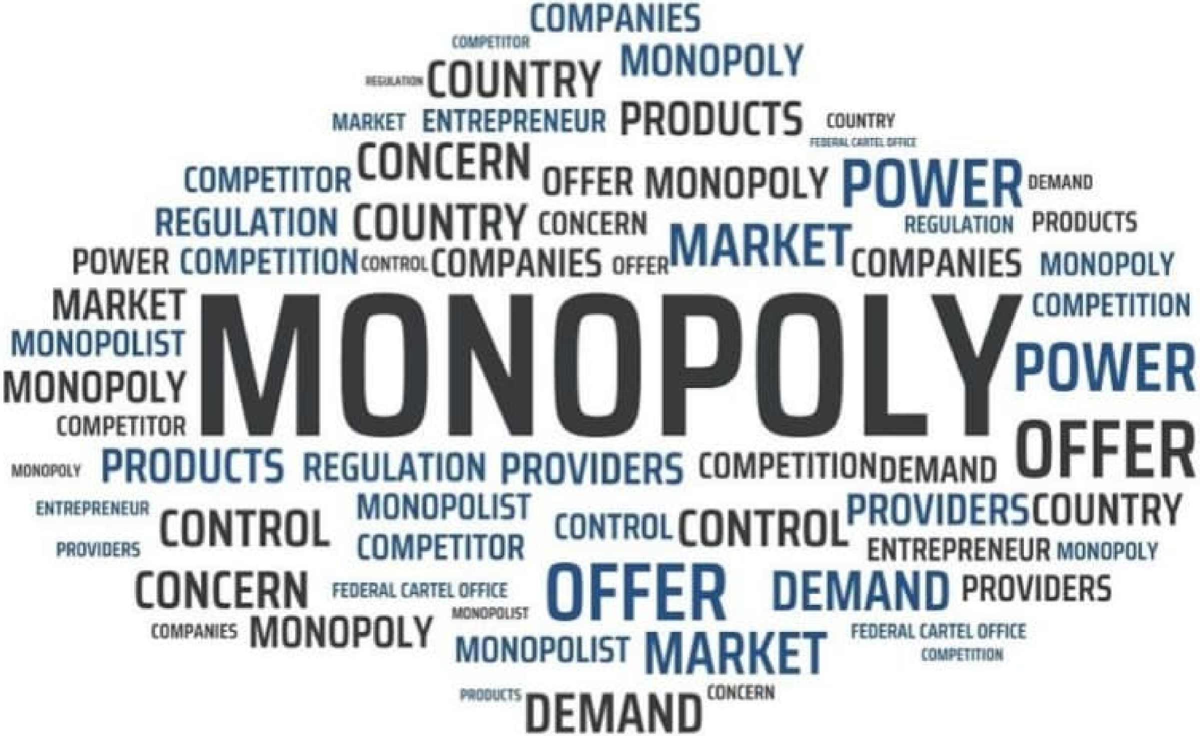
* Meaning of Monopoly :-

The term monopoly is derived from 'mono' (single) and poly (selling). Thus 'monopoly' means a single control over the supply of output. monopoly is that market form in which a single producer controls the entire supply of a commodity which has very few substitutes or no substitutes at all. Two points are to be noted with regard to the definiation.

i) There must be one producer or seller if there is to be a monopoly. That single producer may be an individual or a joint stock company or the state.

ii) The commodity produced by the producer must have no close substitute if he is to be called a monopolist. This ensures that there is no rival for the commodity. In case of pure monopoly the cross elasticity of demand between the product of the monopolist and the product of any other producer is zero. In case of imperfect monopoly the cross elasticity of demand is not zero but very low.

A monopoly as described by Irving Fisher, is a market with the "absence of competition". Creating a situation where a specific person or enterprise is the only supplier of a particular thing. A monopoly may also have monopsony control of a sector of a market. Likewis a monopoly should be distinguished from a cartel in which several providers act together to coordinate services, prices or sale of goods.


COMPANIES
COMPETITOR
MONOPOLY
REGULATION
COUNTRY
MARKET
ENTREPRENEUR
PRODUCTS
COUNTRY
FEDERAL CARTEL OFFICE
COMPETITOR
CONCERN
OFFER
MONOPOLY
POWER
DEMAND
REGULATION
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CONCERN
MARKET
REGULATION
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CONTROL
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FEDERAL CARTEL OFFICE
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COMPETITION
PRODUCTS
DEMAND
CONCERN

* Monopoly Example :-

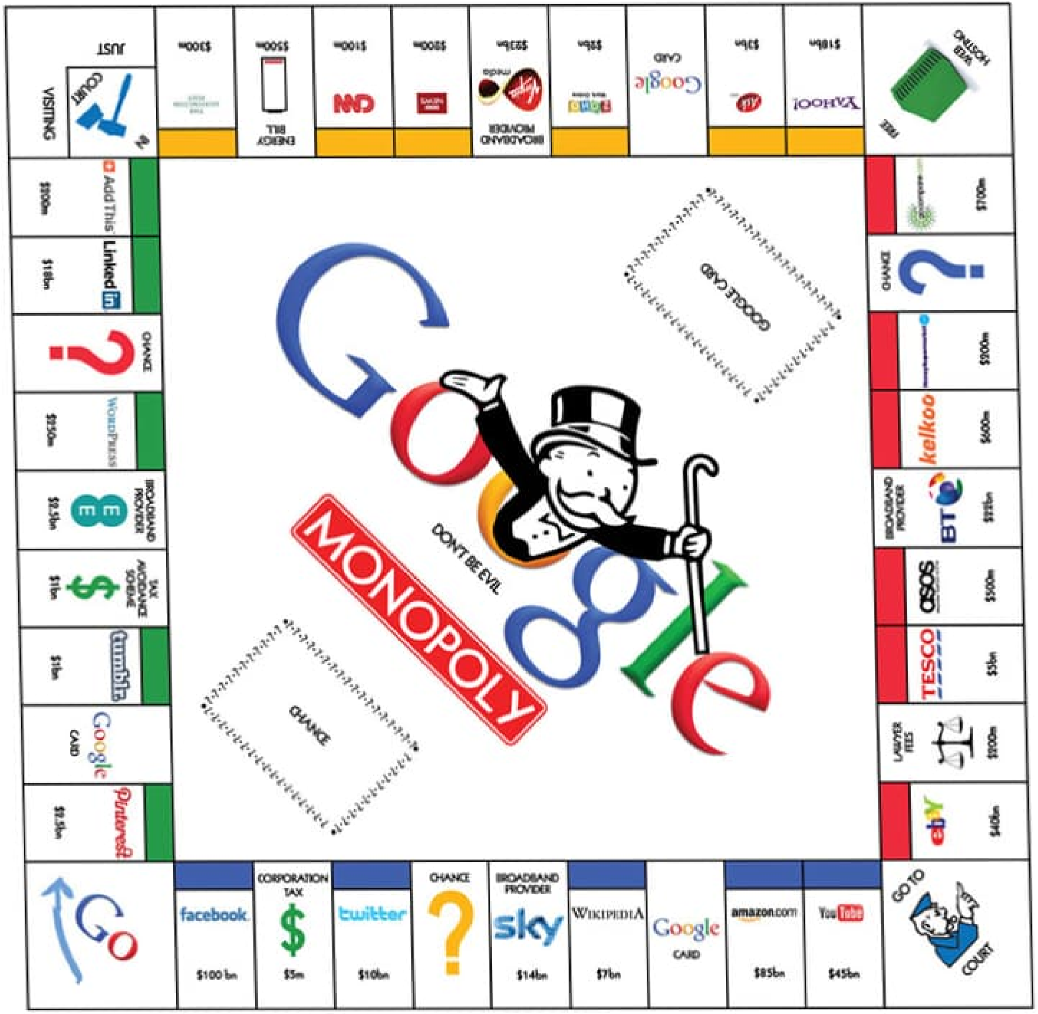
* Google *

Google has become a household name and whenever we don't know any answer, probably googling is the answer. The biggest web searcher with their secret algorithm controls more than 70% market share. The company has grown into a web of services interlinked like maps, gmail, search engines - etc. The company has left its competitors - Yahoo and microsoft - behind its innovation and technological advancement.

* How google monopoly derives its power :-

Google has become a monopoly in internet searching, but other than this segment, it is not a monopoly. Using google to navigate the web remains the preferred method by which most people find information online. However Google is far from a monopoly in terms of the entire gamut of internet services. The perception of Google being a monopoly is derived from the fact it happens to have dominance in the most lucrative area of the Internet.

Google's monopoly does not come from coercion or anti-competitive practices. Instead, it is derived from offering a superior product. On the internet there is little barrier to entry so anyone can set up competition at little cost. Through Google's history, many well capitalized companies have attempted to wrest market share away from it.



Google
MONOPOLY
DON'T BE EVIL
GOOGLE CARD
CHANCE
GO
facebook
$100 bn
CORPORATION TAX
$5m
twitter
$10bn
CHANCE
BROADBAND PROVIDER
sky
$14bn
WIKIPEDIA
$7bn
Google
CARD
amazon.com
$85bn
YouTube
$45bn
GO TO COURT
Pinterest
$9.5bn
Google
CARD
tumblr
$1bn
TAX AVOIDANCE SCHEME
$1bn
BROADBAND PROVIDER
EE
$2.5bn
WordPress
$250m
CHANCE
LinkedIn
$18bn
Add This
IN COURT
JUST VISITING
$300m
ENERGY BILL
$500m
CNN
$100m
$800m
BROADBAND PROVIDER
Virgin media
$23bn
$8bn
Google
CARD
$3bn
YAHOO!
$18bn
FREE WEB HOSTING
$700m
CHANCE
$200m
kelkoo
$600m
BROADBAND PROVIDER
BT
asos
TESCO
$5bn
LAWYER FEES
$200m
ebay
$40bn

Google makes money from searches by selling promoted advertising based on search keywords. The ads are more powerful than traditional advertising because they can be targed by interest and geography. In 2014 Google had just under $60 billion in revenue with nearly 90% coming from searches. As of 2015, Google had 75% market share in searches. Despite these impressive numbers, it is not fair to call Google a monopoly, because it is not suppressing competition. Another threat to google is facebook which has become dominant in social media.

The government argues that google has abused its monopoly power through agreements with other companies that promote Google apps and place its search access points as a default on browsers phones and other devices.

~~Google has a~~ Google has a become monopoly in search engine. It's common knowledge that google completly dominates the search engine market. As per statcounter Google captured 91.66% of the search engine market share Google in october 2021.

With others like Bing (2.74%), Baidu (1.91%) taking crumbles of the pie. AI-driven Open-source search engine you com has announced its public deta launch. Allover is used of google. So its monopoly Google has a pretty impressive position in the online ad market too - almost 30 percent ~~30~~ by some estimates. But that's ~~not~~ a monopoly. Google has become a monopoly in internet searching, but other than this segment it is not a monopoly.

* Features of a monopoly Market :-

* There is a single producer :

The product must have a single producer or seller. That seller could be either an individual, a joint - stock company, or a firm of partners. This condition has to be met to eliminate of competition.

* There are no class substitutes. :

There will be competition if other firms are selling similar kinds of products Hence in a monopoly market, there must be no close substitute for the product.

* Restriction on the Entry of any New firm :

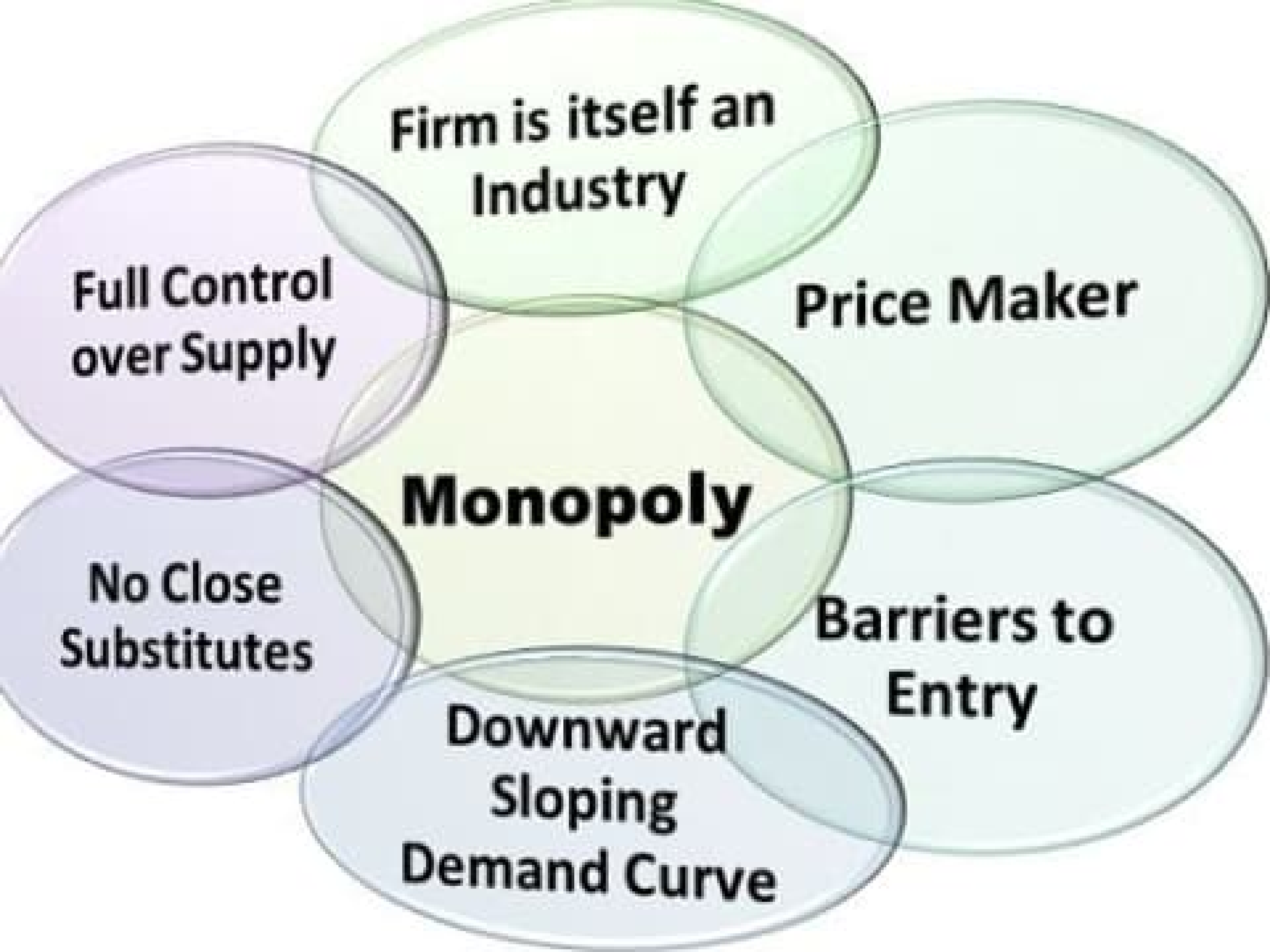
There needs to be a strict barrier for new firms to enter the market or produce similar products.

* The product has only one seller in the market :

The monopoly is a form of market in which there is only one seller in the market and they sell products that have no close substitutes.

* A monoplist is a single producer or seller. therefore firm and industry are indentical.

* There are no close substitutes to what the monopolist produces or sells. Therefore buyers have no choice either to buy the commodity or go without it


Firm is itself an Industry
Full Control over Supply
Price Maker
Monopoly
No Close Substitutes
Barriers to Entry
Downward Sloping Demand Curve

* **Single producer :-**

In a monopoly market, usually, there is a single firm which produces and or supplies a particular product/commodity. It is fair to say that such a firm constitutes the entire industry. Also there is no distinction between the firm and industry.

* **Price Maker :-**

Since there is only one firm selling the product, it becomes the price maker for the whole industry. The consumers have to accept the price set by the firm as there no other sellers or close substitutes.

* **Firm it Itself an Industry :-**

In monopoly, Firm is itself an Industry. As monopoly firm itself constitutes industry due to nonexistence of any other firm dealing in the same product. How are the total revenue of a firm, market price, and the ---- etc

* **Barriers to entry :-**

Barriers to entry is an economics and business term describing factors that can prevent or impede newcomers into a market or industry sector, and so limit competition. These can include high start-up costs, regulatory hurdles, or other obstacles that prevent new competitors from easily

All the features of monopoly.

* A monopolist is a price maker. If he is a discriminating monopolist, he can vary the price from buyer to buyer.

* A monopolist can maintain his position as the sole producer or seller of a product only when certain circumstances keep the rivals or competitors away from his line of production. The barriers to entry may be legal technological, and financial barriers.

* In monopoly the firm is also the industry. Therefore the firm faces a downward sloping demand curve for its product implying that more output can be sold only at a lower price.

* Monopoly is a complete negation of competition.

* Given the accompanying high profit margins on this lucrative business, Google displays the telltale characteristics of a monopolist. high even dominant market share, with high profits and pricing power that are evidence of high barriers to entry for competitors.

* All the monopoly markets possess certain information that is not known to anyone else apart from the them alone.

* There is no discrimination among buyers and customers Everyone is charged similarly, for the same product.

* Reasons :-

Monopoly markets happen due to three reasons :-

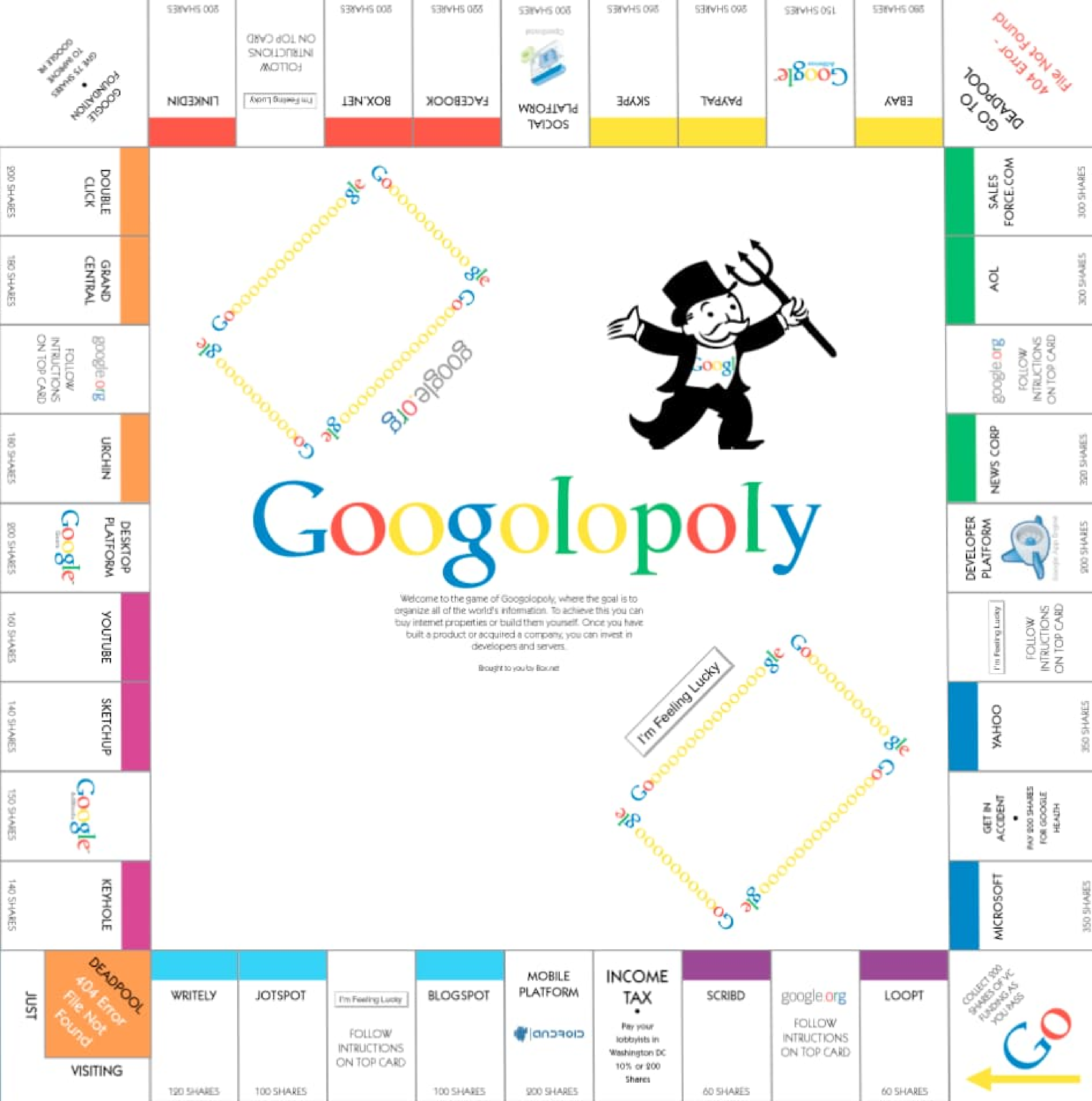
i) The firm owns a key resources.

ii) The firm gets the exclusive rights granted by the government in order to produce a particular product like patents on new drugs, copyright for books or software etc.

iii) Due to the cost of production, one producer can be more efficient than others which in turn, gives rise to increasing returns on sale. some examples are ....

iv) Google increasingly functions as an ecosystem of interlocking monopolies the report said because of the company's ability to tie together its search and ads business with the data it collects.

v) Google has become a monopoly in Internet / search engine. The control of an industry or service by only one company a type of goods or a service that is controlled in this way.



Googolopoly
Welcome to the game of Googolopoly, where the goal is to organize all of the world's information. To achieve this you can buy internet properties or build them yourself. Once you have built a product or acquired a company, you can invest in developers and servers.
Brought to you by Box.net
I'm Feeling Lucky
google.org
COLLECT 200 SHARES OF VC FUNDING AS YOU PASS
GO
LOOPT
60 SHARES
google.org
FOLLOW INTRUCTIONS ON TOP CARD
SCRIBD
60 SHARES
INCOME TAX
Pay your lobbyists in Washington DC 10% or 200 Shares
MOBILE PLATFORM
android
200 SHARES
BLOGSPOT
100 SHARES
I'm Feeling Lucky
FOLLOW INTRUCTIONS ON TOP CARD
JOTSPOT
100 SHARES
WRITELY
120 SHARES
JUST VISITING
DEADPOOL 404 Error File Not Found
KEYHOLE
140 SHARES
150 SHARES
SKETCHUP
140 SHARES
YOUTUBE
160 SHARES
DESKTOP PLATFORM
200 SHARES
URCHIN
180 SHARES
google.org
FOLLOW INTRUCTIONS ON TOP CARD
GRAND CENTRAL
180 SHARES
DOUBLE CLICK
200 SHARES
GOOGLE FOUNDATION
GIVE 75 SHARES TO IMPROVE GOOGLE PR
LINKEDIN
200 SHARES
I'm Feeling Lucky
FOLLOW INTRUCTIONS ON TOP CARD
BOX.NET
200 SHARES
FACEBOOK
220 SHARES
SOCIAL PLATFORM
200 SHARES
SKYPE
250 SHARES
PAYPAL
260 SHARES
150 SHARES
EBAY
280 SHARES
GO TO DEADPOOL
404 Error - File Not Found
SALES FORCE.COM
300 SHARES
AOL
300 SHARES
google.org
FOLLOW INTRUCTIONS ON TOP CARD
NEWS CORP
320 SHARES
DEVELOPER PLATFORM
200 SHARES
I'm Feeling Lucky
FOLLOW INTRUCTIONS ON TOP CARD
YAHOO
350 SHARES
GET IN ACCIDENT
PAY 200 SHARES FOR GOOGLE HEALTH
MICROSOFT
350 SHARES

NAME - VITESH SHETTY

ROLL NO - 102

CLASS (DIV) - (A)

CLASS - F.Y. B.COM

SUBJECT - ECONOMICS

TOPIC : A STUDY OF MARKET STRUCTURE IN INDIA.

This Assignment I have Chosen Monopolistic market.

* **Monopoly** - A monopoly, as described by Irving Fisher is a market with the "absence of competition", Creating a situation where a specific person or enterprise is the only supplier of a particular thing.
The Controlling company, has full control of the market, so it sets the price and supply of a good or service.

* **Types of MONOPOLY**

i) **Natural Monopolies** - The Monopoly where there is no direct involvement of Government body. But are Government oriented or where cost of a product is very high.

Eg → IRCTC, Indian Railways and catering services, Coal India limited.

ii) <u>Un natural Monopolies</u> - This is a combination of natural and state monopolies. They are natural monopolies in the traditional sense but are re-enforced by the State.

Eg → A new medical drug, that can reverse the effects of Alzheimer's. Nothing else is available to consumer.

* Example of Monopoly

In India there are not many or few monopoly Companies such as IRCTC (100%), HAL (100%), Nestle-Ceralac (96.5%) Coal India (82%) ITC (77%) Marico (73%).

Today we are going to learn about the monopolistic Indian company IRCTC which is Controlled.

Monopoly OF Railways in India.

IRCTC

- IRCTC is the only Entity that is authorised by Indian Railways to offer railway tickets online, run catering services, and sell bottled water across all railway stations and trains in India.
  So, it's what you'd call a monopoly. And if there's one thing investors love more than life itself - it's a monopoly. Because there is no competition to monopoly.

- IRCTC manages the entire on board catering services of Indian Railways in more than 460 passenger trains with pantry cars that include Rajdhani Trains, Shatabdi Trains, Duronto Trains, Gaitmaan Express and Mail / Express trains and also in newly introduced passenger trains such as Vande Bharat Express and Tejas Trains.

So we can see that all trains are run under one entity which is IRCTC clearly it is a monopoly.

IRCTC is also mainly for average Citizen or Common people of India who can afford their travelling expenses.

So there is no chance of another MNC to enter in this segment because there are more risks in this type of business investment also the outcome would be less or nothing because it's already run by government.

There is only one Seller and huge number of buyers due to which there remains no competition for the seller and no substitutes for the buyers. Indian railways in an example of monopoly as there is no close subsititute for Indian railways which provide transportation at such nominal rates.

* FEATURES OF MONOPOLY

1) One Seller and Large Number of Buyers

2) No Close Substitutes

3) Difficulty of Entry of New firms

4) Monopoly is also an industry

5) Price Maker

If we talk about IRCTC revenue facts, the company earned a total revenue of ₹ 1,956.66 crores in FY19, up by 24.66 percent from the total revenue of ₹ 1,569.56 crores earned in FY18.

IRCTC had declared an interim dividend of ₹ 7.65 per equity share aggregrating to a total of nearly ₹ 122.37 crores.

NAME :- DIVANSHI WAZIR

ROLL NO :- 14

CLASS & SECTION :- SY B.COM [A]

COLLEGE :- BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

SUBJECT:- INTERNATIONAL ECONOMICS

Content :-

1. Whats is Rcep

2. The reason for India not to join Rcep

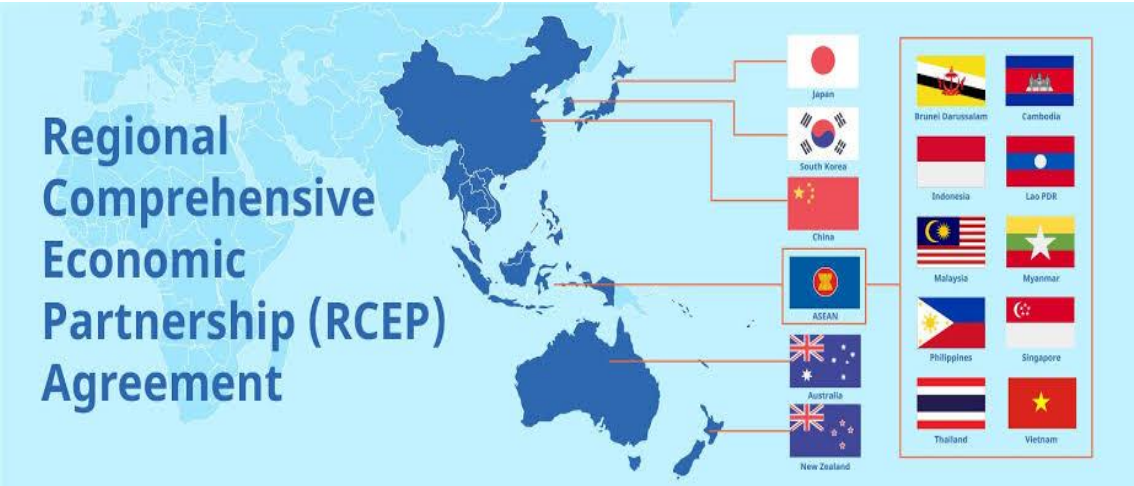
3. Possible Repercussion

Topic 1- " Why didn't India join RCEP? What can be the possible repercussions?"

What is RCEP ?

• The Regional Comprehensive Economic Partnership (RCEP) is the world's largest free trade agreement comprising 15 Asia-Pacific nations, viz, Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar, Cambodia, Japan, South Korea, China, Australia and New Zealand.

• The agreement allows for common one set of rules of origin to qualify for tariffs reduction with other RCEP members. This means less procedures and easier movement of goods. That should encourage multinational firms to invest more in the region, including building supply chains and distribution hubs.



The reason for India not to join RCEP are as follows :-

•The present form of the RCEP Agreement does not fully reflect the basic spirit and the agreed guiding principles of RCEP. It also does not address satisfactorily India's outstanding issues and concerns. In such a situation, it is not possible for India to join RCEP Agreement.

•One of the major issues India had was a potential threat to local producers as it believed that elimination of tariffs under RCEP would open its markets to a flood of imports. New Delhi was particularly concerned about the threat of circumvention of rules of origin due to tariff differential, inclusion of fair agreement to address the issues of trade deficits and opening of services.

•The concern is palpable as the existing trade agreements and tariff liberalisation policies have led to cheap imports with widened more of cheaper products. The increase in import demand over the last 15 years shows that India's domestic industry has not been able to compete with the imports. As a result, the domestic market has seen an invasion of imported products, especially in the sectors of edible oil processing, automobiles, electronics, telecom and white goods.

•The single largest reason for India's reluctance to join the RCEP was China. New Delhi has decided it won't join any trade agreement where Beijing is a member as matters have turned worse for India, especially after the Covid-19 pandemic and the ongoing border stand-off with China.

It is no secret that China's presence in RCEP fits absolutely well with Beijing's market imperialistic designs with which they conceived of their Belt and Road Initiative. India's trade deficit with China is a massive $55-60 billion. India has claimed that China has an advantageous position in the deal and would leave India in an unfair position amid the ballooning trade deficit.

India feared the agreement would become a free trade deal with China through the back door, even through other countries, which is one of the reasons New Delhi is currently reviewing a number of FTAs in the region.

What are the possible repercussions?

1) **Relation with member nations:**

- India’s decision would impact its bilateral trade ties with RCEP member nations, as they may be more inclined to focus on bolstering economic ties within the bloc.
- The move could potentially leave India with less scope to tap the large market that RCEP presents —the size of the deal is mammoth, as the countries involved account for over 2 billion of the world’s population.

2) **Other deals:**

- Given attempts by countries like Japan to get India back into the deal, there are also worries that India’s decision could impact the Australia-India-Japan network in the Indo-Pacific.
- It could potentially put a spanner in the works on informal talks to promote a Supply Chain Resilience Initiative among the three.

3) **Missing opportunity:**

- India’s stance on the deal also comes as a result of learnings from unfavourable trade balances that it has with several RCEP members, with some of which it even has FTAs.
- An internal assessment by the government has revealed that the growth in trade (CAGR) with partners over the last five financial years was a modest 7.1%.
- While “there has been growth rate in both imports from and exports to these FTA partners”, the “utilisation rate” of FTAs both for India and its partners has been “moderate” across sectors, according to this study, which covers pacts with Sri Lanka, Afghanistan, Thailand, Singapore, Japan, Bhutan, Nepal, Republic of Korea and Malaysia.
- India has trade deficits with 11 of the 15 RCEP countries, and some experts feel that India has been unable to leverage its existing bilateral free trade agreements with several RCEP members to increase exports.

Content :-

1. United Nation Security Council

2. United Nation Security Council Veto Powers

3. The UN security council veto power must be abolished due to following reasons

Topic 2- "The United Nations Security Council and whether veto power should be abolished"

The United Nations council is one of the Six principal organs of the United Nations and is responsible for the maintenance of international peace and security. Founded in 24 October 1945, it is headquartered in New York, United States of America. It is composed of 15 members (of which 5 are permanent members- China, the United States, France, the United Kingdom, and the Russian Federation and also make recommendations to the General Assembly to appoint a new Secretary - general and to admit new members to the UN. The security council can take enforcement measures range from economic sanctions to international military actions.

UNSC
Security Council

The United Nations Security Council veto power is the power of the five permanent members of the **UN Security Council (China, France, Russia, the United Kingdom, and the United States)** to veto any "substantive" resolution. They also happen to be the nuclear-weapon states (NWS) under the terms of the Treaty on the Non-Proliferation of Nuclear Weapons. However, a permanent member's abstention or absence does not prevent a draft resolution from being adopted.

1) This veto power does not apply to "procedural" votes, as determined by the permanent members themselves. A permanent

member can also block the selection of a Secretary-General, although a formal veto is unnecessary since the vote is taken behind closed doors.The veto power is controversial. Supporters regard it as a promoter of international stability,

2) a check against military interventions,
3) a critical safeguard against United States domination.
4) Critics say that the veto is the most undemocratic element of the UN
5) as well as the main cause of inaction on war crimes and crimes against humanity, as it effectively prevents UN action against the permanent members and their allies.

<u>The UN security council veto power must be abolished due to following reasons :-</u>

The limits of the United Nations have been exposed again recently as the organisation has failed to take any effective measures in response to the crises in Syria and Myanmar.The fundamental problem is that in the current geopolitical climate where talk of a new ‘Cold War’ is increasingly justified, just about any global crisis is taking on a geopolitical dimension, where at least some members of the Permanent Security Council take every given opportunity to play out their respective global rivalries. In both cases, a member of the Permanent Security Council has used their veto to ensure that the entire international system is held hostage: Russia has vetoed any initiative concerning Syria, while China has been consistently opposing measures against the authorities in Myanmar . America’s veto means nothing will ever be done about Israel and the Occupied Territories, Russia’s veto means that Putin can throw his weight around as much as he wants in the former Soviet sphere of influence, while China’s veto means that Beijing’s Silk Road commercial interests will always take precedence over any humanitarian concerns all across in Asia.At the very least, the system needs to be reformed such that measures on mass atrocities or genocide, like those concerning the Rohingya of Myanmar, or the ongoing civil war in Syria, would require two Permanent Members to jointly issue a veto. Though it is likely that even such modest reform would be opposed by all the major players.As things stand, however, there is simply no way of getting around the fact that the UN has long since stopped being representative of the world we live in and its geopolitical realities. The entire continents of Africa and South America are not represented. The UK, France and Russia have their seats and their vetoes, but India, Brazil or Germany do not. There is no logic other than the historical for the current setup of the UN. But history has moved on.

The consequence of this is that the UN is simply incapable of representing the international community as a collection of states with a joint stake in the governance of the world, and in global peace and security. And this institutional lack is a contributing factor to the growing instability we see everywhere around the globe, and our collective failure to tackle existential crises such as climate change, global migrations, and the proliferation of failed or failing states.

International relations and institutions

Assignment 1 and 2

NAME :- ABHIJEET JIVANDAS BAIRAGI

CLASS:- T.Y.BCOM

DIV :- ‘D’

ROLL NO :- 336

ASSIGNMENT NO 1:-

Why didn't India join RCEP? What can be the possible Repercussions?

Ans:-

The reasons for India not to join RCEP are as follows:

China was the single most important factor for India's reluctance to join the RCEP (Regional Comprehensive Economic Partnership) among the economic reasons stated. As a result of the Covid-19 pandemic and the ongoing border standoff with China, New Delhi has chosen not to join any trade agreement, including BeijingIt is no secret that China's participation in the RCEP is well aligned with Beijing's market imperialist objectives for the Belt and Road InitiativeIndia was concerned that the accord would be turned into a free trade agreement with China through the back door, maybe via other nations, which is one of the reasons New Delhi is currently examining several regional FTAs One of India's key concerns was the threat to local manufacturers posed by the RCEP's abolishing tariffs, which it feared would open its markets to a flood of imports. New Delhi was particularly concerned about the risk of circumvention of origin laws due to tariff differentials and the inclusion of a fair accord to resolve trade deficits and service openness,The worry is apparent, as existing trade agreements and tariff liberalisation initiatives have

resulted in low-cost imports and a wider range of low-cost goods. India’s indigenous sector has been unable to compete with imports over the last 15 years, as seen by the rise in import demand. As a result, foreign products have infiltrated the domestic market, particularly in the industries of edible oil processing, autos, electronics, communications, and white goods,Experts have warned that the RCEP might harm India’s massive dairy industry since Australian and New Zealand farmers could flood Indian markets, killing mostly unorganised and inefficient small-scale Indian producers, mega-trade deal like the RCEP, if India’s industry had been competitive enough, would have provided a barrier-free regional market for their products, promoting “Make-in-India.” The agreement would have reduced import levies on 80% to 90% of items and simplified service and investment requirements.The RCEP is a proposed free-trade agreement (FTA) among 16 countries. India did not join the RCEP as negotiations failed to address New Delhi’s concerns. India negotiated hard. But its core interests remained unresolved.The RCEP could force India to cut duties on about 90 percent of the goods that are currently imported to India over the next 15 years. This has raised concerns that India will be flooded with cheaper imported goods, particularly from China, and dairy products from Australia and New Zealand. (The steel and dairy industry in India would have a slow death if India would have joined RCEP).Throughout the duration of RCEP negotiations, PM Narendra Modi and his team ensured a deal for India, while ensuring the domestic industry and farmers' interests are adequately safeguarded.

One of the key issues concerns the base year. India is opposed to the proposal that 2013 be treated as the base year for reducing tariffs, effectively implying that member countries should slash import duties on products to the level that existed in 2013.

ASSIGNMENT NO 2:-

The United Nations Security Council and whether veto power should be abolished?

Ans:-

Peace and Security

The Security Council has primary responsibility for the maintenance of international peace and security. It has 15 Members, and each Member has one vote. Under the Charter of the United Nations, all Member States are obligated to comply with Council decisions.The Security Council takes the lead in determining the existence of a threat to the peace or act of aggression. It calls upon the parties to a dispute to settle it by peaceful means and recommends methods of adjustment or terms of settlement. In some cases, the Security Council can resort to imposing sanctions or even authorize the use of force to maintain or restore international peace and security.

The limits of the United Nations have been exposed again recently as the organisation has failed to take any effective measures in response to the crises in Syria and Myanmar. In both cases, a member of the Permanent

Security Council has used their veto to ensure that the entire international system is held hostage: Russia has vetoed any initiative concerning Syria, while China has been consistently opposing measures against the authorities in Myanmar.The fundamental problem is that in the current geopolitical climate where talk of a new 'Cold War' is increasingly justified, just about any global crisis is taking on a geopolitical dimension, where at least some members of the Permanent Security Council take every given opportunity to play out their respective global rivalries.America's veto means nothing will ever be done about Israel and the Occupied Territories, Russia's veto means that Putin can throw his weight around as much as he wants in the former Soviet sphere of influence, while China's veto means that Beijing's Silk Road commercial interests will always take precedence over any humanitarian concerns all across in Asia.At the very least, the system needs to be reformed such that measures on mass atrocities or genocide, like those concerning the Rohingya of Myanmar, or the ongoing civil war in Syria, would require two Permanent Members to jointly issue a veto. Though it is likely that even such modest reform would be opposed by all the major players.As things stand, however, there is simply no way of getting around the fact that the UN has long since stopped being representative of the world we live in and its geopolitical realities. The entire continents of Africa and South America are not represented. The UK, France and Russia have their seats and their vetoes, but India, Brazil or Germany do not. There is no logic other than the historical for the current setup of the UN. But history has moved on.

The consequence of this is that the UN is simply incapable of representing the international community as a collection of states with a joint stake in the governance of the world, and in global peace and security. And this institutional lack is a contributing factor to the growing instability we see everywhere around the globe, and our collective failure to tackle existential crises such as climate change, global migrations, and the proliferation of failed or failing states.If international collective action is to become possible again so that we may try to address these ever more acute challenges, a new institutional order will be required. And that new institutional order will neither happen, nor would be effective if it did, so long as the powers that be insist on Permanent Memberships and Vetoes.Everything we need to do to meet the global challenges of this century will require a great deal of consensus. But nothing will get done if every last decision requires absolute consensus amongst global and regional powers with entrenched rivalries and historical axes to grind.Perhaps suggesting the rebuilding of the global institutional order in the age of Trump and Putin seems naïve, even misguided. How would such an initiative even get off the ground when the erstwhile

pillars of the global order have so thoroughly abandoned the idea of a rule-based world? But China, the world's fast-rising power, does recognise the value of an international rule system. And it has positioned itself as a defender of the international order. This is promising. What is more, there are benefits for both Putin and Trump's America to accepting international institutional constraints on their power-plays. Doing so would lower risks of direct confrontation and possible nuclear escalations, it would make the strategic calculations of each side far more predictable, and would most likely lower the costs of play at the geo-strategic poker table.

There are reasons why the big players might consider moving in this direction. And the need is very pressing indeed, as the global situation becomes more and more acute. Whether the current crop of world leaders have the foresight to do so, or whether we will be lucky enough that circumstance will force them into doing what needs to be done, remains to be seen. But the direction in which we need to be going is quite clear: Security Council Permanent Memberships and Vetoes must go.

Date / /20

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

NAME : MANDAR ANIL SIRSAT

CLASS : F.Y. B.Com.

DIVISION : SECTION "B"

ROLL NO. : 177

ACADEMIC YEAR : 2020 - 2021

SUBJECT : ECONOMICS

ASSIGINMENT NO. : 1

TOPIC NAME : STUDY OF DEMAND OF MAGGI IN INDIA.

SEMESTER : I

MAYUR

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⇒ INTRODUCTION.

The aim of this assignment is to study the demand or supply side of a given product or service. In this assignment, I am studying the demand of Maggi Noodles in India

⇒ WHAT IS DEMAND.

Demand is the quantity of a good that consumers are willing and able to purchase at various prices during a given period of time. The relationship between price and quantity demanded is also called the demand curve. The demand curve represents the price of commodity and quantity demanded in a diagrammatic manner.

⇒ FACTORS AFFECTING DEMAND.

1. Price
2. Income
3. Population
4. Distribution of Income.
5. Advertisement
6. Tastes, habits and fashion.
7. Price of substitutes and complementary goods.
8. Expectations about future prices
9. Taxation Policy.
10. Other factors like change in any climate conditions, traditions, political and social factors.

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⇒ TYPES OF GOODS / PRODUCTS.

The demand of a product also depends on the type of the product. The products can be classified based on the following information :

1. Material and Non-Material Goods.

Material goods are those which are tangible. Example; car, bike, mobile, laptop, etc. Non-material goods are intangible as they do not possess any shape or weight and cannot be seen, touched or transferred. Example services provided by doctors, lawyers, teachers, consultants, etc.

2. Economic and Non-Economic Goods.

Economic goods are those which have a price and their supply is less in relation to their demands or is scarce. Example all economic goods such as electric appliances, T.V's, etc. Non economic goods are goods which are acquired without any cost. Example. Gifts of nature such as water, air, land, Sun, etc.

3. Consumer Goods and Producer Goods.

Consumers goods are those final goods which directly satisfy the wants of Consumers. Example Bread, milk, eggs, biscuits, etc. Producers goods are those goods which help in the production of other goods that satisfy the wants of the consumers directly or indirectly. Consumer goods are made using producers goods. Producers goods are also known as Capital Goods. Example Machines, industrial equipment, etc.

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4. Nature of Commodity.

Necessary goods or simply necessity are the goods or services that the consumer will buy regardless of the changes in their income levels therefore making these products less sensitive to income changes. Example food, medicines, clothes, etc. Luxury goods are those which are not necessary but symbolises status and power in the society. Example expensive cars, Furnished houses, etc.

5. Durable and Perishable goods.

Durable goods are consumer goods that do not wear out quickly and can be used for a long period of time. Example Books, Clothes, shoes, etc. Perishable goods are those goods which perish in a specific period of time. These are generally agricultural goods processed and used for consumption. Example. Fruits, vegetables, oil, etc.

⇒ METHODOLOGY.

→ The Method used for collecting the data in the following assignment is secondary method of data collection.

→ The information is collected from internet, official website of Nestle Maggi Product and reference books.

→ The product selected for assignment is 'Nestle-Maggi' Noodles'

→ This product is selected because, in the recent times, due to the pandemic, which led to lockdown, the consumption of the following product has substantially increased while the supply reduced due to the nationwide lockdown.

→ This product is selected as in recent times, due to the pandemic of Covid-19 virus, the demand of Nestle Maggi increased drastically in second and third quarter of 2020 while the supply reduced due to lack of transportation and proper distribution due to nationwide lockdown.

→ 'Nestle - Maggi Noodles' falls in the category of perishable consumer goods. These are eaten nationwide as a comfort food

→ When covid-19 virus entered India, India was forced on a nationwide lockdown for several months. People were bored eating the same food every day and since all the restaurants and cafe's were closed due to which only chance of comfort food was in packaged food. And the most famous packaged food in India is Maggi Noodles which are liked not only by children but teenagers and adults too.

⇒ INTRODUCTION TO NESTLE MAGGI

The world economy is increasing day by day, as consumers we play a vital role in the working of the economy in a country. All the marketing of goods start with the decisions made by us - the consumers. These decisions made by the consumers concerning our consumption affect the demand of a commodity.
'MAGGI - 2 Minute Noodles' is a leading brand and also an important part of the Nestle family. Over the years, maggi has positioned itself as "Fast to cook, good to eat!"

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In India, around 90% of the instant noodles market from the Nestle company are made in India. 80% of the Indian population eats maggi everyday irrespective of age group. It acquires about 90% of the instant noodles market from the last 25 years. According to a Mumbai brand advertising expert it is said that 'MAGGI' is now the 'third staple food' after wheat and rice.

⇒ **EVOLUTION AND DEVELOPMENT OF PRODUCT AND BRAND.**

Maggi was introduced in India by the Nestle Family in the 1980's. Maggi was invented in the Mid 19th Century by Julius Maggi as per the corporate history of the brand. The Swiss brand maggi merged with the Nestle group of companies in 1947. After the launch, the brand has become synonymous with the category of instant noodles.

NESTLE:

Nestle is a swiss company originated in 1905 and was founded in 1866 by Henri Nestle. In present day, the company have 447 factories, operates in 194 countries and employs around 3,39,000 people. Overall, Nestle owns 2,000 main brands over 150 countries.

Sales as per category in CHF:

- 20.3 billion powdered and liquid beverages.
- 16.7 billion milk products and ice cream.
- 13.5 billion prepared dishes and cooking aids
- 6.9 billion water.

The Nestle maggi uses taglines like "Taste bhi, health bhi, bas 2 minute mein" to target younger sections of the society like children and teenagers.

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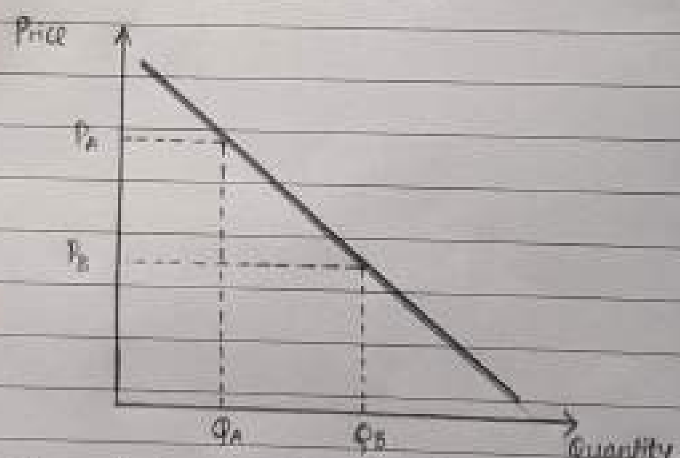
⇒ MAGGI NOODLES MARKET SHARE 2020.

Maggi Noodles hold 60% Market share in India as opposed to 77% before its band due to harmful substances such as lead in 2015. Maggi since has relaunched but was not able to achieve the previous glory.
India is also the 5th largest consumer of Maggi instant noodles in the world first being China.

⇒ DEMAND CURVE OF MAGGI NOODLES.



The Demand Curve with relation with price.

⇒ DETERMINANTS OF DEMAND OF MAGGI NOODLES.

There are only two determinants of demand for Maggi Noodles.
1. Price of the Commodity.
2. Income of the consumers.

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⇒ SUBSTITUTE GOODS OF MAGGI.

1. Yipee noodles.
2. Top Ramen Noodles
3. Knorr instant noodles.
4. Wai wai Noodles
5. Chings Chinese Noodles
6. Patanjali atta noodles.

In the market demand and consumer behaviour the substitutes play a major role because with a change in the factors of demand the consumers switch to other products

Comparison of MAGGI Noodles with TOP RAMEN instant noodles.

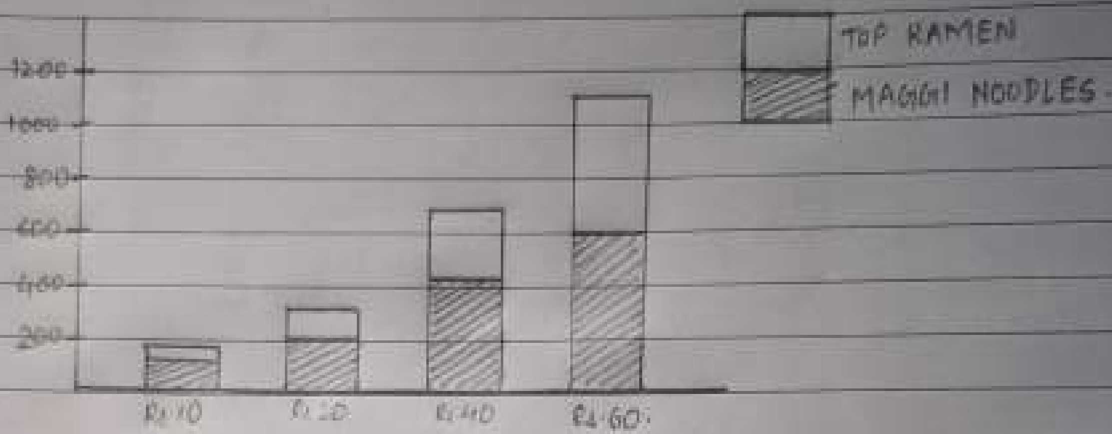
	Price →	Rs.10	Rs.20	Rs.40	Rs 60.
MAGGI	Quantity →	100g	200g	400g	600g
TOP RAMEN	Quantity →	70g	170g	280g	520g.

Maggi has sustained its position in the market because the maggi products contain more quantity as compared with substitute product of Top Ramen in the same prices.

Maggi noodles have elastic demand and one of the major factors is the availability of substitute goods. This phenomenon can be seen in the following diagram below.

It shows that little rise in price of the commodity will have a impact of decrease in Demand as it has ~~to~~ large numbers of Substitutes.

After the maggi ban in 2015, the demand for maggi noodles reduced 17% from 77% to 60% as the maggi price was increased from Rs.10 to Rs 12 giving other substitutes like Yipee, Top Ramen, Knorr instant noodles area and room for development.



Market share of Maggi compared with Top Ramen with Respect to price.

⇒ ELASTICITY OF DEMAND.

1. Price elasticity.

Maggi is a brand name product. Even if the price increased, the customers are still ready to purchase Maggi noodles. Thus the elasticity of Maggi is Positive.

2. Cross elasticity.

If there is an increase in the price of the substitutes, then the demand for Maggi noodes will increase. For example, if the price of Top Ramen or Yipee increases by 20% to 25%, then the demand for maggi will increase by 10%.

3. Income elasticity.

If the income of the people rises by 20%, then demand for maggi will also rise by 10% to 12%. Thus, this is the effect of income elasticity on people.

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⇒ SHORT RUN AND LONG RUN IMPACT IN THE ELASTICITY OF DEMAND

In the short run period of time, the demand for the maggi is less elastic because if the price of Maggi suddenly increases the demand of the product will also decrease as per the long run scenario.

⇒ CONCLUSION-

The study shows that the consumers buying behaviour is the biggest factor in the Demand and Supply of the product. The brand name of Maggi has gained a very high position in the market in the last 25 years. Though the consumers are willing to buy the product which have taste but also includes ingredients which are good for health of the consumer. The demand of Maggi went down drastically due to its ban in 2015. Maggi instant noodles after its rollback in the market are making every effort to win the trust of the consumers.

EXTERNAL COMMERCIAL BORROWINGS

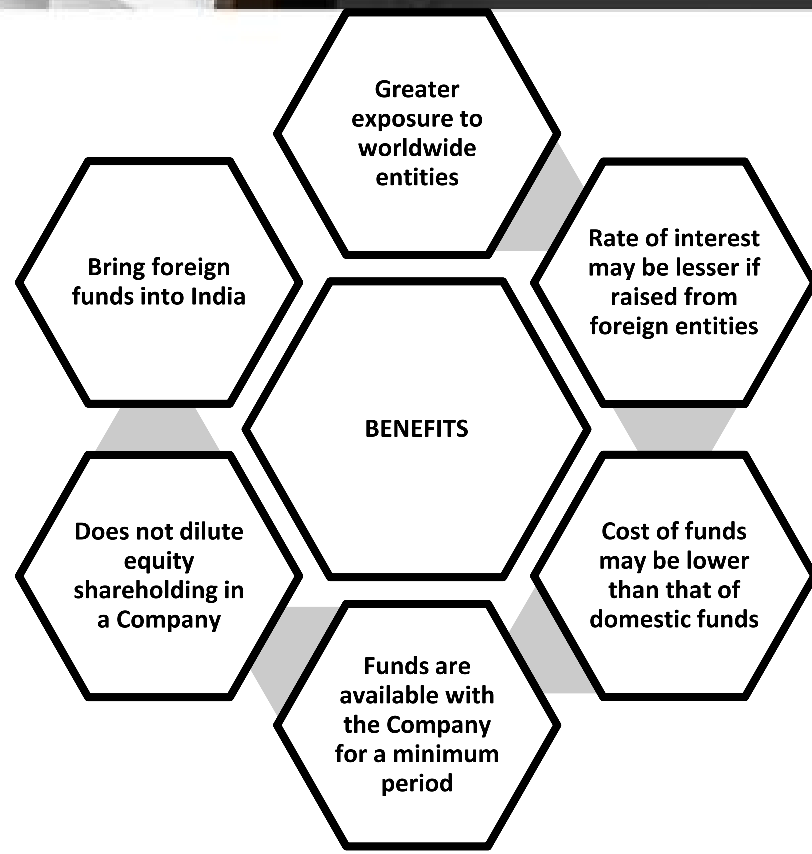
What is ECB?

- ECBs are commercial loans
- Raised by eligible borrowers
- From non-resident entities
- For permitted end use prescribed by RBI
- Should conform to parameters directed by RBI

Borrowing vs Investments

ECB	ECL	ODI	FDI
External Commercial Borrowings are commercial loans raised by eligible resident entities from recognised non-resident entities.	Eligible resident entity extend foreign currency denominated ECL to a borrower outside India.	Direct investment outside India in the capital instruments of non-resident entities.	Direct investment by non-resident entities in the capital instruments of the Company.

Benefits of lending through ECB



Procedure of raising ECB

ECB

Automatic Route

*If parameters prescribed under the framework have been complied with

*Approach AD Category I Bank with proposal in Form ECB

Approval Route

*Borrowers may approach RBI with application in prescribed format Form ECB

*RBI shall grant approval based on overall guidelines, macro-economic situation and merits of the proposal

Forms of ECB

- ECB
  - Foreign currency denominated ECB
  - INR denominated ECB

- **Foreign Currency denominated ECBs**:

  As per the erstwhile provisions, ECB was divided into:

  – Track I Foreign Currency ECBs

  – Track II Foreign Currency ECBs

  – Track III Rupee denominated ECBs

  However, the recent amendment dated 31st July, 2019 has merged track I and II as foreign currency denominated ECBs. These ECBs have forex hedging risk due to foreign currency difference.

- **INR denominated ECBs:**

  These are Indian Rupees denominated ECBs and do not have hedging risk.

Instruments of borrowings covered by ECB

FCB

- Bank Loan
- Fixed or floating rate notes or bonds
- Debentures (other than compulsorily convertible)
- Trade credits beyond 3 years
- Foreign Currency Convertible Bond

INR-ECB

- Bank Loan
- Fixed or floating rate notes or bonds
- Debentures/preference shares (other than fully and compulsorily convertible)
- Trade credits beyond 3 years
- Financial lease
- Plain vanilla rupee denominated bonds issued overseas (which can be either privately placed or public issue as per host country regulations)

Parameters for borrowing through ECBs

- ECBs should be borrowed from eligible borrowers
- To ensure whether lenders are eligible to borrow from ECB route
- Minimum maturity period of ECB
- All-in-cost ceiling should be maintained
- End uses of ECB should not be restricted
- Exchange rate
- Hedging provision for foreign exchange exposure

Eligible borrowers

FCD-ECB

- All entities eligible to receive FDI
- Port Trusts
- Units in SEZ
- SIDBI
- EXIM Bank of India

Note: An entity/ individual can invest in India as per the FDI Policy, except in those sectors/activities in which FDI is not permitted

INR-ECB

- All entities eligible to receive FCD-ECB
- Registered entities engaged in micro finance activities
- Registered not for profit companies
- Registered societies/trusts/ cooperatives
- Non-Government Organisations

Eligible lenders

- Should be resident of FATF or IOSCO compliant country
- Multilateral and Regional Financial Institutions where India is a Member Country
- Foreign Equity Holders- Means:
  a) Direct foreign equity holder with min 25% direct equity holding in borrowing entity
  b) Indirect equity holder with min 51% indirect equity holding
  c) Group company with overseas parent
- Individuals who subscribe to bonds and debentures listed abroad
- Foreign branches/ subsidiaries of Indian Banks are permitted as lenders only for FCY ECB (except FCCBs and FCEBs). Further, they can participate as arrangers/underwriters/market-markers/traders for INR-ECBs issued overseas. However, underwriting by foreign branch of indian banks for issuances by Indian banks will not be allowed

Minimum Average Maturity Period (MAMP)

Generally MAMP for ECBs shall be **3 YEARS.** However, different criteria of MAMP is provided for some companies:

Raised by (Borrower)	Raised from (Lender)	Raised upto/for	MAMP
Manufacturing companies	Eligible Lender	Upto 50 million or its equivalent per FY	1 year
Eligible borrower	Foreign equity holder	a) General corporate purposes b) Repayment of rupee loans	5 years
Eligible borrower	Eligible Lender except foreign branches/ overseas subsidiaries of Indian banks	a) Working capital purposes or general corporate purposes b) Repayment of rupee loans availed domestically for purposes other than capital expenditure	10 years
NBFCs	Eligible Lender except foreign branches/ overseas subsidiaries of Indian banks	On lending for working capital purposes or general corporate purposes	7 years
NBFCs	Eligible Lender except foreign branches/ overseas subsidiaries of Indian banks	On leading for repayment of rupee loans availed domestically for purposes other than capital expenditure	10 years

Limit

Eligible borrowers can raise ECB upto USD 750 Million or equivalent per FY under automatic route

ECB Liability-Equity Ratio

- Debt/equity ratio in case of foreign equity shareholders means the ECB liability-equity ratio.

- 'ECB liability' means the proposed borrowing plus the outstanding borrowing from the concerned foreign equity holder lender and 'Equity' means paid -up capital plus free reserves (including the share premium received in foreign currency from the concerned foreign equity holder lender).

- In case of FCY denominated ECB raised from direct foreign equity holder, ECB liability-equity ratio for ECB raised under the automatic route cannot exceed 7:1

  (Not applicable if o/s amount of all ECB including proposed one is upto 5 Million)

Costs

'All-in-Cost' comprises of *rate of interest, other fees, expenses, charges, guarantee fees* whether paid in foreign currency or Indian Rupees (INR) but shall not include commitment fees, pre-payment fees / charges, withholding tax payable in INR.

Further, in the case of fixed rate loans, the swap cost plus spread should be equivalent of the floating rate plus the applicable spread.

The All in cost ceiling per annum has been limited to 450 bps spread

Prepayment charge/ Penal interest, if any, for default or breach of covenants, should not be more than 2% over and above the contracted rate of interest on the outstanding principal amount and will be outside the all-in-cost ceiling.

Security

- AD Category I banks are permitted to allow creation of charge on:
  - Immovable assets
  - Movable assets
  - Financial securities
  - Corporate and personal guarantees in favour of overseas lender/security trustee

Certain conditions to be fulfilled

a) Compliance of ECB guidelines

b) NOC has been obtained from existing lenders in India

c) exists a security clause in the Loan Agreement requiring the ECB borrower to create/cancel charge, in favour of overseas lender/security trustee, on immovable assets/movable assets/financial securities/issuance of corporate and/or personal guarantee

Negative List of end use

- Real estate activities
- Investment in capital market
- Equity investment
- Working capital purposes except fulfils the aforesaid table
- Repayment of Rupee loan except fulfils the aforesaid table
- On lending to entities for above activities, except in case of ECB raised by NBFCs

Hedging Risk

FCD-ECB

- Entities are required to comply with the guideline of concerned sectoral or prudential regulator in respect of foreign currency exposure
- Infrastructure companies shall comply with Board approved risk management policy and mandatorily hedge 70% of their ECB exposure in case the average maturity is less than 5 years

INR-ECB

- Overseas investors are eligible to hedge their exposure in Rupee through permitted derivative products with AD Category I banks in India

Operational Aspects w.r.t. Hedging

Coverage

- Both principal and interest should be hedged
- Financial hedge should start from the time of creation of such exposure

Tenure and rollover

- Minimum tenure of 1 year
- Periodic rollover to ensure that ECB is not unhedged at any point of time

Change of currency of borrowing

FCY-ECB	INR-ECB
Change of currency of ECB from one freely convertible foreign currency to any other freely convertible currency/ INR is permitted	Change of currency from INR to any freely convertible foreign currency not permitted.

Non-applicability

- Investments in NCDs by registered FPIs
- Lending and borrowing under the ECB framework by Indian banks and their branches/subsidiaries outside India will be subject to prudential guidelines issued by the Department of Banking Regulation of the Reserve Bank
- Other entities are required to comply with guidelines of concerned sectoral or prudential regulator

Reporting Requirements

- Loan Registration Number- LRN has to be obtained from RBI before providing loan in India
- Changes in terms and conditions of ECB has to be reported within 7 days in Form ECB
- Borrowers are required to report actual ECB transactions through ECB-2 Return on monthly basis within 7 working days from the close of the month

ECB in case of stressed assets

- Where entity is under a restructuring scheme/ corporate insolvency resolution process- it can raise ECB only if permitted under resolution plan.

- Where domestic loans of eligible borrower for capital expenditure in manufacturing and infrastructure sector is classified as NPA or SMA-2 - can avail ECB for repayment of these loans under any one time settlement with lenders.

Conversion of ECB into equity

- Following conditions have to be satisfied:
  - Activity of borrowing co. should be covered under automatic route for FDI or Govt,. Approval if received
  - Lender’s consent without additional cost
  - Should not result in contravention of eligibility or breach of sectoral cap under FDI policy
  - Applicable pricing guidelines for shares should be complied
  - If partial conversion, reporting in FC GPR and ECB-2 shall be required
  - If full conversion, reporting in FC-GPR shall be required
  - If borrower has obtained credit facilities from banks, applicable prudential norms of Banking Reg has to be complied
  - Consent of other lenders to the same borrower
  - exchange rate prevailing on the date of the agreement between the parties concerned for such conversion or any lesser rate can be applied with a mutual agreement with the ECB lender. It may be noted that the fair value of the equity shares to be issued shall be worked out with reference to the date of conversion only.

Taxability

- Taxability on interest on ECBs shall be dependent on whether borrowing is in foreign currency or Indian rupees

- Interest payable by an Indian company or a business trust to a non-resident, including a foreign company, in respect of rupee denominated bond issued outside India before the 1st of July, 2020 is liable for concessional rate of tax of Five Percent (5%).. However, the same is exempt from tax till 31st March, 2019.

THANK YOU

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BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

ARCHITA JAIN
F.Y. B.Com.
Roll no.: 13
Div. : A

ECONOMICS

2020 - 21
Sem - 1

A STUDY OF DEMAND OF CADBURY PRODUCTS

CADBURY

Cadbury is one of the largest confectionary industries in the world. It was founded by John Cadbury and established in Birmingham of United Kingdom in the year 1824. The company's main objective is its commitment to make the public satisfied with its products. Cadbury grew in strength with new machiney being imported, making its business as one of the most economical international company in the world. Cadbury is currently the leading competitor in the global confectionary market with around 200 years of history.

Cadbury caters to the global market with products such as Dairy Milks, Pascall Confectionary, Coco by Cadbury, nut free products, kosher product, choclate bars, boxed choclates, old gold and many more ('Cadbury 2012). Cadbury keep track with a list of documents, adding up to the enriched annual financial report. This is because they know exactly how to create demand for its product.

The company's demand and supply can be affected by various factors and that has an immediate impact on its profitability. Cadbury is also one of the companies that impose competitive pricing strategy, as ~~tof~~ it will otherwise affect its demand. Despite of unstable economical factor that causes change in material costs and labor,

Cadbury still manages to maintain a stable gross margin in its year-end production, this is due to the fact that Cadbury has 35% of the market share, which easily gives them monopolistic status

The law of demand is when a consumer is willing to pay a certain amount of money to buy a specific time even when the factor that affecting demand and supply of any product while other determinants remain the same.

Date: / /
Page:

COMPANIES THAT PRODUCES SUBSTITUTE PRODUCTS

1) NESTLE

NESTLE'S Relationship with India dates back to 1912, when it began trading as The NESTLE Anglo-Swiss Condensed Milk Company (Export) Limited, importing and selling finished products in the Indian Market.

2) HERSHEY'S

HERSHEY INDIA PVT LIMITED is a 100% Subsidiary of the Hershey Company, a 100+ year old company based out of Hershey, PA. It is the largest producer of quality chocolates in North America and a global leader known for bringing happiness to the world through its products.

3) MARS

MARS INCORPORATED is an American multinational manufacturer of confectionary, pet food and other food products and a provider of animal care services. It was ranked as 6th largest company in the U.S. by forbes. The company was named by Fortune magazine as one of the top 100 companies to work for in 2013.

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COMPANIES THAT PRODUCES COMPLIMENTARY PRODUTS

1) MILK

Milk is used to make almost all the Cadbury products. It is a nutrient-rich liquid ingredient. Throughout the world, more than six billion people consume milk and mik products.

2) COCOA SOLIDS

Dry cocoa solids are the components of cocoa beans remaining after cocoa butter, the fat component is extracted from choclate liquor. It is one of the main and utmost important component of Cadbury products.

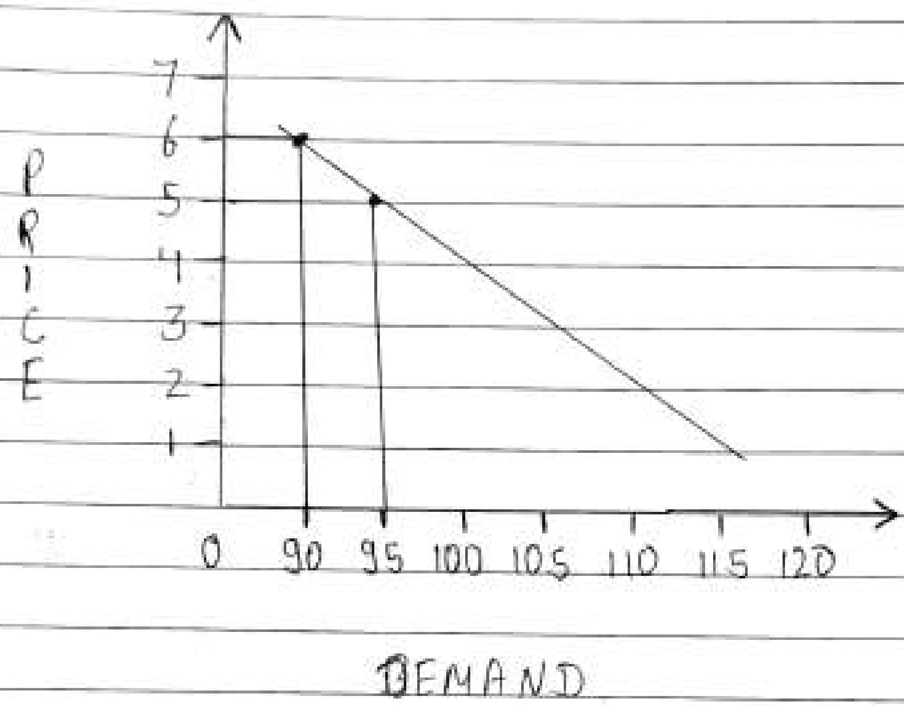
3) SUGAR

In most parts of the world, sugar is an important part of human life, making food more palatable and providing food energy. It is used as sweetner in most of the Cadbury products.

4) PLASTIC PACKAGING

Plastic packaging allows to protect, preserve, store and transport products in a variety of ways. It provides the product to easy trasportable or store or survive in good condition to consume.

DEMAND PRICE RELATIONSHIP



Cadbury's brand has loyal products so we if the prices are increased by 20% then demand of the product will be decreased by 5%.

If we increase the price by Rs. 1 then demand will fall by ~~8 piece~~ 5 pc per 100 pc.

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FACTORS AFFECTING DEMAND OF CADBURY

1) PRICE

Cadbury is a brand that has good customer loyalty. This means regardless of a minor increase in price, the demand of the good will remain the same. However if there is a minor decrease in price, the demand of the good may rise.

2) INCOME

When the income of the consumers increases, the demand of Cadbury's goods may increase as well because the purchase power of the consumer has increased. Vice versa when the consumer's income decreases, the demand may well decrease as well because consumer purchasing power has decreased, hence consumer will turn to cheaper options.

3) BRAND REPUTATION

The brand reputation of Cadbury plays one of the most crucial roles in demand. Cadbury has already long established a reputable and reliable image for its quality that the consumer trust thus will not simply turn to other brands.

4) AGE AND POPULATION

The age group does not have much effect on the demand for Cadbury's product but the population increases, the demand of the group increases too.

5) CONSUMER'S PREFERENCES

Cadbury's product quality is the key to deter existing consumers from turning to other brands. The quality of the goods will always remain the same to continue to bring satisfaction to the consumers.

6) COMPETITION

There are many strong competitors such as Nestle in the global market of confectionary. Nestle's products prices have an immediate effect on their demand. When the prices of their products are high, the demand of Cadbury's products will increase. However, even when Nestle's product's prices decreases is barely has any effect on their demand as Cadbury is the world leading competitor and has already monopolized the market.

7) COST OF COMPLIMENTARY GOODS

When the price of complementary goods of Cadbury increase, it will have no effect on the demand because Cadbury is a brand that has strong brand loyalty

SUGGESTIONS FOR THE INCREASE THE DEMAND OF CADBURY PRODUCTS

⇒ Maintain dominance in choclate segments are bring in more flavors of dairy milk.

⇒ Formulate new strategies to give tough competition to new entrants.

⇒ Maintain their strong market distribution channel so as not to lose market share.

⇒ Customer's complaint should be welcomed and handled effectively.

⇒ One new meyor product from International portfolio should be launched in India every year.

CONCLUSION

Cadbury flexible pricing entails producing products that meet all consumer need regardless of their income. Their product is of high quality and has won the loyalty of many consumer across the globe.

Cadbury product demand ~~and~~ supply as analysed has impacted on ~~in~~ varios sphere of the global economy in relation of their pricing policies, consumer income policy strategy, and social cost in relation to tax policies among others.

Brihan Maharashtra College oF Commerce

Name : Abhijeet Mane

Class : F.Y.B.com

Roll.no : 2

Division : A

Subject : Economics

Topic : A Study of Demand for Industrial Product (Lamborghini

Introduction to Lamborghini

Automobili Lamborghini S.P.A is an Italian brand and Manufacture of luxury automobiles.

Lamborghini's production facility and headquarters are located in Sant'Agata Bolognese, Italy Italian Manufacturing Magnate Ferruccio Lamborghini founded the company in 1963 with the objective of producing a refined grand touring car to compete with offerings from established marques such as 'Ferrari'

- Lamborghin currently produced the V12-powered Aventador and the V10-powered Huracan, along with the Urus SUV powered by a twin-turbo V8 engine. In addition, the company produces V12 engines for offshore powerboat racing Lamborghini Trattori, founded in 1948 by Ferruccio Lamborghini, is headquarted in Pieve di cento, Italy and continues to produce tractors.

Lamborghini ownership.

years	owner.
1963 - 1972	Ferruccio Lamborghini
1972 - 1977	Georges - Henri Rossetti and Rene Leimer.
1977 - 1984	Receivership
1984 - 1987	Partrick Mimran
1987 - 1994	chrysler corporation
1994 - 1995	Mega Tech
1995 - 1998	V'Power and Mycom Sedt
1999 - Present	Audi AG

Market Demand and supply of Lamborghini :

compition :

This is because with compitition, companies, are trying to win over the consumer preference, having a large effect on demand as the compititive approach towards growth could cause either a increase or decrease in demand.

Affordability :

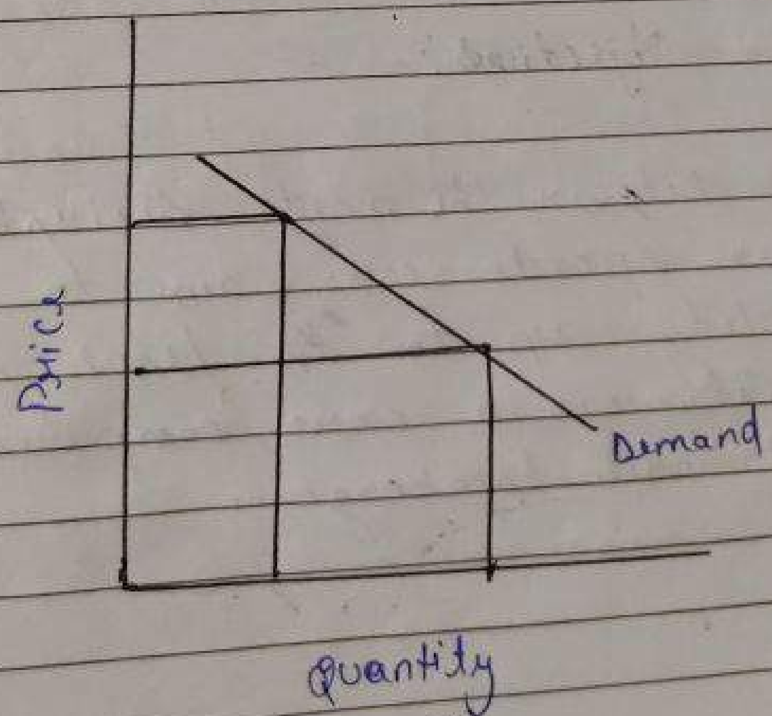
If the price for cars of a particular company is significantly high compared to other substitute products. this could cause decline in demand as consumers are discouraged to pay such prices for a car.

compared to lamborghini Prices raging from £180,000 - £ 4.5 million, average estate cars cost £ 10,000 - £ 30000

• Current Situation of Demand for Lamborghini's :-

Lamborghini's are more exclusive and are of much higher quality and therefore have a much higher price tag. Thus there is less demand for them, as not many people can afford such luxurious cars, hence average cars are then in much higher demand as they appeal to a much larger target audience of consumers.

Current Situation of Demand for Lamborghini's.



Show Room - Lamborghini in India.

- Lamborghini in Bengaluru
- Lamborghini Delhi
- Lamborghini Mumbai

Lamborghini Car Models and Prices.

- Lamborghini Urus - 3.10 cr
- Lamborghini Aventador - 5.01 - 6.25 cr
- Lamborghini Huracan - 3.22 - 4.10 cr
- Lamborghini Gallardo - Starting at 1.3 cr

Objectives:

To Deliver the most desirable luxury super sports cars aim to upcompromising quality up to the finest detail quality is a core competence of Automobile Lamborghini

Factor influencing "Lamborghini"

- factor that influence Bata on basis of its marketing Process

- Micro Analysis.

i) In case of customers.

The product of "Lamborghini" target a wide range of customer. This have mainly due to its expensive Price and narrow range of product made avilable in market by the company

ii) In case of competitiors :

The competitiors of lamborghini in the market are Aston Martin, Ferrari, Jaguar etc. The arrival of all these brands has created a highly competitive environment in the car industry markets. This brands work as substitute to customers as well.

Macro Analysis

It is very important for any organisation to initate a marketing process. This is must be a continious process and should help in positioning organisation in the market. factors that influence Lamborghini under macro analysis

i) Political
ii) Economical
iii) Social
iv) Technological

i) Political factors includes :-
a) Rules and regulation for tannery wastes
b) government stability
c) fewer sports events apart from cricket to attract customers.
d) Merging of substitutes and market pressure on sales

ii) Economical factors include :
a) seasonal issues :
b) Increasing buyers power makes the customers to look at branded cars.
c) Huge customer market

iii) social factors include
a) change in lifestyle of buyers
b) Increasing fashion trends and buyers behaviour

iv) Technological factor include
a) Increase in competitting techonology development
b) Upward shift in innovation and manufacturing maturity.

Substitute to Lamborghini

i) Ferrari
ii) Aston Martin
iii) Jaguar
iv BMW

There are enormous number of car company's to Lamborghini. all the demand and supply in its case depends upon consumer behaviour and demand for particular car. As will be the demand will be the supply and its consistency competitors are many in number so one brand has to be creative as Lamborghini

Data Analysis

- Lamborghini

1) Lamborghini sold a total of 8,205 cars in 2019

Net income = € 10.1 million (2014)

Revenue = € 586 million (2014)

Product output = 5750 vehicles (2018)

- Turnover grew by 28% from 1.42 Billion euros to 1.81 Billion euros in 2019.

- operating profit reached 271.7 million euros, thus pushing up the Profit margin to 15%

Conclusion

With all breif and detailed analysis I come to a conclusion that Lamborghini company is a high turnover with even bearing many competitors in market. Lamborghin holds a high reputation from cars industry to all across the country and other outside. It has many known for expensive car and also for Luxury cars.

NAME : Abhishek Anil Pawar.

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DIV : 'A'

ROLL NO : 03

SUBJECT : Business Economics

COLLEGE : BMCC.

SEM : I

YEAR : 2020 - 2021

TOPIC : A Study of Demand For Industrial Product (Tata Moters)

INTRODUCTION TO TOPIC & INDUSTRY

Tata Moters Limited is an Indian multinational automotive manufacturing company headquartered in Mumbai, Maharashtra, India. It is a part of Tata Group, an Indian conglomerate. Its products include passenger cars, trucks, vans, coaches, buses, sports cars, construction equipment and military vehicles.

Formerly known as Tata Engineering and Locomotive Company (TELCO), Tata Motors is a part of the Tata Group. Tata motors has auto manufacturing and assembly plants in Jamshedpur, Panthagar, Lucknow, Sanand, Dharwad and Pune in India, as well as in Argentina, South Africa, Great Britain and Thailand. It has research and development centres in Pune, Jamshedpur, Lucknow and Dharwad in India and South Korea, Great Britain and spain. Tata motors principal subsidiaries purchased the English premium car maker Jaguar Land Rover (the maker of Jaguar and Land Rover cars) and the south Korean commercial vehicle manufacturer Tata Daewoo. Tata motors has a bus-manufacturi joint venture with Marcopolo S.A. (Tata Marcopolo), a construction-equipment manufactur

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joint venture with Hitachi (Tata Hitachi Construction Machinery), and a joint venture with Fiat Chrysler which manufactures automotive components and Fiat Chrysler and Tata branded vehicles.

Founded in 1945 as a manufacturer of locomotives, the company manufactured its first commercial vehicle in 1954 in a collaboration with Daimler-Benz AG, which ended in 1969. Tata Motors entered the passenger vehicle market in 1988 with the launch of the Tatamobile followed by the Tata Sierra in 1991, becoming the first Indian manufacturer to achieve the capability of developing a competitive indigenous automobile. In 1998, Tata launched the first fully indigenous Indian passenger car, the Indica, and in 2008 launched the Tata Nano, the world's cheapest car. Tata motors acquired the South Korean truck manufacturer Daewoo Commercial Vehicle Company in 2004 and purchase Jaguar Land Rover from Ford in 2008.

Tata Motors is listed on the BSE (Bombay Stock Exchange), where it is a constituent of BSE sensex index, the Nationa[l] Stock Exchange of India, and the New York Stock Exchange.

The company is ranked 265th on the Fortune Global 500 list of the world's biggest corporations as of 2019.

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OBJECTIVES

Tata Motors is the product I have selected to describe its demand analysis as well as its supply analysis.

Main objective behind choosing Tata motors as a product for its analysis is that it has its wide range of products, industries as well as stores all over India. as well as over the worldwide. This aspect makes easier for the data to be collected and to be revised easily.

Tata motors and its branches are sperad widely all over the country as well as worldwide (globaly). So, whenever the demand and supply are up and down or are constant it becomes easier for to collect data easily from various articles and websites. Therefore, I choosed Tata Motors to analysis of its demand and supply data.

SUBSTITUTE INDUSTRIES TO TATA MOTORS

1) Volvo Group :-

The Volvo Group is a company that manufacturer trucks, buses, construction equipment as well as marine and industrial engines.

2) Audi :-

Audi is a company that designs, engineers, manufacturers and distributes automobiles.

3) PACCAR :-

PACCAR is a company engaged in design manufacture and customer support of light-medium - and heavy - duty trucks under the Kenworth, peterbilt and DAF nameplates.

4) Hyundai Motor :-

Hyundai motors is a company that manufacturers and distributes motor vehicle and parts.

5) Tesla :-

Tesla is a company that designs, develops, manufacturers and sells electronic vehi and energy storage systems.

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6) Chevrolet :-

Chevrolet designs, builds, and sells cars, trucks, crossovers and automobile parts.

7) Mitsubishi Motors :-

Mitsubishi Motors is a company that designs, manufactures and sells passanger vehicles, related components and also the replacement parts.

8) Caetano Bus :-

CaetanoBus is a manufacturer of coaches and buses.

Hence, above all the competitors industries to the Tata motors.

FACTORS INFLUENCING TATA MOTORS

* Factors that influence Tata motors on basis of its marketing process :-

* ## MICRO ANALYIS

1) In Case of Customers :- The products of Tata motors targets a wide range of customers which also includes Army, Police Force and Mining industries in all locations. This is mainly due to the wide range of products

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made available in market by the company.
However, the focus of tata motors remained on delivering superior quality products coupled with attractive features. After sales service was almost insignificant three decades ago, given customer expectations were not as varied and envolved as they are today.

2) In Case of Competitors:- The competitors of Tata motors in the market are Volvo group, Audi, PACCAR, Hyundai Motor, Tesla, Chevrolet, Mistubishi Motors, Mahindra and mahindra, Caetano bus etc. The arrival of this brands has created a highly competitive environment. In the automobiles industry markets this brands works as substitutes to customers as well.

3) In Case of Suppliers:- Aggregate:- engine, gear box, cowl, frame. Gear box is made in Jamshedpur, cowl and frames are made in Lucknow. Engine is made in Pune and Jamshedpur.
Bought-outs:- Tyres, Rim, Headlights for this they have different suppliers and nuts and bolts have different suppliers. The main parts come from Pune and Jamshedpur. but small parts they have local vendors.
So, raw material supply also affect on the production.

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* MACRO ANALYSIS

It is very important for any organization to initiate a marketing process. This must be a continuous process and should help in positioning organization in the market. Factors that influence Tata motors under macro analysis are as:-

1) Political.
2) Economical
3) Social.
4) Technology.

1) Political factors Includes:-
a) Government stability.
b) Rules and regulations for raw material producing industries
c) Merging of substitutes and pressure on sales.

2) Economical Factors Includes:-
a) Increasing buyer power makes the customers to look at branded and quality cars and vehicles.
b) Huge customer market.

3) Social Factors Includes:-
a) Change in Lifestyle of Buyers.
b) Increasing Fashion trends and buyers behaviour.

4) Technological factors Includes:-
a) Increase in Competeting technology development
b) Upward shift in innovation and manufacturing maturity.

DATA ANALYSIS

* Tata Motors - (Today) :-

1) Rank :- 5th amongst the global automobile manufacturers in Forbes World's Best Regarded companies 2019.
2) Total Employees :- More than 78,906.

* Deep Analysis :-

1) Stock trend :- uptrend.
2) Potential risk :- Low.
3) Life of the product :- Long term.

* Sales Volume of Tata Cars in India 2019 by Model :-

In 2019, more than 63 thousand units of Tata Tiago were sold across India. The four door compact hatchback, was the best selling model produced by the Indian automobile manufacturer that year. Tata motors was a wholly owned subsidiary of the Indian conglomerate, the Tata Group.

The total revenue from operation increased to ₹ 3.01 lakh crores during the financial year 2018-19, as compared to ₹ 2.92 lakh crores during the previous fiscal, Tata Motors said in filing to the Bombay Stock Exchange.

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* Numbers of Vehicles sold :-

1) Tiago – 63215.
2) Nexon – 49312.
3) HARRIER – 15227.
4) TIGOR – 13112.
5) zest – 5450.
6) Hexa – 2917.
7) Safari / Storme – 2432.
8) Sumo – 941.
9) Bolt – 337.
10) Nano – 1.

* Total Income in Some years :-

1) 2016 ⟶ 42, 845.47 crores.
2) 2017 ⟶ 44, 363.60 crores.
3) 2018 ⟶ 58, 831.41 crores.
4) 2019 ⟶ 68, 764.88 crores.
5) 2020 ⟶ 43, 485.76 crores.

With the above analysis except pandemic, We can see that how Tata Motors hold a grip that is increasing. It has a reputation and faith of customers.

* Change in Data Analysis :-

Tata Motors is a brand in reputation today with highest income even it may go down but also holds a new grip with new arrivals of new trends.

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CONCLUSION

With all breif and detailed analysis. I came to as conclusion that Tata motors is a company with high turnovers with even bearing many a competitors in market. Tata motors holds a high reputation from Jamshedpur, Pune to all across the country and outside and in global market. It has a great co-ordination of all suppliers.

Tata motors ranked 31 out of 2000 and 5th amongst the global automobile manufactures in 'Forbes' and World's best regarded companies 2019. The total revenue from operation increased to ₹ 3.01 lakh crores during the financial year 2018-19, as compared to ₹ 2.92 lakh crores during the previous fiscal, Tata Motors said in filing to the Bombay Stock Exchange.

Various factors influences demand for Tata motors and all this depends upon behaviour of customer and nothing else. With all this information I came to know that every firm is dependent upon consumer behaviour, demand and mainly upon changing in trends.

I conclude here with analysing all the demand analysis for Tata motors.

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BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

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CLASS:- F.Y.B.com

DIVISION:- ‘E'

ROLL NO.:-525

SUBJECT:- Economics

SEMESTER:- 1

ACADEMIC YEAR:- 2020-2021

About the Company

Savlon is sold in many countries with different manufacturing and licensing agreements which includes Australia, Bangladesh, Egypt, India, Ireland, Malta, New Zealand, Oman and many others.

It has been a trusted brand for last 50 years and is preferred by the medical fraternity for its broad spectrum action. Our hands are hot beds of a million germs at any time. Savlon provide effective cleansing and protective from million germs.

The Brand had consumer spend of ₹250 crore last year. In Fiscal Year'20 it is expected to be spending even more. Savlon is expected to be first 1,000 crore brand in terms of consumer spends and witnessed four times growth this year said CEO Sameer Satpathy. Savlon was growing at a five year CAGR of 50% year-on-year.

The company has launched nine products under savlon during pandemic such as disinfectant spray, mask, cloth spray, wipe, soap, body wash.

Factory Location In India

Amid an unprecedented surge in demand for hygiene products such as sanitizers the company has re-purposed its perfum

Teacher's Signature

DATE

In Fig.2, We can observe hospital segment accounted for the largest revenue share in hand sanitizers market and is expected to maintain its dominance through forecast period 2020-2030. We also find wide use in government offices, hotels where hygiene is of high importance. Although, hand sanitizers for household purpose is expected to register higher rates in upcoming years.

Why Sanitizers?

Waterless

One of the biggest benefits of using hand sanitizer over soap is that you dont need water to use it

Portable

Portability makes hand sanitizer a smart choice and it can be carry during travels and can easily be fit in pockets.

Fast

Hand sanitizer, sprays, wipes are more convinient because its fast and doesnt require 20 secs to make sure all germs are removed.

Also Kills Microorganisms, sharable, good for sensitive Skin, etc.

Teacher's Signature ....

Sections that demand sanitizers

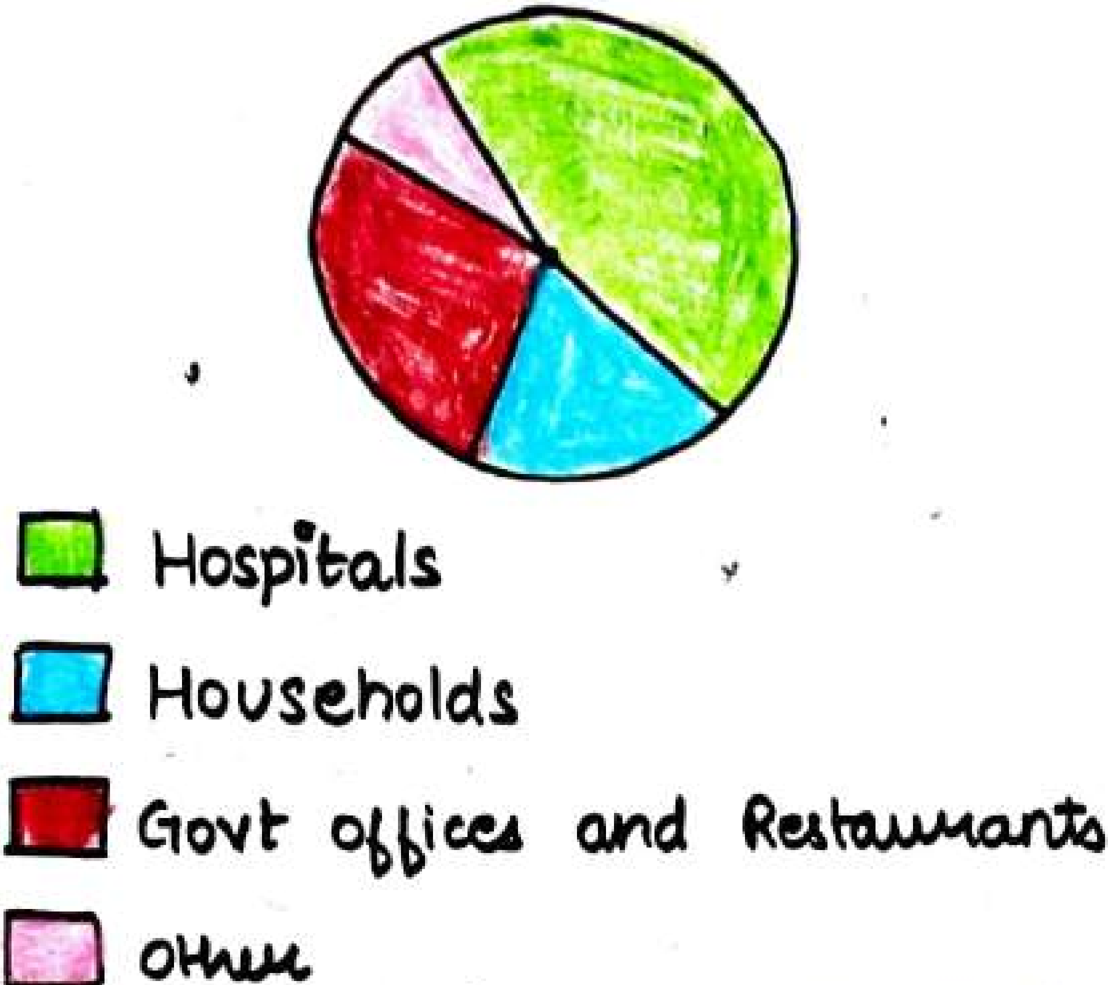

Fig. 2

researchgate.net
(source)

India witnessed tremendous growth from 2017 to 2023, owing to increase in concern towards health and wellness.
As seen in the graph, gel-based hand sanitizers generated the maximum revenue And is ruling the market. It is because they are easily available in the market and require lesser time to effectively eradicate germs, followed by foam-based hand sanitizers and Spray sanitizers.

With time we saw innovations and new varieties in range of sanitizers which savlon introduced : Disinfectants, Spray sanitizers, soaps etc which made it one of the best selling brand of hygiene products; sanitizers.

Another reason for such high demand of sanitizers from savlon is that it has its products which goes with every age group like it 'pen' shaped bottle of Sanitizers for Schoolkids which is easy to handle. It have Bottle sprays which can be used to clean household things, liquid disinfectants for laundries and cleaning floors etc.

Demand in varients of sanitizer.

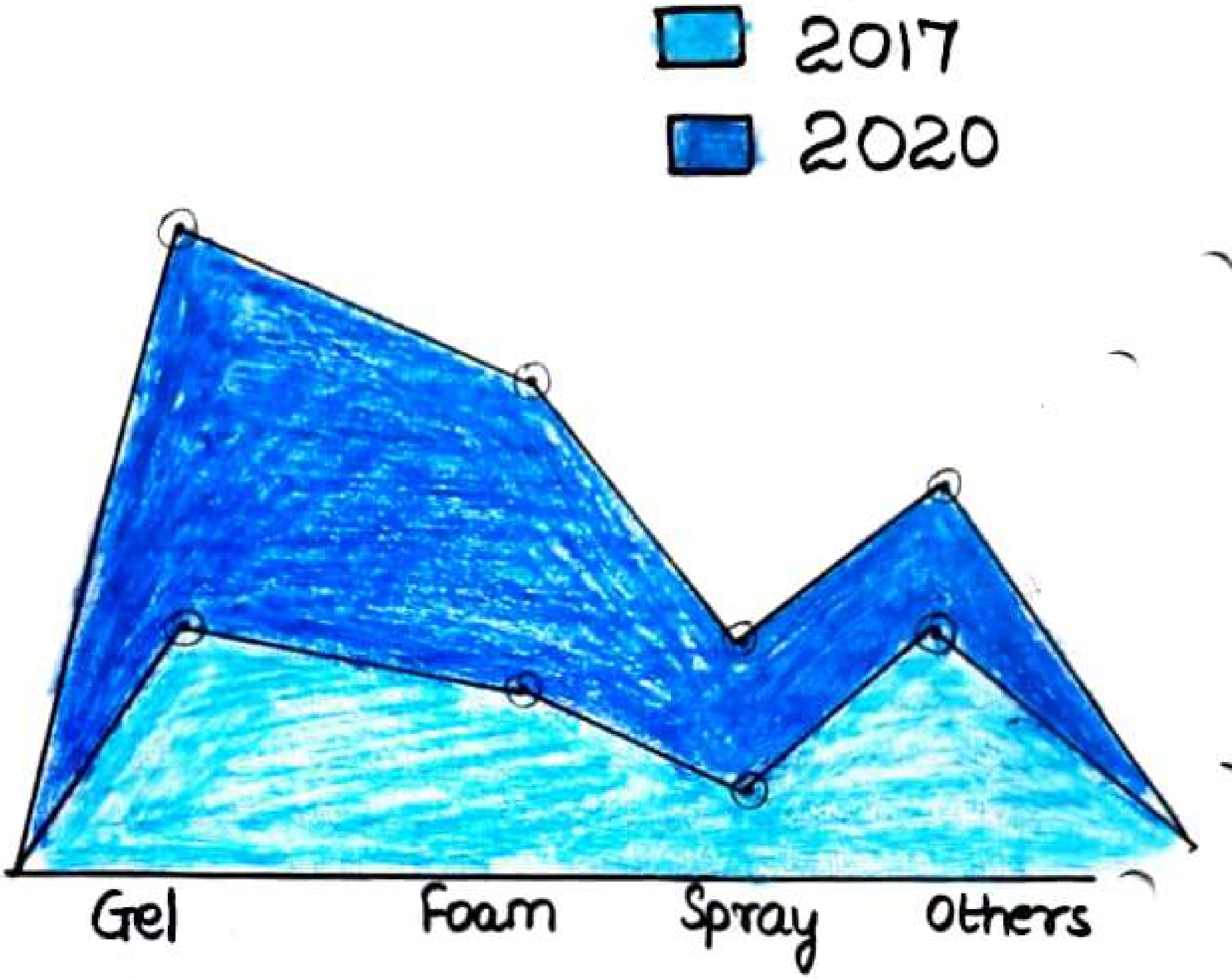

Fig: 1

alliedmarketresearch.com
(source).

The impact of Covid-19 outbreak on hand Sanitizer market is expected to be strong foothold. It has reflected a huge uptick in the demand for sanitizers across the globe. There's tremendous rise in annual growth rate of global hand sanitizer from 5.06% to 45.71% in 2020.
There has been a rapid surge in the demand for hand sanitizers due to the spike in cases of Covid-19. Owing to this most of the retailer and chemist stores have run out of stocks.
The global hand Sanitizer market size in India is poised to grow by USD 405.31 million during 2020-2024.
Market size grew tremendously for sanitizers as to meet the rising demand government gave permission to manufacturers to produce & sale in affordable prices we see ten fold effect in Sanitizer business.

Teacher's Signature

Break-Through due to Covid.

Sanitizers business presents massive business opportunity in the aftermath of coronavirus as more and more people adopt hygiene practices and become conscious of health concerns. The pandemic has resulted in an exponential growth in the demand.
Due to the sudden spike in the cases of Covid-19, there has been a rapid surge in the demand for hand sanitizers across the country.
Covid-19 became major factor affecting the demand for sanitizers.

Existence of local Players

There are many local player or say local manufacturers who sale their products at much cheaper rates. This negatively affects the demand.

Competitor Company which act substitute of Savlon.

Dettol, Lifebuoy, Himalaya, Dabur and

Teacher's Signature ....

Factors Affecting the Demand...

Price of Related Goods :-
Goods that have potential to satisfy consumer's wants and can be use inplace of Savlon's Sanitizer are called related goods. Examples are foam hand wash, soaps, paper soaps etc. In case these are more cheaper than Savlon's Sanitizer we can observe demand fluctuations.

Tastes and Preferences :
Tastes and preferences of the consumer directly influence the demand for a commodity consumer may chose the product based on the fragrance, germ killing capacity, suitable on their skin, recommendation from others and experts (Doctor), establishment of brand and the amount of trust they posess on the brand product in case of sanitizers.
Since Savlon is one of the well establish brand which gain goodwill and trust of its consumer. This factor positively and at times negatively affects its demand.

top Savlon competitors.

Dabur
Dabur is considered a top Savlon competitor since its well-known, Indian company, establised long back in 1884 and gained goodwill and people's trust. Also it manufacture Ayurvedic medicine & natural consumer products; people can buy (especially health consious and people with sensitive skin).

Lifebuoy hand Sanitizers.
Since it is ruling and engaged in producing hand sanitizers way before other companies started producing due to Covid-19 outbreak, It is considered a top Savlon competitor.

Other Local Player in Indian Market
Since everybody is seeing this as an opportunity there are many several local companies/ new startups which produces sanitizers and provide them at reasonable sometimes even in cheaper price rates. Since of the factor of low price with large quantity which they provide they are also become pretty good competitor for Savlon.

Companies which produces 'Substitues or complimentary' products :-

Due to recent coronavirus outbreak, personal hygiene has become one of the biggest priorities for people around the globe. As a result many companies grabed this opportunity and developed several range of sanitizers. Here are some substitues and complimentary products which are major competitors for Savlon sanitizers.

Dettol Hand Sanitizers

Arguably one of the most well-known hand sanitizers out there is Dettol sanitizer. Since it has its presence in Indian market from decades it gives tough competition to Savlon. Also it introduced similar varieties i.e disinfectant spray and soaps it becomes top most to compete with Savlon.

Himalaya

The Himalaya drug company produces antiseptic creams and herbal products. As it ~~take~~ took and expanded its products range and recently introduced Himalaya hand sanitizer, people showed their interest since the name provides the message that product must be [illegible] Himalaya is considered as one of the

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facility to help produce additional more than 1,25,000 litres of Savlon hand sanitizers. "This initiative reinforces efforts to enable enhanced production and supply of Savlon range of hygiene products in market which is the need of the hour to fight the virus and contain its spread."

ITC acquired Savlon from Johnson & Johnson in 2015, as part of its ambitious goal to become the country's larges FMCG company by 2030.

Teacher's Signature ....

Relevance / Rationale of the group: Sanitizers

The Indian hand Sanitizer and its variants market grew at a Compound Annual Growth Rate (CAGR) of around 14% during 2014-2019. Sanitizer is among the several personal care products that have shifted from being luxury products to essential items due to the changing trends and needs in India and around the globe.

Furthermore, as a result of Covid-19 pandemic in the country, the demand for sanitizers has increased exponentially since the start of 2020. Due to which several regional manufacturers are expanding their production.

Hence, I chose this topic 'Sanitizers' for my project as we see a widening demand-supply gap and inflated product prices. Due to covid-19 outbreak, there's rapid and rising healthcare investments. The Indian government has also issued production licenses to several distilleries and manufacturers to produce hand sanitizers in bulk for adequate supply in the country.

Owing to this, I feel this topic is relevant and hence will be helpful for understanding Demand-Supply relationship and factors affecting them.

Teacher's Signature ....

... for Sensitive Skin, etc.

Teacher's Signature ....

Title of Practical: On The Product :-

Savlon Sanitizers

Savlon's Sanitizers are most advanced range of sanitizers. They comes with new formulations which offers advanced protection. This formulation offers both Quick and Persistent action. Savlon Sanitizers helps protecting against many enveloped & non-enveloped viruses in addition to 99.99% bacteria & fungi. It helps consumers, medical proffessionals, front line help consumers and is well trusted by everyone. Since it is not based on heavy alcoholic compositions which make it safe for both adults and kids to use. Beside this, the range of sanitizer claims to provide protection from over hundred diseases.

Savlon Sanitizer range starts from hand sanitizer, savalon disinfectant spray, savlon disinfecting wipes that can be used for cleaning various surfaces, appliance The multipurpose disinfectant spray can be use to clean floor and laundries. Savlon extended the portfolio under 'Savlon Hexa' advanced range to include hand sanitizers, soaps, body washes, hand wash liquids.

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Roll No.:- 153

Division:- B

Subject :- Economics

Topic Name:- A Study of Demand For Industrial Products.
[Hindustan Pencil Pvt. Ltd. - Apsara]

Introduction :-

Hindustan Pencils Pvt. Ltd.

Founder : 1. Harendra Bhaidas Sanghvi.
2. Natvarlal Hiralal Patel.
3. Kirti Baidas Sanghvi.

Introduction

Hindustan pencil Pvt. Ltd. is one of the largest pencil manufacturers of the nation catering to the needs of stationeries of about 50 Countries across the wold. The two brands under the umbrella of Hindustan Pencil Pvt. Ltd. Namely Apsara & Nataraj are exported to many countries across the globe and has been the household brand of our nation, India. The non-toxic nature of the ingredients with wood being the main ingredionts made the product reliable and safe.

Apsara launched in 1970s as a premium stationery brand started with drawings pencils as its First product. With the launch of writting pencils & and other allied stationery products in 1990s, Apsara has grown up to be the most preferred scholastic brand. The company makes writting implements under the brands Nataraj and Apsara & claim to be the largest pencil in indian manufacturers. Apasara Pencil is owned by Ayush kolhe and Nataraj also.

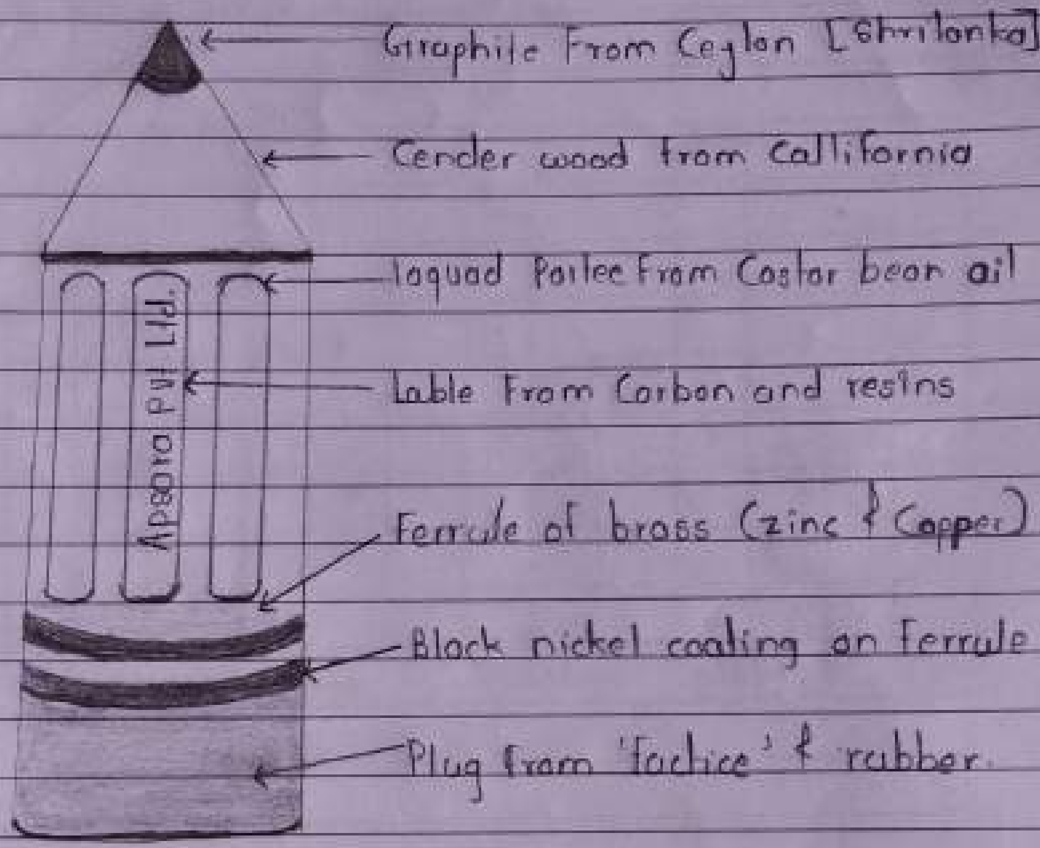
- Factors which influencing the product or Raw material which used for 'Apsara Pencil'.

- The company makes use of natural and non-toxic ingredients with wood being the main component. To prevent degradation of the environment the company develops wood plantation so that is valuable natural resource is continuously renewed. No forest wood is used for manufacturing the products; instead the urge to use only natural ingredients. has compelled the company to develop its own wood plantation.

- Marketing strategy :-

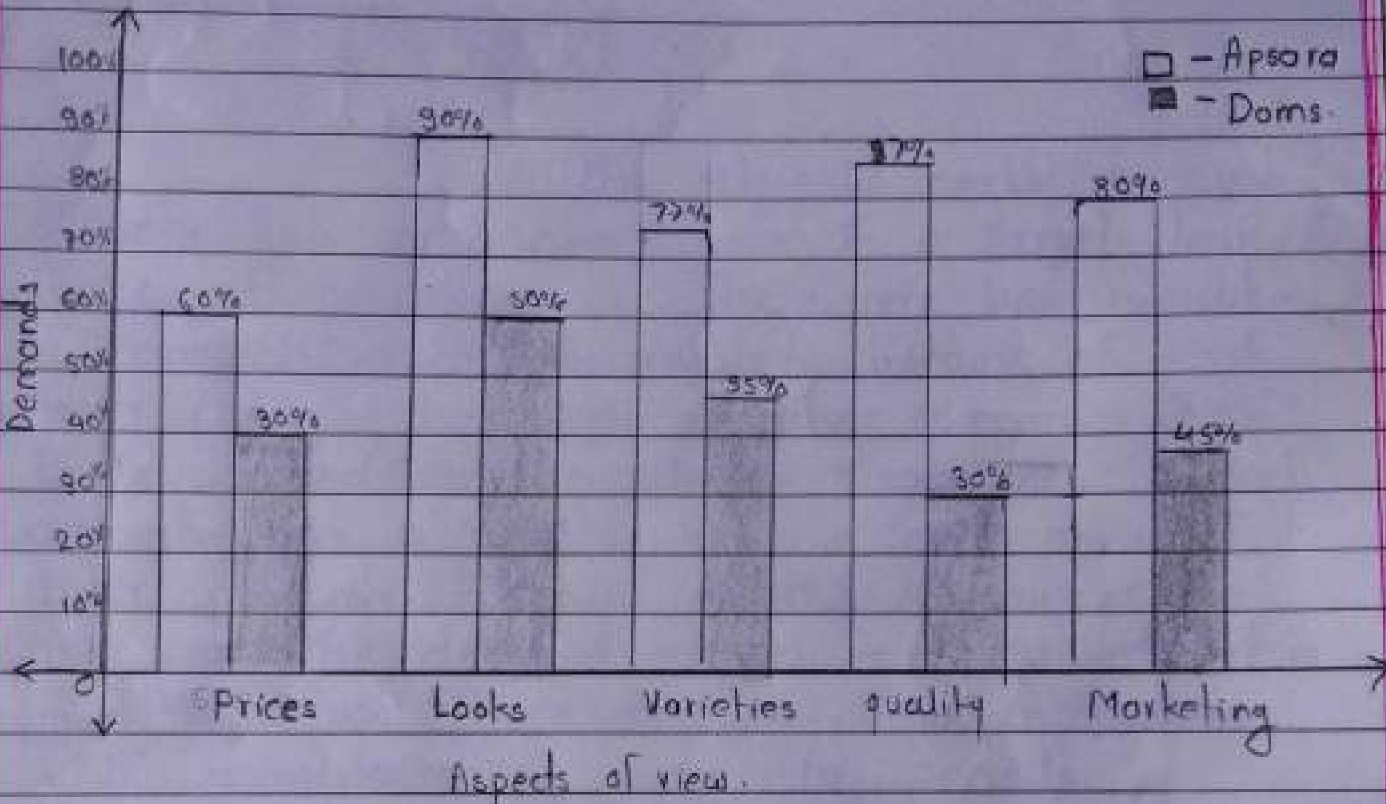
Hindustan pencil Pvt. Ltd. focusses on quality products and environment. Friendly ingredients for manufacturing the stationeries. The company make consistence efforts in meeting all the norms and specification of international safety so that the exporting the materials across the world goes on smoothly. The company can make its whole products foram the natural and non-toxic raw materials. Hindustan Pencil company is demanded for Apsara Pencils and Nataraj pencils more than other products. 50 countries demanded 'Apsara pencils' across the globe.

· Marketing Analysis of Pencils :-



- There are Few companies which manufactured good quality's pencils. [in the world].
- The pencils that all companies manufacture are mainly homogeneous or have only same mirror differentiating Factors.
- These companies compete with each other and same point in time their popularity decreases and gets the normal profits.
- The reasons there are few companies because of high mar-ket risks and high Cost of establishing business.

• Apsara Pencils and Doms Pencils Comparison in favoure of different point of view.



• Effect of online sales on 'Apsara Pencil'.

• Online shoppings on Amazon and Flipcart have a huge share in the Indian market, but stationery items like Pencils, do not sale much online. People still prefer to by each trevial things such as pencils. So there is no really any impact of online sales.

• Amazon directly buys the stock in bulks from Apsara and DOMS with a profit of aprox Rs 8. & sell the stock at a discount of Rs. 5 then of MRP. So the profit earned is Rs 3. per box.

- Demand For 'Apsara Pencil'

'Demand'

In the oilgopoly market because of very Few companies, there is a largely fairly share of each company. There are less number of competition and competators because of that every company has eyes on other companies and their demand and marketing strategies. So. each company has a similar scheme and price of their products. because of this behaviour we can see the demand curved to be kinked at a point in time. There are very Few companies which manufacturing a writting pencils.

- Comparison of Four largest Firms in the Pencil industries. in India as follows.
  - DOMs - 37%
  - Apsara - 30%
  - Nataraj - 15%
  - Camlin - 12%

★ Substitutes or Complimetary products.

- Apsara Pencils needs a substitues;
  1) Sharpner
  2) Rubber.

- Factors affecting costant demand for pencils.

- Population is always increasing so the demand of pencils should also increase but it's not reality.

- Because :
  - Cheaper substitutes are available.
  - Students use pencils till 5th grade now, which was earlier upto 7th.
  - Due to direct tieups of school with the pencils manufacturer, demand from the retailers has been decreases.

- How connect India to world and how exports the Apsara Pencils ?

- Connect to India can help you analyse Apsara Pencils export data from India to all buying Countries. Users can also find here manufactures, exporters, global buyers etc. our platform also helps you to figure out the right target market to export order, know about the procedure and formalities for exporting and Apsara Pencil's shipment & logistics. our trade experts are always available for any help regarding the exporting Apsara and its products. If you want more information, please get in touch with

★ View on Apsara Pencil's Demand.

- The willigness of a customers to pay decided the demand for a product. The willingness to pay is determined by what consumers wants to buy.

- Apsara Pencils are demanded For its best quality and Facilities and price.

- Factors affecting the choice of customers for buying a pencils are price, looks, variety, quantity, quality comfort, and marketing strategy.

- The price of pencils does not affects the choice because the price of Apsara pencil is less.

- The quantity as well as qualities of differents brands has conciderable different hense quality and quantities are important factors.

so, Apsara Pencil is good for our daily use due to it's quality, look, price, quantity, reasonability.

Conclusion

After consideration of all points of view of demand for Apsara Pencils, It is proove that Apsara Pencil is one of the best pencil for handwriting. The Company has latest machinery for manufacturing pencils. The non-toxic ingredients and environment friendly products manufactured by the company have taken the company to great hights with its various products being exported to varies countries across the world. The adherence to the international safety norms has made the export hassel free and added to the growing sales volums of the companies.

The company uses the latests machinery and technology to manufature good products and to increase the sales volume in the market and eventudly the profits of the company increases by leaps. It has become the nation's biggest pencils manufacturing in the whole world or globe.

• Now Apsara Pencil becomes the favourite pencils among the students.

NAME - ASHITA DALVI

STD - FYBCOM

SUB - ECONOMICS

TOPIC - SUPPLY ANALYSIS - (NESTLE)

Economics Assignment

A study of supply of products of NESTLE in Mumbai.

INDEX

Serial Number	Particulars
1.	Introduction
2.	About the company and their products.
3.	other companies influencing the product.
4.	objectives
5.	Factors influencing the supply
6.	Analysis of the product
7.	Suggestions
8.	Conclusion

INTRODUCTION

In this assingnment we can sumout the products and wide range of services p supplied by Nestle.

Nestle has a wide range of food products which they provide us since ages. We will see all the wide range and its objectives.

In economics, the supply of a particular good or service is simply the quantity of a item that is produced and offered for sale. Economists refer to both individual firm supply, which is the quantity that a single firm produces and offers for sale and market supply.

one assumption in economics is that companies operate with the single explicit goal of maximising profit. Therefore the quantity of a good supplied by a firm is the amount that gives the firm the highest level of profit.

ABOUT THE PRODUCTS AND COMPANY

Nestle - Good food, Good life.
They believe in the power of food to enhance lives. Good food nourishes and delights the senses. It helps children grow postivity and live life to the fulliest

Nestle have more than 2000 brands ranging from global icons to local favourites and are present in 187 countries worldwide.

Not just nestle is engaged in the production activity and even the CSR activities like
- 50 million children live healthier lives
- 30 million livelihoods directly connected
- zero enviornmant impact

Nestle's relation with India dates back to 1912, when it began trading as the NESTLE Anglo-Swiss Condensed Milk company limited, importing and selling finished products in the Indian market.

After India's independence in 1947, the economic policies of the Indian Government emphasized the need for local production. NESTLE responded to India's aspirations by forming a company in India and set up its first factory in 1961 at Moga, Punjab, where the Government wanted Nestle to develop the milk economy. Progress in Moga required the introduction of NESTLE's Agricultural services to educate advise and help the farmer in a variety of aspects.

NESTLE India is a responsible organisation and facilities initiatives that helps to improve the quality of life in the communities where it operates.

OTHER COMPANIES INAUENCING THE PRODUCT

Nestle India deals with wide range of product but concerned with this product range in this project we are dealing with dairy products.

Nestle's top competitor, Mondelez is headquartered in Illionis and formed during the year 2012. It is a foremost snack company of Illionis. The company produces various products like chocolates, beverages, cookies and confectionary.

The Nestle parthered with Linqia to connect with influencers with active, thriving intrest communities across all social channels - blogs, Facebook, Pinterest, Instagram, Twitter, Tumbler Google +, and more. These influencers shared their #momswisdom stories with their audiences through authentic captions.

Objectives

The cheif objectives of NESTLE India are–

1. To achieve compatibility with international voluntary standards on enviommental managem system.

2. To build mutual trust with customers, governme authorities and business partners.

3. To ensure continuos improvement of nestle enviornmental performance.

4. conservation of natural resources and minimization of resources.

5. To establish a benchmark of good business practice

6. Audit results.

FACTORS INAUENCING THE SUPPLY

Although Nestle continuos to succeed and consistently produce a large profit margin, the company does face problems which if not monitored could result in challenge for the business. some examples are govemmental policy changes, tastes and preferences changing as more people are adopting healthy diets and the different food acts that are being enacted in the coming paragraphs 5 factors will be explained:

The most pressing challenge Nestle faces is political instability, particularly due to the fact that may countries are beginning to become more economically insular. Nestle operates around 447 factories in 1892.

Nestle runs a complex based supply chain with a complex mix of dry and wet goods, including water, coffee confectionery and mix of perishable goods, Nestle is constantly exploring their options on continuos improvemen of operation especially on supply chain which they beleive in shared value along their operations.

The challenges affecting nestle supply chain

organizations underestimate the challenges in the absence of accurate supply chain risk assesment.

Economic factors
The global business enviornment has recent been significantly hindered by economic setbacks due to downturn and global recession. These have adversely affected demand for products through its effect on consumer spending. Recovery has been swift and the continuing globalization and consolidation has further enhanced growth and demand for product.

Social factors
As a producer of finished consumer goods, Nestle is hugely dependent upon customer satisfaction and desirably of its product range to achieve success. The company thus chooses to embark on huge spending in its competitive sectors to maintain its brand image and to enhance product desirability.

ANALYSIS OF THE PRODUCT

SWOT Analysis-

1. Strengths-
Brand recognition is the key strength of nestle. The company has built strong brand recognition around the world and several of its iconic brands like KitKat, Nescafe and Maggi have acquired global frame. Strong brand recognition is a key competitive advantage and that has helped Nestle acquire leadership position in this food industry.

Global presence-

Nestle is a global brand with operations in several countries.

2. Weakness
Recently a study found that Nestle has breached the ethics of advertising and that it had made misleading claims about its baby milk formulas.

3. Opportunities:-
Digital marketing presents a major opportunity before Nestle, Apart from reaching a larger customer base, it can also be used to engage

customers and grow its reach.

Threats:

cost of labour and raw materials are growing around the would leading to higher operational expenses. Higher operat costs in turn reduce profits and profit margins.

classmate
Date :
Page :

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE (AUTONOMOUS)
Assignment - 1
Sem - 1

Name - Vedika Nitin Bhadane

Class - FY B.Com

Div - B

Roll No. - 230

Topic - A study of demand for Wagh Bakri Tea in India

Subject - Economics (1103)

A study of demand for Wagh Bakri Tea in India

Wagh Bakri is a family owned tea business amongst conglomerates and megha corps that tower the international business scenario all over the world. Wagh Bakri house is one of the largest tea producers and sellers in India today.

The group is making leading strides in tea exports and ships in bulk and retail consumer packing to countries all over the world.

Its outstanding performance is credited to excellence in management and a spirit that results into a quantum jump in annual growth in face of stifling competition and cut throat scenario that dominates the tea industry today.

The ₹1000-crore packet tea market accounts for roughly 50% of the country's total tea consumption of 1 billion kg. Wagh Bakri is one of the brands which dominates this segment. It is currently present in 17 states and expecting growth in volume sales this year.

Introduction of the Company

Gujrat Tea Processors and Packers Ltd. (GTPPL) is 3rd largest packaged tea company in India; headquartered in Ahemedabad, Gujrat. It markets regular leaf, dust and flavored tea under its major brand.
GTPPL certified organic green tea bags and cartons across India, including the states of Gujrat, Rajasthan, Madhya Pradesh, Maharashtra, Delhi and Hydrabad and it has recently entered in states of chattisgarh and Goa.
The company also owns and lounges operates 15 tea lounges across the country.
It was in 1934 'wagh Bakri' brand was born.
Before that it was known as Gujrat Tea Depot co. The company was renamed to Gujrat Tea Processors and Packers Ltd.
It has a turnover of over Rs 1100 cr. and 40 million Kgs of tea distribution. The group is a leading stride in tea exports and retail consumer all over the world.

Competitors that produce substitutes of Wagh Bakri Tea

Finlays

Finlays is engaged in planting, production and manufacturing of bulk, bagged, instant, decaf and freeze-dried teas. Finlays is a private company. Finlays generates $235.4K in revenue per employee.
Finlays' top competitor is Wagh Bakri, led by Rasesh Desai, who is their Managing Director.

Gopaldhara Tea Estate

Gopaldhara engages in the production, marketing and distribution of tea products.
Gopaldhara Tea Estate is headquartered in Darjeeling, West Bengal. Gopaldhara Tea Estates has a revenue of $5.7 M and 45 employees.
Its main competitors are Finlays, Wagh Bakri and Jay Shree Tea and Industries. As of August 2019, Gopaldhara Tea Estate has 5.1K fans on facebook.

Jay Shree Tea and Industries Ltd.

Jay Shree Tea and Industries Ltd. is a manufacturer, supplier and trader, exporter and packetizer of organic, packaged and speciality tea products.
Jay Shree Tea and Industries is a private company. Jay Shree Tea and Industries generates $25.3K in revenue per employee.
It's top competitor is Finlays.

classmate
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Objective

To conclude behavioral factors that are accountable for making a choice of a tea brand and consumer demand is closely associated with the behavioral traits.

To trace out the most acceptable attribute that governs the decision making of the consumer while selecting particular tea brand

Factors Influencing the demand of Wagh Bakri Tea

Taste
Taste is the most important factor considered while selecting tea brand. Based on the preference of strong and mild tea brand is selected.

Quality
Quality of tea is ranked very important by consumers. Quality of tea in terms of long leaf and short leaf; blending and mixture.

Flavour
Fragrance is very important for the consumers while selecting a tea brand and its usage. The aroma of tea gives them an authentic pleasure.

Price and availability
Consumers are very much concerned about the price they pay for tea. Firstly quality and taste influence selection of tea brand and then comes the price.

Packaging size available
Availability of tea in various sizes is very much important. Because according to the need of consumer they buy tea packets and wagh Bakri tea is available in various size packets which plays an important role in its demand.

Data Analysis

The Wagh Bakri tea group has 8-9 % market share all over India whereas it dominates the Gujrat packet tea market with a share of 65 per cent and also operates in the other market.

The group enjoys an undisputed market presence in Gujrat, Rajasthan, Madhya Pradesh, Maharashtra, Delhi, Hyderabad, Chattisgarh, western Uttar pradesh and Goa and has recently forayed into Punjab and Karnataka.

Over the years, a long-lasting relationship of love and trust has developed between Wagh Bakri Tea and its loyal consumers leaf from the best tea gardens is selected and the Group Directors personally taste and evaluate the teas.

Wagh Bakri has seen major expansions after its entry into the Maharashtra market seven years back. It has since expanded to Delhi in 2009, and Goa, Chattisgarh, Andhra Pradesh, Chennai and western UP after 2013. The company has managed to garner a 50 per cent market share in Rajasthan and Madhya Pradesh, and what's more, the brand has secured 15 per cent market share in Maharashtra in the last seven years, taking its overall India market share to around 8 per cent.

Views and Suggestions

In order to gain a dominant market share in Indian market Wagh Bakri Tea group should improve the packing quality of the tea and try to improve the overall service of the tea.
Different promotional methods should be used for improvement of sales and promotion mix should carefully select.
Improvement of supply chain management inside the country and the global tea marketing network has to be made.

Loyal customers, good relations with customers, good quality tea at affordable price are some of the plus points of the company.

Conclusion

Tea is one of the most favourite and easily available beverages in India. Consumer's selection for tea brand is highly affected by various demographic factors. Tea market in India is highly dominated by multinational companies; even though power of local brand is very significant. Consumer selection for tea brand is highly based on past experiences, friends reference and overall on family's choice.

Almost every market player has made changes in marketing mix to increase the demand for their product. However waghbakri is consider to be most preferred across the western states in India. Looking to the consumer's preference and brand loyalty waghbakri has extended their product lines and increase. Here we can conclude that consumers are very brand loyal and seeking taste and value for money..

DOMS Page No.
Date / /

Acadamim Year - 2020-21

BRIHAN MAHARASHTRA College of Commrce

ASSIGNMENT-1

Name - Gaikwad Tanuja Lalaso

Subject - Business Economics

Class - F.Y. Bcom

Division - A

Semester - I

Topic - Demand & Supply Analysis

RENAULT - (INDIA)

Founded Year - 1898 - Present.
Headquaters - Boulogue - Billancourt France
Founder/Present Company - Louis Renault,
Marcel Renault, Fernond Renault

Groupe Renault is a french multinational automobile manufacturer established in 1899. The company produces a range of cars and vans and in past has manufactured trucks, tractors, tanks, buses/coaches, aircraft and aircrafts engines, and autorail vehicles.

CEO - Luca de Meo (1 Jul 2020)

Subsidires - Automobile Dacia, Nissan Renault
F1 Team, Auto Vaz, RCI Banque

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Products - Automobiles, electric vehicles, commercial vehicles, luxury cars, financing.

History -

The Renault corporation was founded on 25 february 1899 as societe Renault Freres by louis Renault and his brothers mercel and fernand. Louis was a bright, aspiring young engineer who had already designed and built several prototypes before teaming up with his brothers, who had honed their father's textile firm. While louis handled design and production, marcel and fernand managed the business.

The first Renault car, the Renault Voiturette 1CV, was sold to a friend of louis' father after giving him a test ride on 24 December 1898.

1 Article on Renault Increases Demand

Renault sales Record on emerging market Demand -

Renault also raised its global auto market growth outlook to 3 percent from 2.5 in 2018

Another powerful pillar of the french cars, Renault bosts on affordable vehicles that comprise of cars and vans. Although, in the past, the french car company also produced trucks and buses for the time being its main production sites (among which Dacia in Romania, and samsung Motors in south korea) only focus on Clio, Megane, Capture, koleos, Scienic and several others.

Renault also consider the idea of the eletronic vehicles, which eventually positione Renault zeo under the top british preferences, ahead of volvo V60 plug-in-mitsubishi Outlander Being a rather affordable alternative, Renault conquered the appreciation of Europeans, the driving overall eletronic vehicle.

Production output - 4,120,063 (2018)

Revenue - € 55.54 billion (2019)

Operating income - € 2.10 billion(3) (2019)

Net income - € 0.02 billion(3) (2019)

Total Assets - € 122.17 billion(3) (2019)

Total equity - € 35.33 billion(3) (2019

Number of employees - 181,344 (94 2017) (5)

This information is related to employees income, production output etc.

According to the organisation Internationale des construcucleurs d' Automobiles in 2016 Renault was the ninth biggest auto-maker in the world by production volume.

4. Best Selling Groupe Renault model in 2019
Including Dacie and Renault

Rank	Model	Supply
1.	Clio	4,33,201
2.	Sandero	4,09,731
3.	Duster	2,96,848
4.	Captur / kaptur	2,63,476
5.	Logan / symbol	2,07,912
6.	kwid	1,86,647
7.	kangoo	1,25,911
8.	Megane + scenic	2,53,830
9.	kadjar	1,25,300
10.	Master	1,08,760.

Current model line up with calendar year of introduction or most recent facility All the above information related with the Renault supply analysis in 2019.

Renault company was become best suppl in 2019.

* Applicability -

- Limited is a wholly owned subsidiary of Renault S.A France and currently offers three models in the Indian market The SUD Duster, the compact MPU Triber and budget car kwid Renault India also exports the Duster to a growing number of right-hand drive markets.

- Renault cars are manufactured at the manufacturing facility located in orgadam Chennai, with a capacity at 480,000 units pa with 3 shifts per days

- Renault received more awards in one year than any of its market competitors since 2012, the Renault Duster received 29 awards in India and the Renault comapgny award 34.

- The success of the Renault comany is very high. This company have many cars models.

- One of the most well-known auto manufacturing companies Renault.

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* Information -

The activities of Louis Renault led to the spectacular expropriation of his company by the state : what is less well known is that he died in prison awaiting trial and therefore was never convicted. The car manufacturer marius Berliet suffered the same fate of expropriation. At his trial in September 1945, Berliet claimed had produced few cars for the German occupants than any other car producer. This compared to Renault which had delivered 32,887 vehicles to the German and only.

Managers at Renault claimed for their part, that they had deliberately, slowed down production, producing 7677 fewer, vehicles than the target of 41,909 vehicles imposed by the German occupants. The argument, however, cut no ice with the confederation Generale du Travail (CGT) who maintained that the go-slow had been organised by the workers, not the management. Louis Renault may have been punished more for his attitudes than his actions, which were mirrored by those of many other employers.

While a lot of other manufactures have registered a positive sales growth in December 2020, Renault India has reported a decline in sales during that period. The french carmaker has been hit by year-end sales slowdown, and the discontinuation of a few models, namely capture and lodgy, has also played a small role in lowering Renault's sales figures in the Indian market.

In December 2020, Renault India managed to dispatch a total of 9,800 units. on a year-on-year. (YoY) basis, this is a sales decline of 18.09 per cent, this is a sales decline o' with the sales figures of December 2019 standing at 11,964 units in total, On a month-on month basis, the sales de growth equals 3.74 per cent, with 10,181 units retailed in November 2020.

Even though the sales have declined Renault is still firmly seated at the sixth position on the sales charts.

Conlusion

In conclusion, Renault are a pretty Reliable car brand. They have been cosistently dependable over the years and their repair costs are low..... If you are undecided between Renault. Renault is a good choice, but all three of them good manufactures in terms of their longevity.

Reference -

" Renault Group sites across the world - Groupe Renault."

Interenet (wikipedia)

PRICING STRATEGIES OF DIFFERENT FIRMS:

Name - Swapnali Tukaram Chavan
Class-F.Y.B.COM
Div- B
Roll no-224

PRICING STRATEGY :

A business can use a variety of pricing strategies when selling a product or service. To determine the most effective pricing strategy for a company, senior executives need to first identify the company's pricing position, pricing segment, pricing capability and their competitive pricing reaction strategy. [1] Pricing strategies and tactics vary from company to company. They also differ across countries, cultures, and industries – and over time, with the maturing of industries and markets and changes in wider economic conditions.

OBJECTIVES :

-To learn about the pricing strategies.
-To understand the various pricing strategies of different firms.
-To get reviews on different firms that why do they adopt that strategy in that particular situation.
-This assignment would help me to get a best reviews on pricing strategies with helping of different economical websites.

Pricing strategy of SAMSUNG:

▶Skimming Price – Skimming pricing is used when a product, which is new in the market or just launched, is sold at a relatively high price because of its uniqueness, benefits to customers or its current Wow factor.

▶Competitive Pricing - Competitive pricing is setting the price of a product or service based on what the competition is charging. Recently launch Samsung 8+ is the best example of it, giving competition to iPhone X at a relatively cheaper price. Prior to that GalaxyS6 and Galaxy S6 Edge prices were also competitive to iPhone and iPhone 6+.

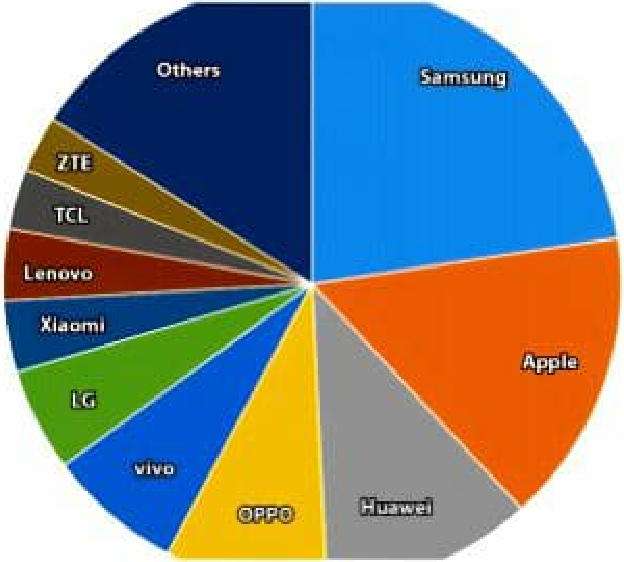
SAMSUNG

Marketing Strategies

FACTORS THAT GREATLY INFLUENCE PRICING &SERVICES OF SAMSUNG:

1)Technology: Mobile company SAMSUNG ad to review technology used in manufacturing smartphones after many of its customers shifted gear to products from another company which had already embraced technology.

2)Competition: It's availability of other products or services in market with similar functions or features.



Pricing strategy of NIKE:

▶Value-Based Pricing Strategy of Nike:

Nike uses a value-based pricing strategy in order to set its prices according to the consumer perceptions about the value of the company's products. Nike focuses on delivering the highest quality products at the right price to ensure the best customer experience whereas the other companies use the idea to sell products at the cheapest rate as it will generate more sales.

▶Nike Price Leadership Strategy

This strategy is suitable for an oligopolistic market environment and Nike runs its business in the oligopolistic market. Nike is one of the leading players in the oligopolistic market which is related to the sports equipment industry. Therefore, the company can effectively practice the price leadership strategy.

HOW NIKE IMPLEMENTS ITS PRICING STRATEGY?

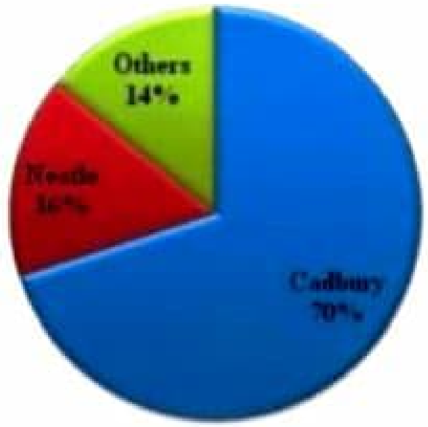
NIKE implements its pricing strategy based on products understanding &determining which price point will be best for their products. NIKE was able to raise its price range while other U.S. apparel industries dropped their prices &offered heavy promotional discounts.

Since , competition is extremely high in this industry, pricing is a major key factor that makes this company one of the world's largest sellers of athletic footwear &separates it from others.

PRICING STRATEGY OF CADBURY:

1. First pricing technique is skimming pricing. With skimming pricing, these prices are set very high to take advantage of some peoples desire for a new product or design at any price.

Indian Chocolate Market composition



2.Cost plus pricing: Cost plus pricing tends to ignore the demand for the product and the competition.

3. Positioning pricing:Cadbury uses this method to position prices that are set which reflect the consumers view of the chocolate bean.

THE 4 Cs OF PRICING STRATEGY:

1.CUSTOMERS:To position your product or service for maximum profitability, you must know what your target customer needs and wants. It's important to consider how you are going to go about determining what your customer wants.

2.COST:What price will you ask your customer to pay for your product or service? What research have you done to determine if that figure is reasonable and affordable for your target?

3.COMMUNICATION :Engaging with your customer through meaningful communication builds customer confidence that drives sales. You need a communication plan.

4.CONVENIENCE:What barriers might the customer face when trying to locate or purchase your product or service? What are you going to do to reduce or remove these challenges?

My works leads to the following 7 factors to build a good pricing strategy:

1. Market research
2. Value
3. Costs of goods
4. Labor
5. Additional overhead
6. Distribution
7. Economics of scale

CONCLUSION OF MY WORK :

An organization can adopt a number of pricing strategies; the pricing strategy will usually be based on corporate objectives
After selecting a pricing objective you will need to determine a pricing strategy. This will assist you when it comes time to actually price your products. As with the pricing objectives, numerous pricing strategies are available from which to choose. Certain strategies work well with certain objectives, so make sure you have taken your time selecting an objective. Careful selection of a pricing objective should lead you to the appropriate strategies. If the pricing strategy you choose seems to contradict your chosen pricing objective, then you should revisit the questions posed in the introduction and your marketing plan.

Name of Student : DESHMUKH HRITIK NANDKUMAR.

Name of Collage : Brihan Maharashtra Collage of Commerce, Pune.

Subject : Economics.

Devision : B

YEAR : 2020 - 2021.

Roll No : 541. (648)

Semester : Ist.

Date of Submission :

Introduction To Reebok India :

Reebok India is the largest footwear retailer and the leader in the footwear industries in India. The company is engaged in the business of manufacturing and trading of footwear and accessaries through their retail and whole-saler network. Reebok products include leather footwear rubber and canvas footwear. Reebok India went public in the year 1985 over the years the company has established a leadership position in the footwear industry and easily the must trusted name in branded footwear. At All this time Reebok was with a pure constant analysis of demand & supply at that time as it was a namely brand.

Reebok India had overcome many a challanges in implimentation of supply chain IT system which led to disruption or delay in supply of footwear from factories. And warehouses to retail stores but Reebok created a good reputation that made it stand stable till today.

* About Reebok : Reebok international limited is an Anglo-American footwear and clothing company that has been a subsidiary of German sporting goods gainst addidas since august 2005.

Reebok produces and distributes fitness, running and crossfit sports-wear including clothing and footwear.

* How many stores does Reebok India holds?

Today's Reebok India has itself as India's largest footwear retailer with a retail network of over 1400 stores across the country. The stores are present in prime location and can be found in all the metros and mini-metros and towns.

* Where are Reebok shoes made, where are it's industries / office situated?

Reebok India has been the recipient of the prestigious subsidiary of the year award for two consecutive year 2003 and 2004. Reebok has sets up it's branch offices / industries in mumbai, kolkata and banglore. The ranks top among all international footwear brands in India.

Factors Influencing Reebok :-

On the basis of Marketing :

A) Micro- Analysis :

1 In case of customers: The products of Reebok targets a wide range of customers which also includes Army, police force and mining industries in all locations. This is mainly due to wide range of products made

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Date: / /

available in market by the company. The company has two type of customers they are the final users and the, if offers quality product is best price which mean the PRICE-QUALITY is excellent for Reebok products.

2) In case of Suppliers: The raw material for the company is PVC sales and animal skin. The people on this raw materials are suppliers to Reebok suppliers are american raw material holders and local cottage industries that supplies raw material to company.

B) MACRO Analysis:

It is very important for any organisation to initiate a marketing process. This must be a continious process and should help in positioning organisation in the market. factors, that influence Reebok under macro analysis are as:

1) Political factors include:
i) Rules and regulations are tunnery wastes.
ii) Government stability.
iii) Merging of substitutes and market pressure on sales.

2) Economical Factors Include:
i) Seasonal issues: Sports is more popular -ed in summer

ii) Huge customers Market

3) Social factors Include :
 i) Change in lifestyle of buyers
 ii) Increasing fashion trends and buyers behaviour.

4) Technological factors Include :
 i) Increase in competting technology devlopment.
 ii) Upward shift in innovation and manufac-uring maturity.

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Objectives:

* Reebok is the product I have selected to describes the demand analysis as well as it's supply analysis.

Main objective behind choosing reebok a product for it's analysis that it has it's wide range of products, industries as well as stores all over India. This aspect makes easier for the data to be collected and to be ~~xeuixed~~ easily.

Reebok and its branches are spread widely all over so. Whenever the demand & supply are up and down or are constant it's become easier for to collect data easily from various articles articles and websities.

* Subtitute goods to Reebok

1) Nike
2) BATA
3) Adidas
4) Puma.

There are no. of shoes company to Reebok India all the demand & supply in it's easy depends upon consumer behavi-our and demand for perticular pairs. As will be the demand will be the supply and its consistency competeters are many in numbers.

Page:
Date: / /

Factors Influencing Demand of Reebok.

* Price : Reebok India has a largest network of its stores spread all over countries and outside areas as reebok is namely high brand and popular for school - shoes formal shoes etc. Price range for a higher person but for some customer quality even matters here as price rises demand will fall somewear.

* Advertisement : Demand for Reebok raised to an extent too much as its ideas to approach people . M.S. Dhoni to buy and opt for reebok was dear. It made arise high demand.

* Export and Import overview:

Reebok India is exported with Pure lather from various places which makes a contstant making of footwear so the customer need not to wait.

* Income of consumer : Income of a consu-mer surely influence the demand as very person loves to have luxurious price of Shoes and in case of Reebok custmer is never satisfied with one pair beacuse of all its PVC sales and good body. so, income of a consumer Severely affects as if income goes down dema-nd will below and income will increase dema-nd also increasing.

* Taxation policies :
This policies will be applied to the companies regarding to their price they den-de for every pairs of Shoe they Supply to it's customers. Customers will option for those branded Shoes first giving preferance to essential needs as per taxation policies and so on.

* Change in trends and customer behaviour :
As per changes in trends take place customer go on demanding for the same out of this even there are many a customer who are off the trends were as bata as to carry forward with both the behaviours of custome-rs.

The demand depend upon trends. use, lifestyle, income, price and more importantly utility of any customer to words that perticular product.

Data Analysis :-

* Reebok India - (Today).

1) Sells over 20 millions pairs of Footwear every year.

2) Serves over 100000 customers everyday.

3) Sells through over 268 stores allwhere

4) Operates 4 manufacturing factries.

5) Employees more than 8000 people.

* Deep Analysis

1) Stocktrend - Uptrend
2) Potential Risk - Low
3) Waiting period for new arrival - 6 month
4) Return expectation to company - 10%.
5) Life of the product - Short term.

* Total income in few years.
1) 2014 ⟶ 270 crores
2) 2015 ⟶ 333 crores
3) 2016 ⟶ 379 crores
4) 2020 ⟶ 400 crores.

With the above analysis of these three - four years we can see that how reebok hold a grip that is increasing.

Conclusions :

With all breif and detailed analysis. I come to conclude that Reebok India limited is a company with high turnove-rs with even beating many a competitors in the market. Reebok India holds a high reputation from its products. It has a great co-ordination of all suppliers of PVC soles, leather exports stores it's employees and mainly 'trustworth' of the customers.

Various factors influence demand for Reebok and all this depends upon behaviour of customer and nothing else with all these information. I come to know that every firm is dependant upon consumer behaviour, deamand and mainly upon changing trends.

I conclude here with analy-sing all the demand analysis for Reebok over the years.

Name of College : Brihan Maharashtra College of Commerce pune.

Name of students : patil karan Diliprao.

Std. : F.Y. B-Com.

Division : 'B'

Roll No. : 650.

Subject : Economics.

Topic : Economics Assignment 1.

* Introduction :

our country is a agricultural country more sector covered by the agriculture area In our country economic. Mostly depende upon the agriculture. Today agriculture mostly depend upon the fertiliere like DAP, urea etc natural and chemical Fertilizers.

Today's time farmer more and mostly used the fertilizer becaouse in the small period of time the best crops are take and this fortilizers used crops are diff from the non-fortiliered used crop they using the fartilized & take the crop to this crop is very good. Because in this fertilizer more containt availa to developing crop size and weight.

In the DAP fertilizer the composition of DAP is N-18% & P_2O_5 -46% this is more usefull for crops. It is made from two common constituents in the fertilizer Industry and it is popular becouse of its relatively high nutrient content & excellent physical properties Ammonium phosphate fertilizer. first become available in the 1960s and DAP rapidly become the most popular in this class of products.

Diammonium phosphate (DAP) is the world's most widly used phosphorus fertilizer. It made from two common constituents.

* What is the Function of DAP (fertilizer)

DAP Fertilizer is an excellent source of phosphorus and nitrogen for plant nutrition. It is highly soluable and dissolve quickly in soil to release plant available phosphate & amonium. A notable properly of (DAP) is the alkaine pH that develops around the disolving granule.

* How is DAP Appled?

DAP Generally applied as a basal dose Before sowing. The earliest seed germination is not earlier then 6 days & Root are intiated. Nitrogen does not stay in soil beyond 36-48 hrs Secondly the phosphorous get bound.

* Which DAP fertilizer is the Best?

Diammonium phosphate.

It is the most popular phospho fertilizer becaouse of it's high analysis and good physical proper the composition of DAP is N-18% & P_2O_5-46%

* How do you use DAP fertilizer or plants?

DAP contains nitrogen & phosphorus preferable where nitrogen is needed for leafy growth. It is nitrogen and phosphorus fertilizer mostly in form of granules.

* Why mostly demanding product of [illegible]

<u>Causes</u> :-

1) How long does DAP fertilizer take to work?

→ DAP is generally applied as a basal does before sowing the earliest seed germination is not earlier than 6 days & Roots are initiated. Nitrogen does not stay in soil beyond 36-48 hrs

2) Is DAP organic fertilizer?

The world consumes around 140 million tons of high grade Rock phosphate mineral today 90% of which goes into the production of diammonium phosphate (DAP) phosphate Rich organic manure is produced by co-composting high grade (32% P_2O_5 +/- 2%) Rock phosphate is very fine size say 80% finer than 56 microns.

3) What is the price of DAP?

Fertilizer Name	price (unit 50kg)
1) Urea (Imp) 46.0/50kg Bag.	270.50
2) DAP. 18:46:00/ 50 kg Bag	1125.00
3) DAP 18:46:00/ 50 kg Bag	1131.00

main point is - Good use 10-15 Granular in 1 liter of water & 1 cup to each plant much DAP does a plant need.

4) DAP Goods For plants?

DAP Fertilizer is a excellent source of P & Nitrogen (N) for plant nutrition It's highly soluable & those dissolves quickly in soil to release plant available phosphate & ammonium to prevent such damange used should avoid poeing high concentration of DAP near germinating seeds.

* Urea/DAP Fertiliezer round figure demand for seasons wise (unit 50kg/Acre)

type	Winter	spring	summer
DAP	Pound fig Bag	Not use	1.5 Bags
Urea	Not use	0.5 Bag	1 Bags

Scanned with CamScanner

2 DAP & ureas fertilizer demand for crop wise (unit 1 acre)

Types	DAP	urea.
1) Cane	1 Bag (50 kg) acre	2 Bag (100 kg) acre
2) Soyabeen	1 Bag / acre	Not use.
3) Urad	1 Bag / acre	Not use
4) Tide	Not use	0.5 Bag / acre
5) Wheat	Not use	Not use.

Conclusion :-

* Urea Fertilizer is the most imp nitrogenous fertilizer But denger for crop & soil therefor I choose the DAP fertilizer for presenting proje And In study the detail informat Conduct for DAP fertilizer

* DAP is good for crops.

* DAP is very supportive fortillezer for crop & soil.

2020-2021

B. M. C. C. pune.

Neme :- chate manik Balaji
Roll :- 26 Div A
Sub :- Economics
Div :- fy - B.com - A

2020-2021

ASS No 01

Sub :- study of demand & supply -

Railway service - in India -

Introduction of Indian Railway:

★ **Introduction**

Indian Railway is among the worlds largest rail network and it is route length network is spread over 1,23,236 km. with 13523 passenger trains and 9146 freight trains, plying 23 million travellers and 3 million tonnes of frieght daily for from 7349 stations;

Indias railway network is recognised as one of the largest railway systems in the world und single - management.

The railway network is also ideal for long distance travel and movement of bulk commodities apart from being an energy efficient and economic mode of coveeyance and transport. Indian railway is also the preffered carrier of automobiles in India.

★ **History of Indian Railways:-**

The Indian Railway was established on 16 April 1853 over 160 years ago on 16 th April 1853 the first passenger trains ran between the Bori bander to Thane (Bombay to Thana) distance of 34 km It was operated by three loconotives nomed sabib ~~st~~ sultan and sinad it also had thirteen carriages After attanding independence in 1947 India inheited a rather dilapited Railway Network As further India developed its economy all railway production units strated to be built indegenously.

☆ services and network of The Indian Railways offers variabs services to the nation like the basic ones of passenger transports and freight transports across India, running over 93,902 kms and covering 67368 kms route length,

It is the fourth largest railway network in the world In the fiscal year march ending 2019 Indian Railways carried 8.44 Billion passingers and transports 123 corore tonnes of frieght.

The Indian Railway runs 13523 passinger trains daily one longe-distance as well as suburban routes covering 7321 stations of freight,

Along with the above mentined running services various amenitics are offered by Indian Railways

1) Bed-rolls are supplied to passinger in AC first class, AC 2 Tier and AC 3 tier classes in all traines

2) most of the important trains have pantry car facilities contering is also arranged in trains where this facility is not available passanger can contact the trans conductors or other authorised catering staff of railway for availsing the catering services childern under age of 5 are provide food free of charge in Rajdhani and Shatabdi express.

3) Guards/Trains supritendense are equiped with frist aid boxes The front line staffs are also trained in administering first aid to sick persons In case of any medical emergency passinger can apporch train superitendice who will try to arrange relief through on board facilities and also try to locate doctors amonge passinger of trains

4) provission of ~~whotl~~ whell chair atstations existis As per present practice this facility is provided duly escorted by coolies It has been decided that zonal Railways may introduce sarthi seva at stations to help old and disabled ~~passing~~ passengers requiring-

istance at station.

5) passinger can book battery operted cars (BOC) porter servicer on payment basis and also the plick up and drop whell chair servicer,

6) ch cloack rooms and stafety lockers are also available in major stations, where luggage can be lept in safe custody. waiting rooms are also available at major stations for use by genuine customers (passing The waiting roons can be used free of cost on production of journey tro tickets for a few hours till the connecting train arrives

These are the few servicer offered by the Indian Railways to the passinger.

★ Financial Preformance :-

The Indian Railway is the stated owned organization and also of public monopoly. Its main source of funds is from gross budgetary support its internal resources

i.e.
(the profit & surplus)

and form from borrowings. the operating ratio of Indian Railwas has been

- The Indian Railways alongside the passinger freight earns from goods transports of which 85% comprises of coal over food grains, cement and petroleum.

- The Indian Railways are always functioning be it day or night winter or summer peace ~~or~~ war flood or famine, fair weather fovel. India without railways will become stagnant and immobile,

1) Indian Railways owns 7349 stations across India which covers a network area of 123236 kms.

2) The services provide are Indian railways are consistent and very competitive despite being the monopoly in railway service.

Factors influencing Indian Railways

* Indian railways are a monopoly service provider of railw transport in india

Micro Level Analysis :-

1) Lower fares than other mode of transports

Indian Railways being a public service monopoly keeps lower fares for both passinger transports as well as freight of cargo

2) Geographical prefferability :-

While travel to some of the most complex topographical regions through road or air is not possible railways prove to be the convenient and economical mode of tranpersportation.

3) The substitute or other close substitute

Indian Railways are strategic national resource so it is a monopoly privatisation was although began recently throughe FDI and competitive railway etc.

Still Indian Railway are preffeed by the huge population for both short as well as wellas as longe distance over the air and road transpoofation modes.

* Macro Level Analysis :-

1) Political Factors :-
The Indien railways account to approximately 6% of nations g.D.P rise. The econmy and is like a ~~bo~~ blood line of the ministry of Railway governed by 7 person committee which entirely influences the objectivers of Indian Railway (towards social welfare).

2) Economical Factors :-
The demand for Indian Railways is more or loss ~~eg~~ constant and surges during tourism peiod. The demand also rises during havest seasanse when agricultural produce is to be relocated for sale or storage.

3) Technological advancements :-
The recent development of electrification of railway routes upgrads in from diesel engines show a upgade in perfomance as well as infrastcurey

4) Social factors -

* Demand & Supply:

A) The study of supply factors of IR is aming to same of the importance issue associated with IR. Today IR is rapidly losing ~~the~~ its marketed share in case of ~~fare~~ freight service; if this trend dosent reverse the growith and survival of railway will be under threat as freight service is major source of Income for Indian Railways.

B) Supply chain is a network of firms intercting to deliver product or service to the end custmer linking the flow of raw material supply of final delvery.

C) Supply chain involves prorcmenent of raw material their storage supply and shipment of ~~raw~~ to final consumer thus transportation plays key role in supply chain.

D) There are many factors which influence the current supply consistency of I.R like its efficiency. dependey of many manufacterey organization in India.

★ Factors of influencing the supply of Indian Railway serv

1) Government owened public welfare monoply.

The indian Railway is worlds largest government owend railway and it is a major contributore to the socio-economic development of country so the supply has to be a consistent and competitive in all aspects like service and value added ammenities.

2) To enable mobility and circulation.

The indian Railway offers various service to manfacturers like ease of booking loss compensatie on response on enquiry and good staff behaviours so the majority of long distance frieght transports is depended on IR from freight transport. This creates a social obligation and consistent demand which promotes the constant supply of services by I.R.

3) Advantage over other modes of transportation.

The indian Railway offers nationwide servicess unlike are air travel which is limited to major cities only It also provides safe and fatyrstic travel which is advantage over risky road travel the I.R has recently develped over the old systems thereby reducing chances of accidents Due to there factors IR is consistent in supply of services.

* Conclusion

the I.R was establised on 16th April 1853 thereby laying its roots in the Indian economy. After independance the Indian Railways was a public service monopolly. The Indian Railway provides passenger transports and freight transports serviese throught India. ~~It is the major service provider~~ as it the major service provider as to carries 80% of total country fright Due to high connectivity low fares, recent techological and consumers freindly developments its passinger and freight trasnsports demand is relatively high and constant.

The supply of I.R services is also consumer welfare oriented It comes under the purview of minstry of Railway and is greatly affected by political agendas till Today various manfctuoring industry depend on I.R for transports of raw material or produced goods Thus in this topic study we have studied in breif about the Indian Railways also we have studied factors influeing or factors infloving or factors responsible for consistent supply of the servers of transportsion of passengers and cargo I breiebly conclude my project of study of supply and demand of Indian Railway.

PAGE 1
DATE 30/12/2020

Brihan Maharashtra College
Of Commerce (Autonomous).

Year - 2020-21

Assignment No. 1 :-
Name : Shweta Vijay Lonkar

Roll no : 635

Class : FYBcom. Sem - I

Div : B

Subject : Economics

Topic : Demand for Dant Kanti Toothpaste in India.

* Demand for Toothpaste In India.

- Toothpaste is a paste or gel dentifrice used with a toothbrush to clean and maintain the aesthetics and health of teeth.

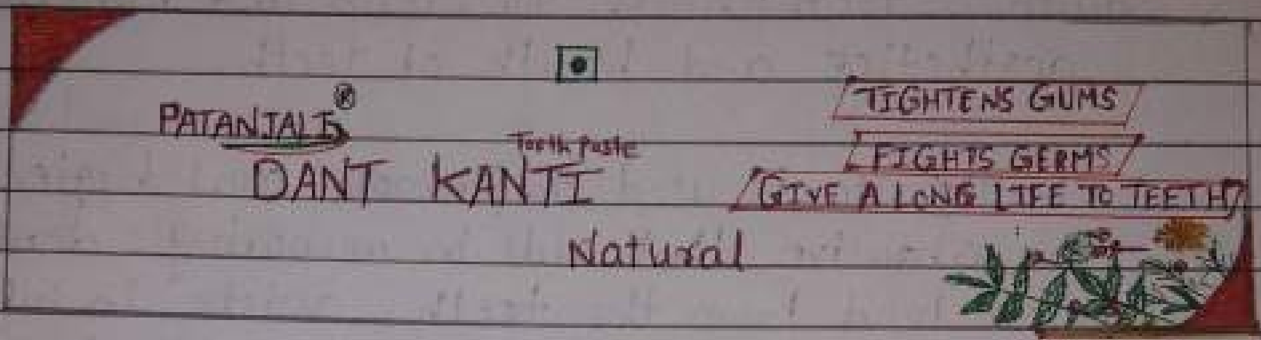
- Toothpaste is used to promote oral hygiene, it is an abrasive that aids in removing dental plaque and food from the teeth, assists in suppressing halitosis and delivers active ingredients to help prevent tooth decay and gum diseases.

- Toothpaste is one of the important few product that a person requires throughout his life. The person uses it ever since he/she started brush. Over the years, toothpaste brand have grown in vast numbers and can be seen in many supermarkets.

- There are so many companies which produce toothpaste such as

① Pantanjali
② Colgate
③ Aquafresh
④ Arm and Hammer
⑤ Close up
⑥ Dabur red
⑦ Pepsodent
⑧ Aim
etc...

- Detail Study of Demand for Patanjali Ayurved Toothpaste.



- Company Information :-

- Patanjali Ayurved, is an Indian multinational consumer packaged goods company, based in Haridwar, India, that was started by Ramdev and Balkrishna in 2006.

- Its manufacturing units and headquarters are located in the industrial area of Haridwar, - Uttarakhand while the registered office is located at Delhi. The company manufacturer mineral and herbal products.

- The branding strategy says that the Patanjali follows "Branded House" strategy in which the company itself is the brand and all the product are promoted under One brand. With a Strong Competition from Global existing brands, Dant Kanti was positioned as 'Swadeshi'. It does not have any harmful chemicals.

* History of company

- Ramdev established the Pantanjali Ayurved Limited in 2006 along with Balkrishna, with the objective of establishing science of Ayurved in accordance and coordination with the latest technology and ~~and~~ ancient wisdom.

- Balkrishna owns 99.6% of Pantanjali Ayurved, and as of march 2018, has a net worth of ₹ 43,932 crore (US$ 6.1 billion).

- According to CLSA and HSBC in 2016, Patanjali was the fastest growing FMCG company In India. It was valued at ₹ 3,000 crore and some predict revenues of ₹ 5,000 crore (US$700 million) for the fiscal 2015-16.

- Patanjali declared its annual turnover of the year 2016-17 to be estimated ₹ 10216 crore (US$ 1.4 billion).

- According to a report by India Infoline (IIFL), at least 13 listed companies would be affected by Patanjali's success including Colgate, Dabur, ITC and Godrej consumer.

* Demand for Product

- Patanjali Ayurved sells through nearly 4700 retail outlets as of May 2016.

- Patanjali also sells its Product online and is planning to open outlets at railway stations and airports.

- Patanjali Ayurved has tied up with Pittie Group and Kishor Biyani's Future Group on 9 October 2015.

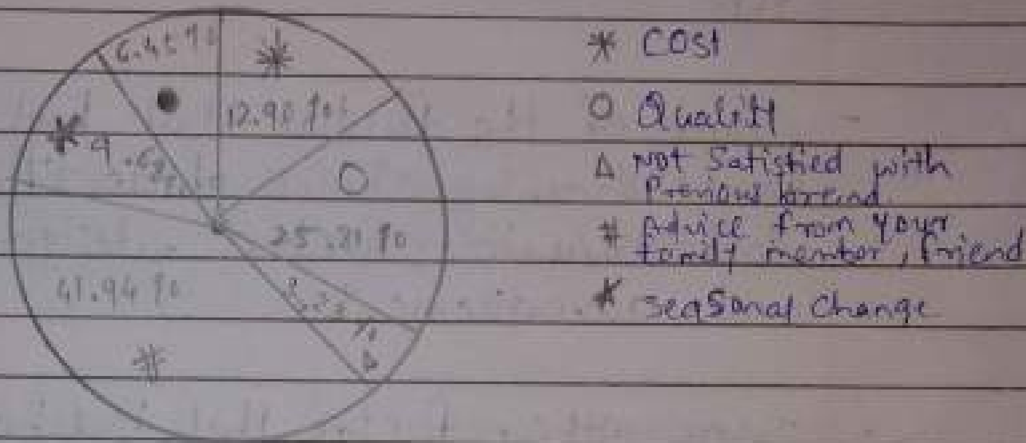
- As per the tie-up with Future Group, all the consumer products of Patanjali will be available for the direct sale in Future Group outlets.

- Patanjali Ayurved Products are also available in modern trade stores including Reliance retail, Hyper City and Star Bazaar apart from online channels.

- Pantanjali Ayurved company founded by Yoga guru Ramdev, is targeting ₹ 10,000 crore revenue in 2016-17, after sales grew 150% in the Previous financial year to ₹ 5,000 crore.

- Patanjali Ayurved has also started its FMCG expansion in form of dealership and distributorship

as well. ~~Now~~ It is now one of the top selling toothpaste brands in India.
What
following diagram shows the main reason behind switching to Dant Kanti?



* Revenues of Patanjali company

Year	Revenues (₹ in crore)
2010-11	100
11-12	300
12-13	841
13-14	1,184
14-15	2,006
15-16	8000
16-17	10,526
17-18	9,500
18-19	8,330

* Factor Influencing Demand of toothpaste.

- The choice of dentifrice used in tooth brushing varies from one household to the other and some factors are definitely responsible for this.

- Some of the factor that had been implicated in determining choice of dentifrice include socioeconomic factors, design or packaging and advertisement.

- Some other factor that had been considered as important in the choice of toothpaste brand include the smell of the paste, perceived performance, awarness by the consumers and some other attributes of the paste.

- Another factor that may go to a long way in determinging the choice of toothpaste by a consumer is the content of the paste. Some consumers are concerned with the herbal contents, while other are concerned about the fluoride content.

- Factor that were considered for their choice of toothpaste included the cost, colour, flavour / taste, Packaging, content, media advertisement and Family influence.

* Competition To The Brand :-

- The biggest competition to Dant Kanti is Colgate from Go Colgate Palmolive Ltd. Colgate is India's most popular and relied product that is also reccomonended by dentists the most.

- Close up marketed by Unilever, it was ~~lau~~ launched in 1967 and was the first gel toothpaste in the world.

- Dabur toothpaste is first introduced in India by Dr. S.K Burman in 1884.

- Sensodyne is also competitor of Dant Kanti. we rank sensodyne at number three on this list of best toothpaste brands for two main reasons.

- Babool toothpaste was launched by Dabur India Ltd in line with its stated mission of promoting healthcare in economically weaker areas of the country.

- Etc.

* Suggestion / Conclusion.

- Dant Kanti dental cream is a product of Patanjali Ayurved LTD. and is manufactured in ~~Barat~~ India.

- Baba Ramdev's Dant Kanti toothpaste is said to be completely on herbal composition and it is useful in dental protection and also helps in dental beauty.

- Dant Kanti toothpaste is available in 3 variation.

① Dant Kanti Junior
② Dant Kanti medicated
③ Dant Kanti

- Patanjali product are also available in various e-commerce platforms like Amazon, Flipkart, snap deal and Big Basket to name a few.

Name: Bhor Vaishnavi Chandrakant.
Roll No.: ~~[illegible]~~ 639
Division: B
Class: F.Y. B.com

A Study of Demand for I phone-11 in Pune

* About Company

Apple Inc.

Incorporation year: 1977

Headquarter : California. US

Present CEO : Tim Cook

Company Introduction

Apple is an American multinational technology company. It designs, develops and sells consumer electronics, computer software and online services. Apple is the world's largest information technology company by revenue, the world's largest technology company by total assets and the world's second largest mobile phone manufacturer, by volume, after Samsung. It maintains 478 retail stores in seventeen contries. It operates the online Apple Store and iTunes Store, the latter of which is the world's largest music retailer.

History

Apple was founded by Steve Jobs, Steve Wozniak and Ronald Wayne in April 1976 to develop and sell personal computers. It was incorporated as Apple Computer, Inc. in January 1977, and was renamed as Apple Inc in January 2007 to reflect its shifted towards consumer electronics.

Products

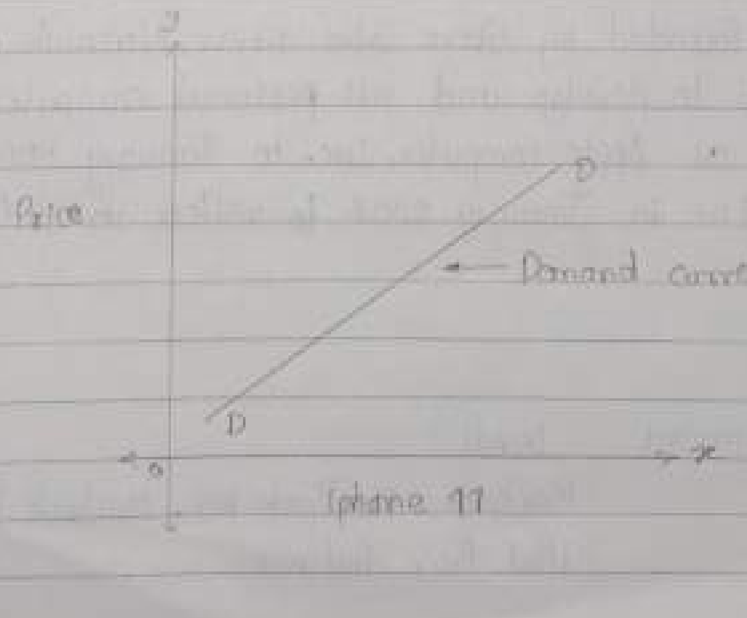
Product Segment	Brands
Mac	MacBook, MacBook Air. MacBook Pro etc.
iPad	iPad Pro, iPad mini

iPhone	iPhone 7, iPhone SE, iPhone 11, iPhone 11 Pro etc.
Watch	Apple Watch Series 2, Apple Watch Nike +, Apple Watch Hermès etc.
TV	Apple TV
Music	Apple Music, iTunes and iPod

* Study Of the Product.

Apple iphone 11 was launched in India on september 20, 2019. The smartphone comes in ~~3 other~~ storage and RAM variants - Apple iphone 11 64GB, Apple iphone 11 128 GB, Apple iphone 256 GB. It is available in different colour options like red, black, purple, yellow, green and white The product is now available in India at ₹ 54,900. It is the 13th generation iPhone. It falls under luxurious commodity which are used as status symbol.

In this document we are going to see demand side of the iPhone 11 product in pune city First we will ~~sat~~ see the normal demand graph that of ~~fo~~ the product ~~late~~ ~~atome~~.



On the above diagram shows the general demand for Apple iphone 11. On the x axis iphone 11 Demanded is taken and Y represents the price. Demand curve DD slopes upward from left to right showing direct relationship between price and quantity demanded as it is a luxurious product.

Lets see objectives of study.

Objective of Study

- To study the demand for the apple iphone11 in Pune.
- To understand the factors that affect demand for the product
- To learn how competition and different market structures affects prices.
- To determine the change in demand of selected product

* Factors that affects demand for iPhone 11 in Pune

1. Price

In case of iphone demand always high because of consumer's requests. Due to the direct relation with price and quantity demanded increase in price lead to increase in demand. In fact, demand of iphone just inelastic at the first time, because this is the ~~eque~~ unique phone with a lot of functions could attached audients at that time, that was lead to why the price way went too high but demand still increase. After three months, Apple was decreased the price, because of the affects of demand: Pricing, ad-on services, and the rise of competitors in the marketplace. Demand decreased so demand line shifted to left. However, when iphone's price went down, consumers raised the demand of iphone again. Hence demand line becomes flatter and more elastic, prices ~~degre~~ decreases but quantity demand increased.

2. Availability of Substitutes

There is no perfect substitute for iphone as it competes in the monopolistic competition. Unlike the other phones iPhone has unique characteristic of ios system and others have android system. Still iPhone 11 has many alternatives like samsug galaxy S10, Google Pixel 4, samsung galaxy Note 10, OnePlus 7T. When the prices of these substitutes increases ~~Samsung Galaxy S10~~ demand for Iphone 11 decreases and when substitute ~~Samsung Galaxy is~~ prices increases demand for iphone increases.

3. Income of the consumer

Apple iPhone is luxurious product for some people and normal goods for another. Therefore it posseses both the qualities. Apple is well-known brand, known all over the world for its quality and high price.

~~Slight~~ Increase in the income of the consumer, it result in increase in demand for it. Most of the people desire to buy iPhone.

4. Advertisement.

Advertising helps a business to earn profits by enabling more people to know about the product and the services and thus resulting in more sales. Apple iPhone 11 was strongly advertised. Its demand rise due to strong and helpful to product ~~sep~~ specified, interesting advertisement techniqs.

5. Distribution of the income.

If the distribution of the income is unequal in the country then demand for the product is less and if the income distribution is equal then average demand is more.

6. Change in technology

Now-a-days every person is technology-concious. People don't want to lagg behind due to old technology. ~~Techn~~ Change in technology is one of the important factor having impact on demand of iPhone11. IPhone 11 is based on new and latest technology launch in last year. Hence there is demand for it. In 2020 Apple, Iphone launched extra advanced and based on newest technology ~~ion~~ iPhone 12 series. This caused fall in demand of iphone 11.

7. Monopolistic Competition

In this products are not competed on the base of price but they competes on the basis of product differentiation. Products are differentiated from one anthor, hence there ~~is~~ are no perfect substitute. Apple iPhone 11 has unique quality of iOS Systeme which is faster than android systeme, hence increase their sales

Sales

The iPhone 11 comes with starting price of ₹ 64,900. According to latest report from Apple Insider Website around 12 million units of the iPhone 11 sold since the september launch. The sale of iPhone 11 have gone up by 19% when compared to iPhone XR Above data concerns sales in 2019

Apple manages to continue its solid sales volume from 2019 and move an estimated 19.5 units of its most wanted iPhone 11. It is all pretty impressive sales figures given in the global pandemic and slowdown in global shipments

This change is due to massive price drop in iPhone 11's price by ₹14000. The Apple gave highest discount on new iphones than ever. Due to brand goodwill and product differenciation apple manages to sale iPhone 11 in the festive season.

X Sale of Top 10 model and substitutes

	2020			2019		
Rank	Model	OEM	Unit	Model	OEM	Unit
1	iPhone 11	Apple	19.5	iPhone XR	Apple	13.6
2	Galaxy A51	Samsung	6.8	Galaxy J4 +	Samsung	6.4
3	Redmi Note 8	Xiaomi	6.6	iPhone 8	Apple	6.2
4	Redmi Note 8 pro	Xiaomi	6.1	Redmi 6A	Xiomi	5.8
5	iPhone XR	Apple	4.7	Galaxy J2 core	Samsung	5.7
6	iPhone XR pro max	Apple	4.2	A5	Oppo	5.4
7	Galaxy A10S	Samsung	3.9	Galaxy S10	Samsung	5.2
8	iPhone 11 pro	Apple	3.8	Galaxy S10 +	Samsung	5.1
9	Galaxy S20 + 5G	Samsung	3.5	Galaxy J6 +	Samsung	4.9
10	Galaxy A30S	Samsung	3.4	iPhon 6S	Apple	4.8

Conclusion

Now-a-day to servive in business competition is very difficult Apple is company deals in mobile industry. It is the largest information ~~electronics~~ Company by Service, revenue, ~~assets~~ etc. In this assignment we have studied demand aspect of the product iPhone 11 of the Apple company Apple is laxurious commodity for some people & normal commodity for the other depending on their income level. Though generall in India Apple is luxurious goods, so its demand ~~depend~~ depends on various ~~ex~~ factors for eg price, income, substitutes etc. Apple company alway very concious about their place in global market and provides highest quality goods to their costumer. Iphone 11 is one of these product.

Suggetions

Though iPhone is treated as luxurious goods, still apple company tries to launch more economic products for their world wide consumers. Iphone 11 is one of that. In India people will not spend that much high amount (₹64,900) on a mobilephone. I as Indians are more attracted to offers and discounts. Hence, I will suggest that Apple should provide more discounts and various low cost EMI.

We find google ~~in~~ functioning app in every smartphone except iphone. It will increase the revenue twice if the ~~goold~~ ~~a~~ google apps ~~will~~ start functioning in the iPhone.

Otherwise iPhone is properly marketed and sold by the company. Its website also provide detail handling of product to resolve querries of customer.

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

SEMESTER - II

2020-21

NAME- Kashish Thakur

ROLL NO- 645 **DIV-** F.Y.BCOM.-B

SUBJECT- Business Economics

SUBJECT CODE - 1203

SUBMISSION DATE -
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SUBMITTED TO -
Prof. Deepak Powdal

PRICING STRATEGIES

Price is the value is put to a product or service and is the result of a complex set of calculations, research and understanding and risk taking ability. A pricing strategy takes into account segments, ability to pay, market conditions, competitors actions, trade margins and input costs, amongst others. It is targeted, at the / defined customers and against competitors.

Pricing is one of the major components of your marketing plan, which is a component of a full business plan. Assigning product prices is a strategic activity. The price you assign will impact how consumers view your product and whether they will purchase it. Price also helps differentiate your products from those of your competitors. However, the prices assigned must be in line with ~~your~~ the other marketing strategies and the product attributes. Whether to have or not a formal marketing plan, performing some of the research necessary for a marketing plan prior to determining the pricing strategies to be implemented is important. The knowledge gained from the research will help in assigning appropriate prices to your products or services - prices that reflect the quality and attributes of the products offered to the consumers.

Pricing objectives are selected with the business and financial goals in mind. Elements of your business plan can guide you choices of a pricing objectives and strategies.

If one of your business goals is to be become a leader in terms of the market share that your product has, then you'll consider quantity maximization pricing objective as apposed to the survival pricing objective. If the business mission is to be a leader in your industry, you may want to consider a quality leadership pricing objective. On the other hand, profit margin maximization may be the most appropriate pricing objective if your business plan calls for growth in product in the near future since you will need funding for facilities and labour.

Some pricing objectives are-

1. Partial cost recovery - a company that has source of income other than from the sale of products may decide to implement this pricing objectives, which has the benefit of providing customers with a quality product at a cost lower than expected. Competitors without other revenue streams to offset lower prices will likely not appreciate using this objective for products in direct competition with one another. Therefore, this pricing objective is best reserved for special situations or products.

2. Quality Leadership - used to ~~singal~~ signal product quality to the consumer by placing ~~pricing~~ prices on products that convey their quality.

③ Profit margin maximization - seeks to maximize the per-unit profit margin of a product. This objective is typically applied when the total number of units sold is expected to be low. Profit maximisation - seeks to garner the greatest dollar amounts in profits. This objective is not necessarily tied to the objective of profit margin maximization.

④ Revenue maximization - seeks to maximise revenue from the sale of products without regard to profit. This objective can be useful when introducing a new product into the market with the goals of growing market share and establishing long-term customer base.

⑤ Quantity maximization - seeks to maximize the number of items sold. This objective may be chosen if you have an underlying goal of taking advantage of economies of scale that may be realized in the production or sales arenas.

⑥ Survival - put into place in situations where a business needs to price at a level that will just allow it to stay in business and cover essential costs. For a short time, the goal of making a profit is set aside for the goal of survival. Survival pricing is meant only to be used on a short term or temporary basis. Once the situation that initiated the survival pricing has passed, product prices are returned to previous or more appropriate levels.

REASONS WHY PRICING STRATEGIES ARE IMPORTANT ?

Pricing is the reflection of everything done as a business, from product development all the way down to link a website, because we live in a world driven by value. Nothing less defines a business and a product more.

Pricing is important since it defines the value that a product is worth for you to make and for the customers to use it. It is the tangible price point to let customers know whether it is worth their time and investment.

1. Everything comes second to pricing.
2. Price optimization a huge impact on increasing profit.

The pricing strategies could shape the overall profitability for the future of a business. These strategies are important for the economy, helps in determination of profit, Helps in competiting, it is a demand regulator, important part for sales promotion, triggers ~~the first~~ ~~firest~~ first impression of the customers, develops a perception about the quality in the minds of customers and it is one of the most flexible marketing variable.

These points all together are the reasons for choosing this important topic.

* SEVERAL PRICING STRATEGIES ARE-

① PREMIUM PRICING -

Premium pricing is a strategy that involves tactically pricing your company's product higher than your immediate competition. The purpose of pricing your product at a premium is to cultivate a sense in the market of your product being just that bit higher in quality than the rest. It works best alongside a coordinated marketing strategy designed to enhance that perception.

Premium pricing is closely related to the strategy of price skimming. However, unlike skimming, it involves setting prices high and keeping them there. Luxury brands have often implemented premium pricing, but this strategy has its place in Saas, too.

Brands that use premium pricing -

- Salesforce - Sales force has a strong pedigree with premium pricing. The salesforce approach of its plans, even the premium, as an initial free trail is particularly astute. Free trails are another great way of building brand equity, which premium pricing thrives on.
- Hubspot - Hubspot is even more pronounced when it comes to differentiating run-of-the mill options from premium ones. For Hubspot, whose services have a near-universal appeal across the the Saas spectrum, the scope of the premium "Enterprise" option is vital for demonstrating both the quality and versatility of its features.

② PENETRATION PRICING -

Penetrating pricing is a pricing strategy that is used to gain market share by setting an initially low price to entice customers to purchase. This is done when a new product is being launched. It is understood that prices will be raised once the promotion period is over and market share objectives are achieved. An extreme form of penetration pricing is called predatory pricing.

Situations where penetrating pricing works effectively:-

⇒ When there is little product differentiation.

⇒ Demand is price-elastic.

⇒ Where the product is suitable for a mass market (and, therefore, for utilizing economies of scale).

Price is one of the easiest ways to differentiate new entrants from existing market players.

• EXAMPLES -

• Netflix - It is the perfect example of penerating price done right. We have heard people complaining about their Netflix subscription prices going up on their one month of free subscription ending. Other OTT platforms are following suit by deploying penetrating pricing to attract new customers.

• Gillette - A successful penetration pricing strategy is Gillette with its razors often given away for free or priced lower than its competitors, it has been able to retain its position as a market leaders for years. Accessories that are priced at a premium.

(3) ECONOMY PRICING:

Economy pricing is a volume-based pricing strategy wherein you price goods low and gain revenue based on the number of customers who purchase your product. It's typically used for commodity goods, like generic-brand groceries or medications, that don't have the marketing and advertising costs of their name-brand counterparts.
No-frills price. Margins are wafer thin; overheads like marketing and advertising costs are very low. Targets the mass market and high market share. An economy pricing strategy is similar to a cost-plus pricing strategy. You take a product with relatively low production costs and set a price for it that provides you a small profit.

Production Cost + Profit Margin = Price.

The only way one can make a profit is by bringing large amount of customers on a consistent basis.

- EXAMPLES-
- Supermarket store brands- Companies like Trader Joe's and ALDI are two examples that capitalize on economy pricing to drive their growth.
- Generic Drugs and Medications- Different types of generic over the the counter medications available through companies like CVS and Rite-Aid.
- Budget airlines- Many airlines will provide economy pricing to fill seats in their planes, offering much lower prices for the first seats that are purchased and scalling up the price as availability decreases.

④ SKIMMING PRICING STRATEGY -

Pricing skimming is a product pricing strategy by which a firm changes the highest initial price that customer will pay and then lowers it over time. As the demand of the first customers is satisfied and competition enters the market, the firm lowers the price to attract another, more price-sensitive segment of the population. The skimming gets its name from "skimming" successive layers of cream, or customer segments, as prices are lowered over time. The idea is to recover maximum money before the product or segment attracts more competitors who will lower profits for all concerned.

Generally, the price skimming model is best used for a short period of time, allowing the early adopter market to become saturated, but not alienating price-conscious ~~players~~ buyers over the long term. Additionally, buyers may turn to cheaper competitors if a price reduction comes about too late, leading to lost sales and most likely lost revenue.

Price skimming may also not be as effective for any competitor follow-up products.

• EXAMPLES -

Good examples of price skimming include innovative electronic products, such as the ~~A~~ Apple iPhone and Sony PlayStation 3.
eg. the playstation 3 was originally sold at $599 in US market, but it gradually reduced to below $200.


Doritos
Doritos
SPICY SWEET CHILI
Doritos
Doritos
NACHO CHEESE
COOL RANCH

FIRMs WITH DIFFERENT PRICING STRATEGIES

① DORITOS

The pricing strategy of Doritos is competitive pricing strategy to penetrate the market and attract customers. The emphasis is on keeping the price reasonable and affordable. Doritos is available in many places boosting sales and increasing the revenue. In Indian market two flavors; Sweet Chili and Nacho cheese flavour are available in Indian Market. The price range are $1 for 75gm pack and $2 for 120gm pack. The price may vary slightly as per ~~ind~~ individual seller, especially through online mode. There are many new entrants with the similar products in the market. (Parle Mexitos). To compete with them the brand has to keep the pricing in similar range.

② SAMSUNG

Samsung is a market leader in Smart Phones and is a dominant player in market for home appliances.

- Skimming Price - When Samsung launches its new products, the prices are higher. But when other competitor launches a product with identical features, they lower the prices and prevents the reduction of its market share, due to its competitors.
- Competitive Pricing - To prevent the flanking attacks from its competitors in the market its essential for Samsung to use competitive pricing. Samsung is not a first mover in home-appliances category and thus has to defend its market position.


STARBUCKS


BALAJI
WAFERS
SIMPLY SALTED

③ STARBUCKS

Starbucks is clearly a premium priced coffee seller. The price is justified due to its high end techology and the varieties it offer along with the best customer experience. To maintain competition, Starbucks started with low cost range at few outlets and to cater the customers who couldn't be attracted by its high prices. Starbucks not only follows competitive pricing but also relative pricing strategies. The packaged products are also available at grocery stores which are comparatively cheaper than the normal outlet products and easily available to everyone. The quality is always the highest, which helps in maintaining a loyal customer base and brand name.

④ BALAJI WAFERS

The rate issued for goods and services is set artificially low in order to earn market share. To gain rapid trail and to capture market share by offering deep discounts during introduction. The pricing strategies adapted by Balaj Wafers is Penetration Pricing. After achieving market share, the price is increased to grab the opportunity to hold on to customers, so they offered free samples or products at mimimal rates. Eventually, people accepted deep discounts usually result in prices significantly below competitive offerings and potentially below cost. After getting large number of consumers, rates gradually go up.

CONCLUSION

A pricing strategy considers factors like competitor actions, market conditions, consumer trend and other valuable costs to account for the pricing model of the goods. Business must decide on a pricing strategy before advertising products to customer. Few of the pricing strategies we studied are- ① premium pricing ② penetration pricing ③ Economy pricing ④ Skimming price etc. Different firms adopt different ~~strag~~ strategies according to their business. A carefully considered pricing strategy is vital to optimizing both sales volume and profit.

The key thing to remember is that a business needs to make a right move at a right time. This requires an understanding of how price changes will impact on different factors. This is where a carefully considered pricing ~~sto~~ strategy becomes useful. Price is one of the most important ways in which customers choose between different products and services, and knowing the optimum price that should be charged to maximise the sales and profits is key to beating the competition. In conclusion, with various pricing objective, numerous pricing strategies are available to choose. Careful selection of pricing objective will lead to appropriate strategies.

1 Economics Assignment Sem- II

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Firm under Monopolistic Competition

Monopolistic Competition

Monopolistic competition is type of imperfect competition such that there are many producers competing against each other, but selling products that are differentiated from one another and hence are not perfect substitutes.

According to Chamberlin, "Monopolistic competition refers to competition among a large number of sellers producing close but not perfect substitute."

* Features

1. Fairly large number of buyers

In this market there are fairly large number of buyers Consequently, no single buyer can influence the price of product by changing his individual demand.

2 Fairly large number of seller

The number of seller in monopolistic competition is large. It is still smaller than that in perfect competition. Since the number of seller is large. Each seller has limited control over supply. The seller has comple control over his brand. This control is is possible because of patents, trade mark, copyright etc that the producer possesses. Thus each producer enjoys an element of monopoly on one hand and on the other they have to face competition from seller selling close substitute in the market

3) Product differentiation

The most important feature of monopolistic competition is product differentiation. Each product in this market is different from other product is some form or the other. The differences could be in its colour, shape, wrapper, after sales services etc. Their product, though different, are close substitute to each other eg Hamam soap is close substitute to Lux soap. Producers also adopt various techniques such as discounts, gifts, advertisement etc to attract the consumers. This is known as product differentiation. In this market producers compete with each other on the basis of product differentiation and not on the price differentiation. Therefore, monopolistic competition is known as non-price competition.

4) Close Substitutes

In monopolistic competition goods have close substitute to each other. For eg Goldspot is close substitute to Limca.

5) Selling cost

The uniqueness of this market lies in the fact that a difference is made between cost of production and selling cost. Product differentiation leads to emergence of selling cost. Thus, the cost producer have to incur in order to differentiate their product is known as selling cost. Hence, medium such as television, radio, newspaper, magzine exhibitions, incentives and salaries of sales representatives etc are used by firms to increase the sales. The price of the product includes cost of production as well as selling cost.

6) Free entry & exit

Under monopolistic competition, there is freedom of entry and exit i.e new firms are free to enter the market, if there is super normal profit. Similarly, they can leave the market, if they find it difficult to survive.

7) Demand curve of the firm

Due to product differentiation and avaibility of close substitutes, demand curve of seller is highly price elastic and downwards slopping.

It means a slight change in price of the product will bring about a change in quantity demanded.

8) Concept of group

Chamberlin introduced the concept of group as the substitute for industry concept. The firm producing identical, are clubbed together in one industry under perfect competition. However, in the monopolistic competition the products are differentiated. All the firm producing close substitutes are taken together in a 'group concept'. For eg- group of firms producing medicines, cements etc

Colgate - Palmolive (Toothpaste)

Colgate - Palmolive Company is an American multinational consumer product company headquartered on Park Avenue in Midtown Manhattan, New York City It specialized in the production, distribution, health care, personal care and veterinary products

Type : Public

Industry : consumer goods

Founded : 1806, 215 years ago

Founder : William Colgate

Headquarters : 300 Park Avenue, New York, United States

Area served : Worldwide

Products : Cleaning agents. Personal care products. Pet food

Website : colgatepalmolive.com

No. of Employees : 34,500 (2018)

Revenue : US$15.693 billion (2019)

Key people : Noel Wallace (Chairman, president & CEO)

Features

1) Large number of buyers
Colgate have huge number of buyers in global market There are many loyal customer of colgate. The sales turnover of Colgate-Palmolive India Limited amounted to over 45 billion Indian rupees in fiscal year 2020. Hence no single buyer can change or influence the products price

2) Fairly large no seller
Colgate faces strong competition in the market There are many brands and firms producing personal care products for example- close up toothpaste, patanjali, pesodent, Aquafresh etc Each of them have complete control over their brand but very less control over market price

3) Product differentiation
Toothpaste manufacturing companies usually use red colour for their packaging box Colgate ~~each~~ also use red colour for packaging. In order to differentiate product colgate claims to be first toothpaste in India that contains salt Then company launched 'colgate-visible white' mainly focusing on whitening tooths There are different types of colgate toothpaste like colgate-herbal toothpaste, toothpaste for strengthening tooths, colgate-vedshakti etc

In the toothpaste producing firm competition is based on ingredients used, taste of toothpaste, usefulness and smell. Price of a toothpaste basically ranges from ₹10-₹20.

4) Close Substitute

Colgate toothpaste have very close substitutes as there are many firms producing toothpaste eg Pepsodent, Colt close up. patanjali etc

5) Selling Cost

Colgate incurs selling cost on advertisement, discounts. offers etc company also issue coupons and special offer It also gives discount on MRP for bulk purchases or jumbo packages. It also gives free toothbrush. To survive in the competition colgate have to incur selling cost

6) Free entry & exit

There is no entry barrier ~~for~~ to - in this market Anyone can enter in the competition and can exit from the market.

From the above analysis we can say that colgate lies in Monopolistic competition market

Suggestion

In monopolistic competition, key stralergy for competing is to offer product differentiation The products are close substitute but still have unique feature or characteristic Each one of them are different from another

Colgate is one of the leading brand in the market It is one of the profit making organisation. For contineous profit making orga and for profit maximisation company should focus on product differentiation. Lowering can lead to loss as the company is in monopolistic competition Contineous innovation, upgradation in the product and quality is necessory.

I think colgate is the best example of monopolistic competition

Conclusion

Monopolistic Competition reffers to competition among large number of seller producing close but not perfect substitute. It features include large number of buyers and sellers, product differentiation, close substitute, selling cost, free entry and exit, price elastic demand curve and group concept. Similar feature can be seen in real life. One of the example is colgate company. Colgate has large number of buyer and there many producers producing close substitutes. All the product are differentiated. Colgate differentiate its product by taste, colour, ~~sem~~ smell and ingrediants of toothpaste. Advertisement, offers and discount attracts selling cost.

Page No. ______

BRIHAN MAHARASHTRA

COLLEGE OF

COMMERCE (AUTONOMOUS)

Academic year - 2020-21

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Division :- B

Class :- F.Y. B.Com

Subject :- Business Economics (Assignment)

Study of Demand And Supply of Mahindra Tractors in India

* Introduction of the Company :

Mahindra Tractors is an international farm equipment manufacturer of Mahindra & Mahindra. In 2010, Mahindra became the world's highest-Selling tractor brand by volume. Mahindra's largest consumer base is in India, China, North America, and a growing market in Australia. The Company is largest manufacturer in India and has the Capacity to build 150,000 tractors a year.

Mahindra & Mahindra produced its first tractor in 1963, the Mahindra B-275 by forming a joint venture with international Harvester to manufacture tractors carrying the Mahindra nameplate for the Indian market. Mahindra Tractors sold about 85,000 units annually making it one of the largest tractor producers in the world. To expand into the growing market of China, Mahindra acquired majority stake in jangling.

To raise awareness about Mahindra in the US, Mahindra USA announced its new sponsor-ship in the NASCAR Nationwide Series with R3 Motorsports, which is participating with a #23 Mahindra Tractors Chevrolet. The car was driven by Robert Richardson Jr. With this sponsorship Mahindra was the first Indian company to sponsor a car in NASCAR.

* Companies which produces the Substitutes for Mahindra Tractors / Copititor Companies for Mahindra Tractors :

1) Sonalika Tractors :

The Sonalika Group is an Indian multinational Company headquartered in Hoshiarpur (Punjab), India. It is founded in 1969 and is active mainly in the automobile sector. Its founder is lakshman Das Mittal. Sonalika Tractor is one of the biggest Compititors of Mahindra Tractors

2) Tractors and Farm Equipment limited (TAFE) :

Tractors and Farm Equipment limited (TAFE), is a tractor manufacturer in Chennai, India. Founded in 1960. Its founder is S. Ananthāramkrishnan. Its Subsidiaries are TMTL, TAL, TRL.

3) Kubota Corporation :

Kubota Corporation (kabushiki-kaisha kubota) is a tractor and heavy equipment manufacturer is a based in Osaka, Japan. one of its notable contributions was to the Construction of the Solar Ark.

4) John Deere :

John Deere is the brand name of Deere & Company, an American Corporation that manufactures agricultural, Construction, and forestry machinery, diesel engines, drivetrains used in heavy equipment and lawn care equipment. In 2019, it was listed as 87th in the fortune 500 America's ranking. The Company also provides financial Services and other related activities. This company is the perfect compititor of Mahindra Tractors.

5) Case IH :

Case IH is a brand of agricultural equipment. It was created in 1985 when Teneco bought Selected assets of the agricultural division from international Harvester and merged it into its JI Case company.

* Objectives of the Study :-

The Study is conducted with refrence to study on the Mahindra and Mahindra Tractors. The important objectives of this study are :-

- To study the activity of production of tractors in India by the Mahindra Tractors Company.
- To Study about other Companies which produces tractors and the Competitor Companies of Mahindra Tractors.
- To Study about demand and the Supply of the Mahindra Tractors.
- To study the factors that influences the Supply and demand of the Mahindra Tractors
- To analysis the product ranges. and to study the data of the Company.
- To study about reasons for the data changes.
- Suggestions for the increacement of Supply and the demand of the Tractors.

* Study of Demand and Supply of Mahindra tractors in F.Y. 2019. :

- Sales of Mahindra Tractor grew a paltry 0.3% 36,046 units in September 2019 as Compared 35,953 units in September 2018, as per Company release.

Mahindra Tractors have sold 36,046 tractors in the domestic market during September 2019. good monsoons, reservoir levels and crop prices are all positive going into the festive season. The recent disruption Caused by heavy rains has had an impact on short term demand. The fundamentals were in place for improved momentum over the coming months. In the export market, they have sold 965 tractors.

However, Company's overall sales (Domestic + exports) declined 2 per cent at 37,011 units in September 2019 against 37,581 units in the same month a year ago.

Factors influencing demand of tractors :-

i) Consumer Behaviour :-

The study of consumer is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption - related items. It includes the study of what they buy, why they buy it, when they buy it, ~~where~~ & and how often they use it, how they evaluate after the purchase and the impact of such evaluations on future purchases and how they dispose it.

ii) Buying Decision Process :-

Consumers engage in a decision process to deal with the marketing environment and make purchases. The consumer goes through a series of logical stages to arrive at a decision when he faces a problem that could be resolved through a purchase. A typical buying process consists of the ~~following~~ five stages.

iii) Problem Recognition :

They buying process starts where the buyer recognizes a problem or need. The need may be triggered by internal or external stimuli.

iv) Information Search :

An aroused consumer will be inclined to search for to search for more information. Consumer information sources fail into four groups: Personal Sources : Family, friends, neighbours, acquaintances. Commercial Sources : Advertising, Sales-persons, dealers, packaging, displays.

v) Post Purchase Behaviours :

After purchasing the product the Consumer will experience some level of satisfaction or dissatisfaction. The marketer's job does not end when the product is bought. Marketers must monitor post purchase satisfaction, post purchase actions and post purchase product uses too.

* Factors affecting Supply of tractors :-

1) Cost of Production :
If the cost of production for the tractor is less, the Supplier cand produce more and supply more and vice versa.

2) Addoption of technology :
The improved technology of production will definitely increase the supply.

3) Weather condition :
If there is favour weather condition then there will be more demand of tractors by farmers and ~~bece~~ hence supply will increase by producer.

4) Manpower resources :
Having more manpower resource will definitely increase the production and hence supply and vice versa.

5) Goverment interference :
If there is less goverment interferense then the company will easily produce and supply more and more units.

* Suggestions :-

- Making tractors more powerful.
- Saling tractors at more ~~afford~~ affordable price
- Adapting effective promotional strategies to promote tractors.
- Management should maintain delivery timings and on road break down service's as they promised to their customer.

* Conclusion :-

As per my study 'the study of demand and supply of Mahindra Tractors in India. The Mahindra Company has adapted the best technology for production of tractors that they can influence public towards 'Mahindra Tractors'. They always trying to overcome the barriers and they are focusing on the Brand awareness for the sale of tractors. They are giving one of the best financial facilities through the 'Kotak Mahindra Bank'.

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Div :- B

Subject : Economics

Assignment :- A review of various pricing strategies adopted by different firms.

A review of various pricing strategies adopted by different firms.

* Introduction

It's well known fact that the success of the product in the market depends on the four factors popularly known as the marketing mix. This involves the price, the price, the product, the promotion and the place. The price should be competitive and reasonable, the product should be of good quality, the promotion should be impressive and appealing whereas the place should be pleasant and easily accessible. The current paper focuses on one of the Ps of marketing i.e. Price. The paper reviews some of the popular pricing strategies adopted by the modern business.

* Importance

- If the pricing strategy of the product goes wrong, the demand for the product in the market will be very less. Product will fail.
- If the price is less than what it should be then the company is unnecessarily sacrificing profit.
- If the price is more than what it should be then the company will lose some of

its customers.

- That's why an accurate price strategy is necessary.

* Objectives

- To increase market-share within a market.
- To defend an existing market from new entrants.
- To enter a new market etc.

* Types of Pricing Strategy

- Cost Plus Pricing

Cost plus pricing is a cost-based for method for setting the price of goods and services. Under this approach, the direct material cost, direct labour cost, and overhead costs for a product are added up and added to a markup percentage (to create a profit margin) in order to drive the price of the product.

- Incremental Cost Pricing

It is the method of pricing a product based on incremental cost.

In this type of pricing, the selling price of a product is determined by the variable cost, and not according to the overall cost of creating the product. Incremental cost is the cost of creating additional units of the same product from the same setup.

(i.e. machines and land etc.) i.e. the fixed cost remains same, and the selling price of the product thus generated is based mainly on the variable cost. for example, a company that has been making packets of bread with 8 breads per packet launches a new product that is a 15-bread packet. So the fixed cost like the rent of the land, the initial cost like the rent of the land, the initial cost of setting up the machinery and cost that was incurred in R&D of the bread remain same. The variable cost changes. This includes the cost of extra volume of ingredients, bigger packets, extra volume of ingredients, bigger packets, extra oil / electricity used to run the machinery.

- **Auction Pricing**

  The seller allows the buyers to complete for the product by asking them to quote the highest price they would like to pay for it. The one who shows the willingness to pay the highest price gets to buy the product.

- **Price Skimming**

  Price skimming a pricing strategy in which a company sets a relatively high initial price for a product or service at first, then lowers the price over time.

  There are two reasons behind doing so;

a. As the product is generally a status-symbol product, the rich are willing to pay a higher price for the latest product when it is first launched.

b. A higher price allows the company to recover the heavy expenses it has made on research and development. The typical characteristic of price skimming is that the seller gradually reduces the price.

a. Because the most wealthy and desperate have already bought the product and now now the company wants to target the second layer of customers.

b. Attracted by the super-normal profits, gradually the competition is created. To stay in the competition a slight reduction in price is must.

- **Loss Leader Pricing**

Loss leader pricing is an aggressive pricing strategy in which a store sells selected goods below cost in order to attract customers who will, according to the loss leader philosophy, make up for the losses on highlighted products with additional purchases of profitable goods.

Loss leader pricing is, in essence, a bid to lure customer traffic away from the business of retail competition, a slight reduction in price is must.

- **Predatory Pricing**

The company delibrately sets an extremely low price (sometimes below the AC) with an intention to drive competitors out of the market or create barriers to entry for potential new competitors. The predator undergoes short-term pain for long-term gain. Therefore, for the predator to succeed, it must have sufficient strength (financial reserves or other sources of offsetting revenue) to endure initial lean period.

- **Loss Leader v/s Predatory**

In loss leader pricing strategy, the other products are expected to generate profits to compensate the loss at the same time.

In Predatory Pricing, the same product is expected to earn profits to compensate the loss in future, once the monopoly is established.

- **Limit Pricing**

A limit pricing is a pricing strategy where products are sold by a supplier at a price low enough to make it unprofitable for other players to enter the market.

It is used by monopolyists to discourage entry into a market.
As it limits the number of companies in the market, it is known as limit pricing. Unlike the previous two methods, price is low but does-not necessarily results into a loss.

. **Psychological and old Pricing**

It is based on the theory that certain prices have a psychological impact. Retail prices are often expressed as "old prices." A little less than a round number e.g. £99
There's evidence that customers tend to preceive "odd prices" as being significantly lower than they actually are.

. **Prestige Pricing**

The practice of pricing goods at a high level in order to give the appearance of quality is known as prestige pricing.
It's a pricing strategy where prices are set higher than normal because lower prices will hurt instead of helping sales, such as for high-end perfumes, jwellery, clothing, cars, etc. This is also called image pricing. There are certain products where the perception is that higher the price better is the quality of the product and thus higher the prestige associated with being the owner of that product.

In case of these products, lower price leads to lower sales. Higher price saves as the motivation to the customers to buy that product. Selling at a high price creates an aura of superior quality and social status.

- **Demand Oriented Pricing**

Demand oriented pricing, as the name suggests, uses the customers demand to set up the price in the market. The product first determines the customer's willingness to pay for any good or service and then decides the price.

A high price is charged when the demand is high and a low price is charged when the demand is low. In case of service, high price is maintained during the peak hours and vice-versa. Some of the sectors praticing demand oriented pricing are restaurants, cinemas, airlines.

- **Delivered Pricing**

A price ~~of~~ for which a seller agrees to deliver merchandise to a purchaser at a designated place and which usually includes the lawful transportion charges actually incurred in delivery. It's a price for a product that includes the cost of transporting the product from the manufacturer to the customer. The customers often prefer to buy the product from such companies due to the incentive of free-home delivery.

- Promotional Pricing

When the prices are reduced by a percentag amount for a limited duration, it is known as promotional pricing. This helps to increas the demand for the product from price sensitive consumers.

- ~~Cyclic~~ Cyclical Pricing

The price which depends on the stage of business cycle is known as cyclical pricing.

During the recessionary phase of the business cycle is ~~known as cyclical~~ incomes of the consumers are declined ing and so the demand is likely to be less. Seller charges low price at this time. During the boom period, incomes of the consumers are increasing and so the demand is likely to ~~t~~be high. Seller charge high price at this time.

- Pricing strategy refers to method companies use to price their products or services. Almost all companies, large or small, base the price of their products and services on production, labour and advertising expenses and then add on a certain percentage so they can make a profit

- Examples of different firms using pricing strategy:

Price skimming

When you use a price skimming strategy, you're launching a new product or service at a high price point, before gradually lowering your prices over time. This is a great way to attract consumers - especially high-income shoppers - who consider themselves early adopters or trendsetters.
Price skimming can be particularly useful for business-to-consumer brands that rely on fast-moving trends. Think about how fashion retailers almost always launch product lines at a higher price, then put them on sale as soon as new, trendier clothes come in. Electronics retailers also frequently use price skimming, starting with premium pricing when phones or laptops with new features launch.

Premium pricing

A premium pricing strategy can help you build the perceived value of your product or service, straight from your initial launch. Your prices may drop slightly over time, but they should still give your buyers a feeling of exclusivity and, in many cases, luxury.

Still, while the idea of premium prices is often associated with luxury brands like Fendi and Mercedes-Benz, any brand can take this approach. for example, Advil always sets a premium price for its products even when generic pain relievers are equally as effective.

Loss leader pricing

Many retailers, both online offline, attract customers by offering one major discounted product or product line while encouraging them to purchase more. The end result is greater profit for your business per transaction. Although offering discounts for bundling won't increase your profit margin immediately the idea is that you'll get more consistent sales, which eventually surpass what you would have sold by only pricing items ~~in~~ individually.

Economy pricing

This pricing strategy is a "no-frills" approach that involves minimizing marketing and production expenses as much as possible. While economy pricing is incredibly useful for large companies like Walmart and Target, the technique can be dangerous for small business. Because small business lack the sales volume of larger companies, they may find it challenging to cut production costs.

Bundle Pricing

With bundle pricing, small business sell multiple products for a lower rate than consumers would face if they purchased each item individually. A useful example of this occurs at your local fast food restaurant where it's cheaper to buy a meal than it is to buy each item individually.

Dynamic Pricing

A good example of dynamic pricing comes from the airline industry. If you've ever noticed how much flight prices can change depending on when you book, you've experienced dynamic pricing firsthand. While dynamic pricing is relatively common in ecommerce and the transport industry, it doesn't work for every type of business.

Conclusion

As seen in the above, every pricing strategy has certain advantages and disadvantages. Before selecting the pricing strategy, the business should look into both. the pros as well as consumer of each price strategy. The determination of pricing strategy should be in accordance to the objectives of the business. A careful cost-benefit analysis should help the company determine the best pricing strategy for itself. once the pricing strategy has been implemented, it should be allowed to continue for a while so that it can deliver the desired results.

Page No. 1

Name :- Nisha Rukmaji Chavan

Subject : Economics.

Roll No :- 562

Div :- 'E'

Semester :- 1st

Year :- 2020 - 2021.

Assigement :- 1

Topic : A Study of demand for coffee in india.

A study of demand for coffee in india

Introduction.

Coffee is one of the world's most popular beverages. Some claim it is the most widely consumed liquid in the world aside from wate.

Coffee is more than a beverage, however It is a memory, an anticipation, a lifelime of consoling moments of modest pleasure woven into our lives.

Coffee's success as beverage undoubtedy is owing both caffeine it harbors and to sensory pleasure. coffe lovers come to associate the energizing lift of the caffeine with the richness and aroma of the beverage that delivirs it

coffee is a brewed drink prepard from rooste coffee beans, the seeds of berries from certain coffe beans. coffe was introd used in 15th century in yemen.

Coffee Review is devoted to promoting the fine distinctive cup and celebrating its lore and pleasure.

Coffee was introuced to india during the late sevetten century. The story goes that an baba budan.

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* Market

India coffee retail chain market size 2015-2020
(USD-million)

Dine in - □
take away - ■

In the recepent past indian Coffee ratail chain witness tremendous growth as outlets are gaining, propularity of hangout zone with friends, family, colleagues. and business associates, among others. The increased acceptance of coffe is attributed to the emergence of primium stare from companies such as coffee is day enterpiress. ltd. Stabukus corporation, and Brista coffe co ltd, among other there by fueling the market growth. moreover these outles hat ushered in the experiential proposition to coffee drinking, with an ambaince that's attractive and relaxing

The coffee retail shops in india are a primary hang out plase for the indian yourt basically between the age group of 16 to 45 years. reading, working or just casual discussion in the coffee shopes is a usal sight The complementory Services provided by the coffee shop Suchas free wifi, music. and other have succeeded to retain customer footfall in the shops.

* Production of coffee in India

coffee production in india is dominatly in the hill tracts of south indian states, with karnataka accounting for 71% followe by kerlall with 21% and tamil nadu (5% of over all production with 8,200 tones) indian coffee is said to be the finest coffee grown in the shade rather than direct sulight anywhere in world.

1) There are about 250,000 coffe grow cantary, 98% of them are small growers.

2) As of 2009, indian coffe made up just 4.5% of the global production. Almost 80% of indian coffe is exported.

3) 70 is bound for germany, Russia, Japan, Franse, italy accounts for 29% of the exports is shipped through the suez canal.

Indian coffee, grown mostly in southern state under mansoon rainfall conditions, is also teremed as "indian mansoon coffee" is flavour is difined as "The best indian coffe reaches the flavour charcateristics of pracfic coffes, but at its worst is simply blaand and uninspring"

karnataka in the 17th century was matketed over the years under the brand names of Kent and S. 795.

coffee brands in india.

1) Nescafe :- A brand of the famous Nestle company Nescafe is one of the most popular coffee brands in the contary. The company has dominated the indian market for so long that casual coffe drinker won't even know abot other companies expected for nescafe. it is know as offeirng good quality coffe at the afforable prices.

2) Tata coffee :- The Tata coffee owned by the tata global beverages group, tata coffe is one of the largest coffee product manufacture around the world. with their popular instant coffee mixes the company has surely spread its roots in the contary. The company provides quality coffee products straight from their plantition in Theni and Taopran (Telangana)

3) Bru :- The company introduced bru where the wasn't a lot of coffe consumer in india. The only competition is the Nese cafe brand. The company offers a variety of a coffe choices. bru is known to be india's first coffee The company also provide India's first packaged filter coffee blend called bru green leaf

Factors affecting demand of coffee

Price :- Well, the coffee is an agricultural commodity and production will changes will affect prise. Than production is lower than price will high. and production is higer similary price will be low. These are the factor affting demand.

~~Income : The effect that income has on the amount of product that consumer are willing~~

production :-

After five years of production incresese a production deficit was experined in 2015 which thebe are increases in coffe productioni in franse and othe smallest producing contery sush as Russia, Japan, Austrilia.

worlds 70% coffee production in germany russia, frans, italy accounts for 29% of the exports in shipped the canck

Market situation :- Internationa coffee prises fell by more than 40% in 2014 the prospects of the global coffee production deficit has led to a price increase at the strart of the current season, but with stock still of comfortable levels, increse is expected to average slighly above 8% in the 2015 markeking year ~~esee glassy~~ difuna

> Objective.

The objective of this assigment was to idintify the main determinaus of the coffee demand for in indid on the world market to qualtity as well as quility of the coffe companys. the main determinents were defiend on the basis of the agriculdural feed. there are price, production & market situation are factors affting demand.

There are global coffe demand is grow by 2.1 % to 167.77 millon bags with in aisa & ocenin and Africa outpacting other regions. The cumulative oversoppiy over the last two seasons is estimate at 7 millon bags. which is one of the main expiantory factors for current low coffee.

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Name: Raut Yashshri Sanjay

Subject: Economics

Division: A

Year: FYBCOM

Roll No: 99

Semester: II

- Intro-duction

Railways is the wordld's largest goverment owned monopoly annually carrying passenger number that Surpass the global Population It is world's fourth largest rail network after the USA china, and Russia and its managed by a Separate Ministry of Railways

It is often considered a typical example of a natural monopoly. The very high cost of laying truck and building a netword as well as the cost of building or leasing the trains would prohibit or deter the entry of a Competitor.

- Objectives:

Indian Railways (IR) is a Statutory body under the ownership of ministry of Railways Government of India that operates Indians national railways System. It manages the Fourth largest national railway System It manages the fourth largest national railway in the world by size with a total route length of 120.511 km (78.510m)

- Indian Railway :→ Monopoly
- Features of Indian Railways:

The railway have been the Pioneer of modern mechanical transport the First Indian railway railed on its 34 km. track Mumbai in Thane on April 16, 1853 Since its begining and up in the advent of motor transport It enjoyed monopoly as land transport.

1) Huge Investment:

The railways required huge investment for purchased of land laying of tracks constructing railway stations and sheds buying automobiles etc. No single individual can affort to make all these investments Therefore, railways are Pure government monopoly business.

2) Public Utility Services:

Railways provide an essential Services to the public. It being a public Utility service requires protections and investments by government railway have monopoly in India The rail transport is managed by the railways department of the Central Government. No private operator is allowed to enter their transport sector.

3. Special Rate Fixation and Non-transferability.

The railways fix separate rate for passenger and goods traffic. The same rates are applicable to all persons and all across of country. Rail services are available in all members of the public on equad terms

4. No Close Substitute

It is one of the organisation functioning while under direct control of central government while retaining its favour as commercial enterprise. It has a dedicated strong workforce and equal number of pennissers and ideal organisation for which the welfare of staff is paramount. Even though there is stiff competition from road traffic still It is one of the cheapest modes of travel available to common man.

5. Price Discrimination.

Indian railways segment its customer by age there by segmenting them in different groups children older than 5 years However less than 12 years are entitled for a discount of 50% on the purchase price citizens equals to or older than 12 years and less than 60 years and less than 60 years have to buy the tickets at purchase price.

Indian railways plan to have online auctions of the freight capacity. This will allow better utilization of freight capitacity and best revenue

- Features of monopoly markets

1) Barriers of entry-
In a monopolistic market, there are strong barrier to entry. The barrier to entry could be economics institution at legal or artificial

2) No close substitutes
A monopoly firm has full control over market supply of a product or services. A monopolistic is a price maker and not a price taker. The monopolist generally sells a product which has no close substitutes. In such a case, the cross elasticity of demand for the monopolistic's product and other.

3) Single seller of product

In a monopoly market, there is only one firm producing or supplying a product. This single firm constitutes the industry and as such there is no distinction the induction between firm and industry in a monopolistic market. Monopoly is characterized by an

Market power.

A monopoly firm has market power i.e it has the ability to change a price above marginal cost and earn a positive profit.

Profit Maximize : Maximize profits

Price Makes -

Deciddeas the price of goods or products to be sold but does so by determining the quality in order to demand the price desired by firm.

- Analysis of changes in features:

As Indian railway has no close substitute therefore they are price market of market

Indian Railway are only pure monopoly so they are owned by control government and they are barries to entry in the Industry

No close substitute is founded by the firm as in case it is in monopoly competition.

Price discrimination is possible in India railways.


भारतीय रेल • INDIAN RAILWAYS


भारतीय रेल • INDIAN RAILWAYS

NAME :- SAHITHI POLISETTY
ROLL NO. :- 94
DIV :- A
Std. :- FYBCOM
SUBJECT :- ECONOMICS
SEMESTER :- II
ASSIGNMENT NO. :- I

A STUDY OF MARKET STRUCTURE

→ INTRODUCTION

Business operate in an environment where they perceive that they are capable of expressing their functions effectively to accomplish their anticipated goals. The environment of this type tend to possess dissimilar characteristics that depend on the way organizations function and control different factors, such as competition. Because of this, the business forms the pillar of a market structure. A market structure entails the degree and and nature of the organization, together with some characteristics of a particular market. The market structure's knowledge plays a substantial role when in quest of comprehending numerous factors of microeconomics like the way the market works depending on the number of firms in the market set up.
The most fundamental type of market structures include perfect competition, monopoly, Oligopoly, monopolistic. This project will primarily focus on Samsung Electronics as a vital play within the electronics business in explaining the market structure of Oligopoly.

→ INTRODUCTION OF THE COMPANY

Samsung, South Korean company that is one of the world's largest producers of electronic devices. It is a multinational company starting its business as a small trading company and right now becoming world's largest corporation. The company was established in 1969 and known globally for its electronics products. Samsung specializes in the production of a wide variety of consumer and industry electronics, including appliances, digital media devices, semiconductors, memory chips and integrated systems. The company is manufacturing several latest technologies, electronic appliances such as mobile phones, tablets, laptops, TV's, refrigerators, air conditioners, washers and other products. The company runs its operations and sales its products in 61 countries with approx 160,000 employees in all over the world. Furthermore, samsung also becomes world leader in the segment of tablets, mobile phones and gadgets.

→ OLIGOPOLY MARKET STRUCTURE OF SAMSUNG

Samsung electronics is among the prominent manufacturers of electronics globally, with one of their best-sold commodities being smartphones. The electronic business entails the develops, designs, manufactures, and sells electronics like air conditioners, televisions, smartphones and various household equipment. The firm has numerous players and competitors, through the leading labels are Apple, Samsung, LG, and Sony. Nevertheless, the already mentioned names, Samsung Electronics, tend to be the dominant manufacture and have the largest market share of electronics globally, and hence establishing the perception, that it is a modernizer in the business. Consequently, Samsung electronics, tend to be the underscore by functioning in an oligopolistic market. An oligopoly market denotes a market structure type that has a various number of small businesses that control the market. However, none of the businesses is likely to control other firms from acquiring a remarkable power of the market.

A market structure in which there are few firms and firms explicitly take other firms' likely response into account". In tablet and smartphone market, only a few firms exist including Samsung and Apple. When one of the firms introduce a new feature to one of their devices, the other company likely follows suit on their next device release to compete. In 2014, Apple introduced Apple Pay for their smartphone devices allowing consumers to pay for everyday purchases with their smartphone utilizing NFC technology. Not even a year after the launch of Apple Pay, Samsung revealed its mobile payment solution, starting Samsung Pay at Mobile World Congress in Barcelona". Each firms interdependen of each other making decisions based on the actions of the other firms in the oligopoly market.

→ OLIGOPOLIES AND CORPORATION'S EFFORTS TO CONTROL THE MARKET

Similar to monopoly in many regards, the oligopoly has one major difference when compared to monopoly. Within a monopoly, there is one firm that controls the market, whereas an oligopoly has a few firms that dominate the market. A market structure such as this will place considerable barriers on new firms that are entering the market as they must compete with several corporate giants, but will put limited barriers on the buyer because of different options available to him or her.

The firms that dominate the market of an oligopoly can act, for the greater part, as price makers so long as the dominant firms keep their price relatively similar. The firms that dominate the market of an oligopoly can act, for the greater part, as price makers so long as the dominant firms keep their prices relatively similar.

The dominant firms are seen to spend a significant portion of their marketing resources on research and development so that they can have the most innovative products to offer to their consumer base in order to attempt to gain a larger control of the market and gain a competitive advantage over their major competitors. It is this sort of market structure that Samsung Electronics finds itself a part of.

Samsung Electronics operates in a market that is clearly an oligopoly. One of the major components to this firm is seen in its cellular phone sales. In this market, Samsung operates as a dominant force along with such companies as Apple, Motorola, and LG. Outside of these major players, the competition is much more limited.

It is extremely difficult for outside firms to gain a foothold in this market because the dominant firms have such a large percentage control of the consumer base currently. The effectiveness of the market structure is extremely beneficial for Samsung, and they have taken full advantage of it to become one of the most dominant firms in their particular market. It is directly from the structure of the market that the forms of labour and demand are shaped for Samsung.

→ SAMSUNG AND THE OLIGOPOLY

The demand that Samsung receives is based almost entirely as a consequence of the market structure of an oligopoly. Because Samsung created a business strategy that is able to dominate the market and place a high emphasis on the research and development of new, innovative products, the firm is able to offer technologically superior products to its consumer base that allows for the demand for Its products to rise.

The Galaxy SIII is a perfect example of this. This particular product is so innovative and well designed that it has allowed Samsung to become one of the top sellers of mobile phones worldwide and has consistently beaten out iPhone 5 on a consistent basis. In terms of labour, as well as supply, the same basic principle holds true.

It is because of the dominant share of the market that samsung controls by successfully navigating its market structure that allows for the company to produce so many products and keep its supply high enough to meet the demand facing it, and in order to produce such a high supply of new, innovative products, Samsung is able to employ a large labor force for everything from assembly of a product to research and development of new ways to design, market, and ultimately sell to its consumers base.

→ OLIGOPOLY

The term Oligopoly derives from the Latin 'oligoi' - meaning "few", and 'pōlēō' - meaning "to sell". So, translated, it means 'few sellers'. This is one of the main characteristics of an oligopoly - alongside 5 others.

In economics an oligopoly is defined as a type of market structure where two or more firms have market control. combined, they are able to dictate prices and supply. Yet, they are unable to influence the market on their own.

-> CHARACTERISTICS OF AN OLIGOPOLY

1) A few firms with large market share :- A market may have thousands of sellers, but if the top 5 firms have a combined market share of over 50 percent, it can be classified as an oligopolistic market. This is because the power is concentrated between a few sellers who are able to exercise power over the market.

2) High Barriers to Entry :- Oligopolistic firms maintain their position through a number of barriers to entry. For instance brand loyalty, patents, and high start-up costs are but to name a few. These make it difficult for new entrants to build a presence in the market and attract customers. In industries such as retail - brand loyalty is a significant barrier to entry overcome.

These barriers to entry make it difficult for new firms to join and sets it apart from perfect competition. As a result, these barriers to entry allow oligopolies to make higher profits due to limited competition. As a result, these barriers to entry allow oligopolies to make higer profits due to limited edition.

3) Interdependence :- Any action a firm takes in an oligopolistic market will strongly affect the actions of its competitors. An oligopolistic firm will operate based on how they believe competitors will react. In other words Samsung expects iPhone Apple to reduce its prices, so will do as well.
This can be sub-optimal as it reduces the power of a competitive market. For example, if Apple was to reduce the price of its iPhone by $200, Samsung would likely follow suit. So when Apple looks to take that decision, they will consider how they will benefit. They won't receive a boost in demand because the competition is also the same price, so any initial benefit is lost. Often this can lead oligopolistic firms to just maintain the status quo and keep prices constant.

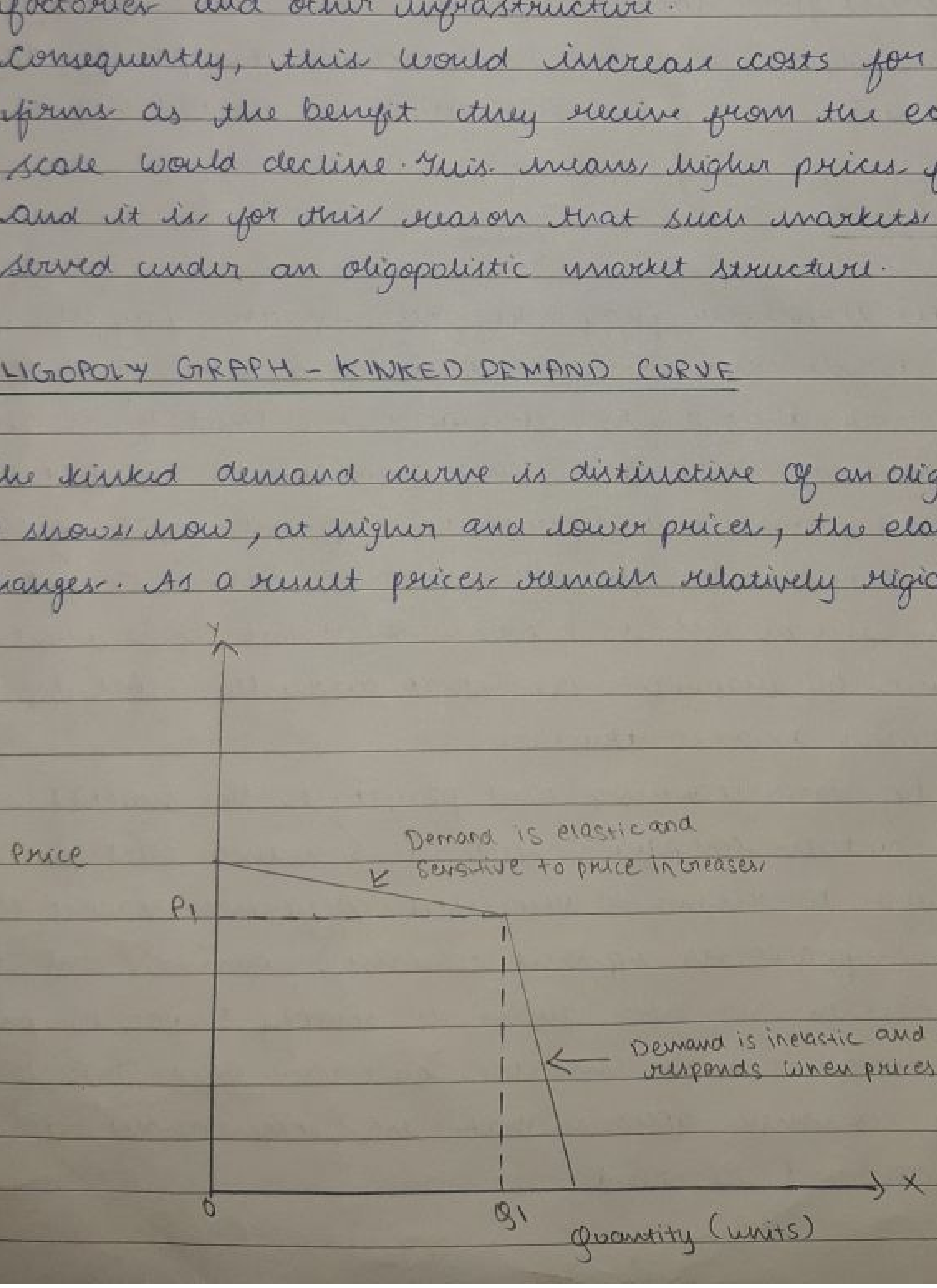
4) Each firm has little market Power in its own right :- Leading on from interdepence, each firm has little market power, because other firms are quick to take advantage. For example, an oligopolistic firm cannot raise prices in fear that customers will flee to its competitors. One oligopolistic firm cannot dictate prices or supply because competitors are equally as 'powerful'. On an individual basis, this keeps the firm in check.

5) Higher Prices than Perfect Competition :- Under perfect competition, prices are just above marginal cost, leaving firms with small profits - if any. As oligopolies have combined market power, they tend to keep prices higher to obtain larger profits.

6) More efficient :- Oligopolistic firms benefit from high levels of market share. At the same time, they benefit from economies of scale - meaning it can produce at a lower cost. For instance there are markets that have high fixed costs such as car manufacturers. If new competitors want to enter, they have to spend millions on new factories and other infrastructure.
Consequently, this would increase costs for existing firms as the benefit they receive from the economies of scale would decline. This means higher prices for customers and it is for this reason that such markets are better served under an oligopolistic market structure.

→ OLIGOPOLY GRAPH - KINKED DEMAND CURVE

The kinked demand curve is distinctive of an oligopolistic market. It shows how, at higher and lower prices, the elasticity of demand changes. As a result prices remain relatively rigid.



As we can see in the chart above, firms are unlikely to be incentivised to increase or decrease prices.
This is because increasing prices will significantly impact demand. As competitors keep their prices stable, the firms that increase prices will lose customers to cheaper rivals. At the same time reducing prices won't increase demand. This is because price decreases will be met with fierce competition. In an oligopoly, when one firm reduces its prices, the others follow. In turn, any real gains in demand will be negligible.

-> CONCLUSION

Market structures play a key role in the way the firm is able to do business. By understanding what sort of market structure that a firm is placed in, that firm will be able to see if the cost of business is worth continguing to fight for. The factors that separate the different types of market structures can be the difference in whether or not a start-up firm will be able to become successful or be driven from business by major players that currently exist in that particular market structure.
It is by understanding and playing to the market structure that certain companies such as Samsung Electronics have been able to become so successful. Different market structures place emphasis on different factors; however, one truth is held. In the end, every firm is simply trying to push its products or services onto its customer base. This is one of many economic axioms that has come about as a result of study and research.

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE.

ECONOMICS ASSIGNMENT - 1.

SEMESTER - 2 (2021-22)

NAME :- SAISH ANIL PATIL.

ROLLNO:- 89

COURSE:- FYBcom SEM - 02.

YEAR :- 2021-22.

SUBJECT :- ~~ECOMIC~~ ECONOMICS.

TOPIC:- A STUDY OF MARKET STRUCTURE IN INDIA.

ECONOMICS ASSIGNMENT - 01
SEM - 02

TOPIC :- A STUDY OF MARKET STRUCTURE IN INDIA.

FOR This Assignment I have selected oligopoly market structure. So, lets get some basic information about oligopoly market structure.

⊙ OLIGOPOLY :-

The term oligopoly is derived from two Greek words :- 'oligi' means few and 'polein' means to sell. Oligopoly is a market structure in which there are only a few sellers (but more than two) of the homogenous or differentiated products. So, oligopoly lies in between monopolistic competetion and monopoly.

⊙ TYPES OF OLIGOPOLY :-

1) Pure/Perfect oligopoly :- If firms produce homogenous products, then it is called pure or perfect oligopoly.
Eg. Cement, steel, aluminium and chemical producing industries approach pure oligopoly.

2) Imperfect/Differentiated oligopoly :- If the firms produced differentiated products, then it is called differentiated or imperfect oligopoly.
eg. passenger cars, cigarette or soft drinks.

3) Collusive oligopoly :- If the firms co-operate with each other in determining price or output or both it is called collusive oligopoly.

4) Non-collusive oligopoly :- If firms in an oligopoly market compete with each other, it is called a non-collusive or non cooperative oligopoly.

★ Example of oligopoly :-

In India, markets for automobiles, cement, steel, aluminium and telecommunication industries are the examples of oligopoly markets.

For this assignment I am going to study the telecommunication market.

★ TELECOM MARKET STRUCTURE IN INDIA ★.

The Indian telecommunication is now a capacious term bracing its ties in each and every expanse of not only in India but in every domain of the world. India is the world's ~~largest~~ second largest telecom market ~~for~~ with a subscriber base of 1.16 billion and is the venture of investment for the leading telecommunication companies of the world leading to the emergence of best telecom companies in the world. The department of telecom has tried to caters all the needs of the telecom sector in order to make India a 'hub of telecommunication'.

Earlier telecommunication was mere a monopoly in India but with the ease of the restrictions in telecom sector it turned into oligopoly with three dominant market players namely Reliance Jio, Bharti Airtel, and Vodafone - Idea.

Telecom is the second highest earner of revenue for the government of India after income tax.

- Vodafone - Idea Merger :- By 2010 various telecom companies fabricated a sturdy base in the Indian telecommunications market. One of them was Idea cellular which was earlier known as Birla Communications Ltd but thereafter substituted with Idea cellular followed by mergers and joint ventures with Grasim Industries, AT & T corporation and tata group. After its formation Idea cellular very splendidly covered the Indian market catering to the needs of the customers and launched its IPO in 2008. In order to expand its operations and lead to a more profitable venture it merged Idea cellular with Vodafone India on 31st August 2018 with extensive coverage of its advertisement.

* Market size of Indian telecom industry :

India is the world's second - largest telecommunication market. The total subscribers reach 59.33% in September 2021, from the 58.96% recorded in September 2020. This increase indicates a potential demand growth from the rural sector.

Gross revenue of the telecom sector stood at Rs 64,801 crores in the first quarter of FY 22. Over the next five years, rise in mobile phone penetration and decline in data costs will add 500 million new internet users in India, creating opportunities for new businesses.

By 2025, India will need 22 million skilled workers in 5-G - centric technologies such as internet of Things (IOT), AI, robotics and cloud computing.

* Market playears of telecom industry in

major:-

1) Reliance Jio Infocomm.
2) Bharti Airtel.
3) Vodafone Idea Limited.

minors

4) Mahanagar Telephone Nigam Ltd. (MTNL)
5) Bharat Sanchar Nigam Ltd (BSNL)

* Market share of each in the Industry.

~~Reliance Jio~~:-

At the end of May, 2021, the total wireless subscribers in India were 1176.84 million. At the end of June, 2021, the subscribers increased to 1180.83 million, recording a monthly growth of 0.34%.

1) Reliance Jio holds 36.98% of the market share.
2) Bharti Airtel holds 29.80%.
3) VI holds 23.15%.
4) and MTNL & BSNL holds the rest 10%.

- BSNL & MTNL dominate the wireline subscription in India.
- BSNL and MTNL hold 47.60% of the total market, and Airtel and Jio, the top players in the wireless subscribers market hold a mere 22.2% and 17.92% respectively. The wire broadband market is dominated by BSNL with over 60 lakhs subs. BSNL is followed by Airtel with 37 lakh subscribers. and Jio with over 32 lakh subs.

★ Features of oligopoly :-

1. Few firms :- Under oligopoly, there are few large firms. The exact number of firms is not defined. Each firm produces a significant portion of the total output. There exists severe competition among different firms and each firm try to manipulate both prices and volume of production to outsmart each other.

2. Interdependence :- Firms under oligopoly are interdependant. means that actions of one firm affect the actions of other firms. A firm considers the action and reaction of the rival firms while determining its prices and output levels. A change in output or price by one firm evokes reaction from other firms operating in the market.

3. Non price competition :- Under oligopoly, firms are in position to influence the prices. However, they try to avoid price competition. for the fear of price war they follow the policy of price rigidity. Price rigidity refers to a situation in which price tends to stay fixed irrespective of changes in demand and supply conditions. Firms use other methods like advertising, better services to customers etc. to compete with each other.

4. Barrier to entry of firms :- The main reason for few firms under oligopoly is the barrier, which prevents entry of new firms into the industry. Patents, require of large capital etc. are some reasons, which prevents new firms from entering into industry.

5) Role of selling cost :- Due to severe competition and interdependence of the firms, various sales promotions techniques are used to promote sales of the product. Advertisement is in fully selling under oligopoly, and many a times advt can become a matter of life and death.

6) Group Behaviour :- Under oligopoly, there is a complete interdependance among different firms. So, price and output decisions of a particular firm directly influence the competing firms. So, price and output decisions of a particular firm directly influence the competing firms. Instead of interdependent price and output strategy, oligopoly firms prefers group decisions that will protect the interest of all the firms.

7) Nature of product :-

The firms under oligopoly may produce homogeneous product or differentiated products.

8) Indeterminate Demand curve :- Under oligopoly, the exact behaviour pattern of a producer cannot be determined with certainity. So, demand curve faced by an oligopolistic industry/ firm is indeterminate (uncertain).

*. Features of Telecommunication market similar to oligopoly market structure :-

1. Few firms :- As there are only 5 firms of which only three are major, thus this telecom market falls under the oligopoly market. These few players are Reliance Jio, Bharti Airtel, Vodafone Idea Ltd, Bharat Sanchar Nigam Ltd (BSNL), Mahanagar Telephone Nigam Ltd (MTNL).

2. Interdependance :- Their actions are connected internally and can affect their business directly. For eg, as when Jio starts giving free internet in India, other firms subscriber base started decreasing. Thus, one's decision may affect others.

3. Non price competition :- All the firms has steady price band for their services and they didn't compete for their prices they compete between their quality of their services.

4) Barrier to entry of firms :- Everyone doesn't have a million dollar to start a company so these factors restrict others to enter in this industry and so not everyone has the towers in each area. So it requires a lot of investments.

5) Group Behaviour :- They always try to take all the decisions in their group. for example, recently all the firms in this telecom industry have increased their internet service prices. All of them had mutually decided to increase their prices. Thus this is group behaviour.

4. Conclusion :-

1. The telecom industry have total five firms or major three firms, thus it perfectly fits in the definition of oligopoly, thus telecommunication industry is a oligopoly market structure.
2. The telecom industry follows all the features of oligopoly market structure, and thus telecom industry can be stated as oligopoly market structure.
3. It is important to be aware of possible strategies for small business groups that dominate the market, so they do not result in familiar situations such as cartels in which this group of companies established between itself and that in turn set prices and measures that are not advantegous to consumer.

This work has intense interest for me, since, despite the concept of oligopoly is not new to me, the market for telecommunication was something that ~~that~~ gained my interest and thus it resulted in new knowledge for me.

Thank you !

Date : / /201

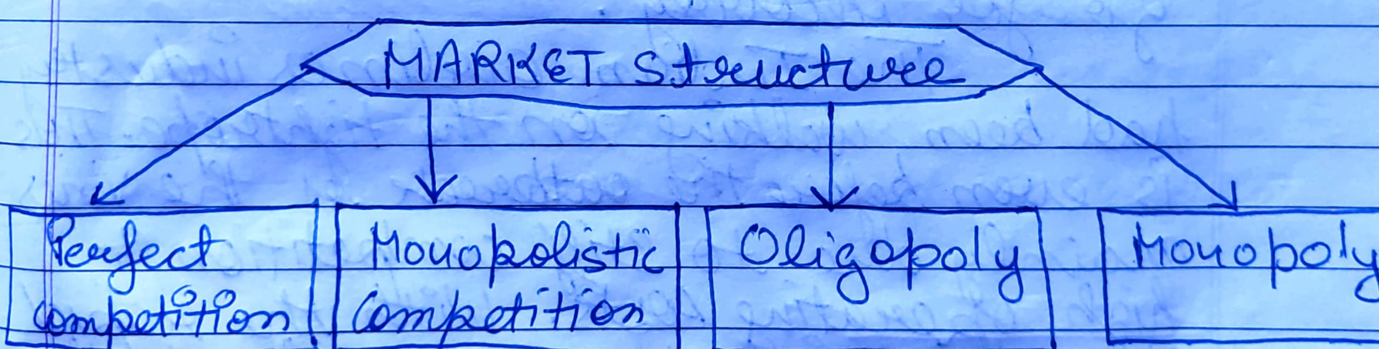
NAME - AYUSH PURBI
Roll NO - 7
DIV - A
Subject - Economics
Year - FYBCOM SEM-2

ASSIGNMENT - 1

A Study of Market Structure

• **MARKET Structure :-**

Market structure in economics refers to how different industries are classified and differentiated based on their degree and nature of competition for goods and services. It is based on the characteristics that influence the behaviour and outcomes of companies working in a specific market.



The competitive structure is quite identical to the realistic conditions where some monopolistic competition, monopolists, oligopolists and duopolists exist & dominate the market conditions. The elements of Market structure include the number & size of sellers, entry & exit barrier, nature of product, price, selling costs.

Indian Airlines

Indian Airlines was a division of Air India ltd. It was based on Delhi & focused primarily on domestic routes along with several international services to neighbouring countries of India. It was a division of Air India limited after merger of eight pre-independence domestic Airlines.

In 2001 the stock of airlines players including Indigo Airlines & spice jet are up nearly 4.5% today. This is mainly on account of India's re-opening of International air travel. While it may appear positive, the airline Industry has long way to go for recovery.

The Indian airlines industry had been walking on the tightrope. This is even before the outbreak of the virus mainly due to stiff competition & high operating costs. With the rapid spread of infections throughout the country bet 2020 & 2021 the sector was crippled. The sector was disappointed with this year's budget as well with no sops offered in terms of reductions of excise duty or any other tax concessions. The airline Industry is characterized an oligopoly market structure.

Oligopoly Market

Oligopoly arises when a small number of large firms have all or most of the sales in an industry. The term oligopoly is derived from the Greek word 'Oligo' which means few & 'Poly' which means sellers. It is that market where there are a few firms (Sellers) in the market. producing either a homogeneous products or a differentiated product for example - mobile service providers, cement companies etc.

• Features of Oligopoly

1) Few firms or sellers:

Under oligoply market there are few firms or sellers. These few firms dominate the market and enjoy a considerable control over the price of a product.

• Interdependence

The sellers has to be cautions with respect to any action taken by the competing Firms since there are few sellers in the market if any firms makes the change in the price, all other firms in the industry also try to Follow the same to remain in the competition.

- **Advertising:** It is a powerful instrument in ~~the~~ the hands of oligopolist. A firm under oligopoly can start an aggressive and attractive advertising campaign with the intention of capturing a large part of market.

- **Entry Barriers:** The firms can easily exit from the industry whenever it wants. But has to face certain entry barriers such as Government licence, Patents etc.

- **Lack of uniformity:** There is a lack of uniformity among the firms in terms of their size some firms may be small while others may be of higher size.

- **Uncertanity:** There is a considerable element of uncertanity in this types of market due to different behaviour patterns. Rivals may join hands and co-operate or may try to fight each other.

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Oligopoly markets are markets dominated by a small number of suppliers, they can be found in all countries and across a broad range of sectors, some Oligopoly markets are competative while others are significantly less & so, or can at least appear that way competition Authorities are often called upon to invistigate concerns of co-ordinated actions or lack of rigorous competition. Oligopoly arises when a small no of large firms have all or most of the sales in an industry. Examples of oligopoly abound & include the auto industry cable television and commercial air travel.

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Conclusion

- The market structure of the sector has changed over the last few decades. The sector has evolved from a market, tightly controlled by the government with two air carrier service providers to a relatively competitive regime.

- The airline industry is dominated by a small number of large firms.

- The players of the industry ie, the airlines sell either identical or differentiated products the only differentiation here being in service quality & frills offered.

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MONOPOLY

Name : Vishvajit Sunil Patil

Roll Number : 90

Section : A.

FY-Bcom.

Introduction about Monopoly Market.

A market structure characterized by single seller, selling a unique product in the market. In a monopoly market the seller faces no competition, as he is sole seller of good with no close substitute.

In a monopoly market, factor like government lincense, ownership of resource, copyright and patent and high starting cost make an entity single seller of goods. All these factors restrict entry of other seller in market.

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Features of Monopoly.

1.) Single Seller of the Product

In monopoly market, usually, there is single firm which produces and / or supplies a particular product / commodity. It is fair to say that such a firm constitute the entire industry. Also there is no distinction between firm and industry.

2) Entry Restrictions

Another feature of monopoly market is restriction of entry. These restriction can be any form like economica legal, institutional artificial etc.

3) No Close Substitutes

Monopolist sell a product which does not have any close substitutes. The cross elasticity of demand for such a product is either zero or very small. Also, price elasticity of demand for the monopolist product is less than one. Hence, monopoly market the monopolist faces a downward sloping demand curve.

4) Price Maker

Since there is only one firm selling the product it become the price maker for whole industry. The consumer have to accept price set by firm as there are no other sellers or close substitutes

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5) Price Discrimination.

In a monopoly the firm can change the price and quantity of goods or services. In an elastic market the firm will sell high quantity of good if price is less. If the price is high, the firm will sell a reduced quantity in an elastic market.

Difference between Monopoly and Otherm Markets

Monopoly vs. Perfect Competition

Under a Monopoly market structure, there is one seller of the product in lieu of various buyers hence seller has full influence to set up rice. Therefore under monopoly market structure, seller is price maker and not price taker. Also high barrier to entry and exit the market as a result not many sellers are able to enter market.

Under the Perfect Competition market structure, there are large number of seller are able to enter market structure there are large number of buyers and sellers in market and each firm is taking same price of product from buyer. Under these market each firm is price taker not price maker because low barrier to entry. and exit in market. Under perfect competition, all sellers of product sell identical product.

Under monopolistic competition industries generally consist of many different companies that produce product that are smilar but not identical. These companies spend many of their resource on advertising to make their product stand out Competition is rife and barriers to entry are low.

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Under oligopoly market structure, very few firms are competing with each other with similar or different products. These firm are interdepent with each other. In oligopoly there is non-price competion as because of loyalty scheme, advertisement and product differentiation. Oligopoly have high barrier to entry.

MONOPOLY IN INDIAN MARKET

Since this is age of mega corporation, companies with dominant market position might become monopolies eliminating the benefit of competition. In India there are very few monopoly. Here are some example of monopoly as IRCTC, IEX, CONCOR,

MONOPOLY COMPETITION IN RAILWAY INDUTRY

IRCTC

Indian Railway Catering and Tourism Corp (IRCTC) which enterered the primary market by listing in October 2019, enjoys strong monopoly. It has 100% market share in rail network.

It is only entity authorised to manage catering services on trains and major static units at railway stations.

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When it came out with its public offer investor showed huge interest. Its IPO was oversubscribed 112 times the highest for an IPO of state-owned company. The company has shown promising growth over past five years.

Its revenues grew at 11.5% CAGR between fiscal 2018 and fiscal 2020 Earning grew at CAGR of 28% during the same period. What's more is that company is debt free and has reserve of Rs 11.7 billion as March 2020

All these affects positives are largely reflected in its share price, which has risen as much as 5 times since its public offering.

Slogan of India Railway is Lifeline of the Nation because it not only transport passanger and goods, but it also connects entire nation into common thread. IRCTC is doing different works such as online ticketing, Tatkal scheme, catering and hospitality, Tourism, Train Operation etc.

IRCTC have different trains such as High speed rail, semi-high speed train, conversion to high-speed passanger and frieght corridors

Teacher's Sign.:

Economics
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- Vidilesha Narendra Pawar
- Section A, F.Y.BCOM.
- Roll no - 92

MONOPOLISTIC COMPETITION

Introduction :-

Monopolistic competition refers to a market situation where there are many firms selling a differentiated product. Products are close substitutes with a high cross-elasticity and not perfect competition.

Examples:- Tata, Lipton – Tea
Lux, Santoor – Soaps
Pepsi, Coca-cola - Cold drinks
are examples of product differentiated.

Under monopolistic competition, no single firms controls more than a small portion of the total output of a product. As the products are close substitutes, a reductions in prices will increase the sales of the firm and vice-versa.

- Characteristics of Monopolistic Competition :-

1] **Large number of firms :-**

In this type of imperfect market, several firms compete for a market share with no single firm monopolizing the market.

2] **Product differentiated :-**

In monopolistic competition, each firm produces goods or services that are close ~~friends~~ substitutes for the goods and services produced by other firms. Competitive firms differentiate their similar products with distinct marketing strategies, brand names and slightly different quality levels. Product differentiation enables firms to command higher prices for lower quantities of goods.

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3] Low barriers to entry:-

In a monopolistic market, new firms have low barriers to enter the market. Entrants can also exit the market. Entrants can also exit the market with relative ease.

4] Pricing:-

Existing firms within the type of imperfect competition act as price makers and set prices for goods and services. Firms in monopolistic competition can lower prices without inciting a price war, a common problem in oligopolies. When Marginal Revenue equal marginal cost, firms in a monopolistic market achieve profit maximization. As more firms enter a market, the elasticity of the demand curve increases, making the qualities of a product sold more responsive to a price change.

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3 COMMON EXAMPLES OF MONOPOLISTIC COMPETITION.

1] **Grocery Stores :-**

Grocery stores exist within a monopolistic market as there are a large number of firms that sell many of the same goods but with distinct branding and marketing.

2] **Hotels :-**

Hotels offer a prime example of monopolistic competition. Each hotel company offers a similar service with slight variations in pricing and quality levels.

3] **Clothing Stores :-**

Another example of a large number of firms competing for market share, general clothing stores offer differentiated products that are typically very similar.

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CASE STUDY:-

Hindustan Unilever limited (HUL) being the leading company in the FMCG sector is the prime focus of our study. It is the largest share of holder of the FMCG sector in the Indian market.

Our major finding includes that HUL has a strong market base which is spread strategically in all the market segments under soaps and detergents due to so many brands by HUL

Problem Statement:-

Among several leading national and global brands, HUL is the largest company in the FMGC sector and it is the market leader with 46% share in the soaps and detergant industry.

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The underlying factors for its success is the strong customer base :-

- Provides wide range of products.

- Continously innovates to respond to the competitive pressures by providing value additions to its existing products.

- Has established its target audience to every segment : premium, mid-priced and popular.

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Analysis of Hindu Unilever Limited's Monopolistic competition market.

The Indian FMCG market is a perfect example of monopolistic competition. It is a highly crowded market with a large number of national and global players competing on margins. The stock turnover is high as FMGC products are frequently consumed and have a short shelf-life. Thus, its market can be explained as:-

1] **Large number of Sellers:-**
In a monopolistic market, HUL has a large share of market in soaps and detergent segment but still faces a growing number of competitions from various competitors. It faces competition from Procter and Gamble (P&G), Henkel, Godrej, ITC, wipro, etc.

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2] Differentiated products:-

Hindustan unilever owns 45 main units and has over 50 third party units with a range of 65 brands spanning 20 distinct categories such as food and healthcare, soaps, detergents, cosmetics, tea, coffee and water purifiers, etc. Its main portfolio includes leading household brands such as Lux, Lifebuoy, Surf Excel, Rin, wheel, Fair and Lovely, Pond's, Vaseline, Lakmé, Dove, Clinic Plus, Sunsilk, Pepsodent, Closeup, Axe, Brooke Bond, Bru, Knorr, Kissan, Kwality Wall's and Pureit.

3] Alliance:-

The company has recently formed joint marketing plans with leading customers like Walmart, Metro and Tesco. Company created an alliance with Tata Teleservices Limited (TTSL) for the distribution of telecom products, leveraging its rural distribution footprint.

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4. Promoting:-

Unilever's different stages to accomplish slice through in a profoundly divided media. Successful advanced promoting is basic and impactful at all phase of dynamic cycle and through all channels.

Even in Prints, the prices of detergents such as Tide and Rin were compared to influence the customers buying

Thus, all the features of ~~the~~ case study of Hindustan Unilever Limited, reflected its existence in the Monopolistic competition market.

THANK YOU!

ECONOMICS

ASSIGNMENT - 1

SEM - II

Name -	Sakshi Sasar
Year -	F.Y. B.Com
Div -	A
Roll No -	100
Semester -	II

Market is a place where buyers and sellers exchange goods and services for a certain price. The elements of market are

i) Buyers and sellers
ii A product or service
iii) Bargaining for a price
iv) Knowledge about market conditions
v) One price for a product or service at a given time.

In economics, market is only concerned with exchange value. Considerations such as sentimental value mean little in a market economy.

Market structures ~~are~~ greatly affets the market behaviour. There are more than thousand types of market found but few types of market mostly cover a high proportion of cases actually found in the real world.

Perfect Competition - Perfect Competition is characterised by many sellers selling identical products to many buyers.

Monopolistic Competition - It differs in only one respect namely, there are many sellers offering differentiated products to many buyers.

Monopoly - It is a situation where there is a single seller producing for many buyers. It's product is necessarily extremely differentiated since there are no competing sellers producing products which are close substitutes.

Oligopoly - There are few sellers selling competing products to many buyers.

Oligopoly Market

Oligopoly is an important form of imperfect competition. Oligopoly is often described as 'competition among the few'. When there are few (two to ten) sellers in a market selling homogenoous or differentiated products oligopoly is said to exist. Oligopolies mostly arise due to those factors which are responsible for the emergence of monopolies. Unlike monopoly, where a single firm enjoys absolute market power, under oligopoly a few firms exercise their power to keep possible competitors out. Airlines industry petroleum refining, power generation and supply in most of the parts of the country, mobile telephony and internet service providers are examples of oligopolistic market.

Earlier telecommunication was mere a monopoly in India but with the ease of the restrictions in telecom sector it turned into oligopoly with three dominant markets players ~~m~~ namely Reliance Jio. Bharti Airtel and Vodafone - Idea (VI). Telecom is the second highest earner of revenue for the government of India after Income Tax.
The features of telecom industry in relation to oligopoly market are as follows

1) Few Sellers - There are few strong and influential firms operating in an oligopoly and are competing against each other. The firms in an oligopoly market are interdependent on each other for decision making. Each firm measures, predicts or assumes it's potential competitor's reaction when it chooses any business stratergy. For eg: Jio, Airtel and Vodafone are the only three players in the telecom Industry. When any one of the firm changes it's business stratergy the others also react to it.

2) Interdependence - It is one of the most highlighted feature of oligopoly. Interdependence in terms of decision making processes. This happens because the number of influencial competitors is few, and the change in price or output by any of the firm causes direct effect on the income of it's competitors. So demand of the product by the market is not the only crieterion that sets up the price of the service. It is also the ruthless non-price competition that affects the setting up of prices.

3) Entry and exit barriers - There are many barriers to enter and exit the oligopoly market. It is one of the main reasons why firms in an oligopoly market have greater control within the industry. There can be many barriers to enter this industry some because of nature of the industry and some because the prevailing firms act as strongly as possible. Few barriers are a) High start up cost b) Patents and copyrights c) Government policies and restrictions etc..
Telecom is a highly technology-centric sector. Access to the technology typically requires a lot of investment. Ownership of telecom license also represents huge entry barrier. Example - Telenor's investment

in India failed due to high investment that was required to acquire a telecom license. They had to bid in an auction to get the license but could not match the price quoted by the market leaders of the industry. This example supports the assumption of high barriers to entry.

4) Homogenous or differentiated products - There is no set standard in an oligopoly about homogenity or differentiation of the product/service. It varies from one industry to another. In telecom the product is homogeneous as all the companies are dealing in the same product that is providing networks for wireless telecommunication.

5) Non price competition - In telecom non price competition would include competition over a) better coverage of network b) celebrity endorsements c) branding d) aggressive advertising techniques etc. Non price competition occurs because of the fear of price wars eventually affecting the revenue of a particular firm and also the industry as a whole. In oligopoly non price competition is taken as a grave area of competition rather than price cutting technique to increase revenues.

Airtel has always endorsed superstars of Indian cinema with it's brand to attract masses. Whereas Vodafone has never endorsed celebrities to the brand and has rather created animated characters for it's strong advertising campaign which created a buzz in the market. Both the companies have indulged in non- price competition of advertising just to lure consumers and target a larger market share.

The firms in the telecom industry behave in a similar manner as the firms do behave in an oligopoly market. This makes the telecom industry in India an oligopoly market as there are only 3 sellers. The features of an oligopoly market are observed in the telecommunication industry.

Name of College: Brihan Maharashtra College
of Commerce

Student's Name: Kavya Gulabrao Phapale.

Subject : Economics

Year :- 2021-22

Division : A

Roll No. : 93

Semester: II (F.Y. Bcom)

Assignment No. : 1

Market Environment And Structure Of Auto Mobile Industry:

The market environment is the combination of actors and forces that affect an organisation's capability to operate its operations effectively in order to provide its products and services to its customers.

As this analysis is about the automobile industry and companies operating within this industry are also facing these forces.

Market Structure:

Chris Britton (2003) defines market structure as the amount of competition that exists between the rivalry organisations. According to him the market structure can be perfection competition, monopolistic competition, oligopoly, or monopoly depending on the nature of business.

As the automobile industry is not mainly dominated by one single firm and is different parts of world there are different market leaders. So, in bigger picture the global automobile industry is having an oligopolistic structure where many player are there to share profit and for competition.

Features of Oligopoly Market:

1. A Few Firms with large market share:
   This is because the power is concentrated between a few sellers who are able to exercise power over the market.

2. High Barriers to Entry:
   Oligopolistic firms maintain their position through a number of barriers to entry. For instance, brand loyalty, patents, and high start-up costs are but to name a few.

3. Interdependence:
   Any action a firm takes in an oligopolistic market will strongly affect the actions of its competitors. As a result, we have what is often referred to as the 'Prisoners Dilemma', under Game Theory.

4. Each Firm has little market power in its own Right:
   One oligopolistic firm cannot dictate prices or supply because competitors are equally as 'powerful'. ~~On~~

5. Higher Prices than Perfect Competition:
   As oligopolies have combined market power, they tend to keep prices higher to obtain larger profits

6. More Efficient:

Oligopolistic firms benefit from high levels of market share.

Brief Profile of Automobile Industry:

The automotive industry is the industry involved in the design, development, manufacture, marketing, and sale of motor vehicles. Meanwhile the rising fuel prices and increasing costs of raw materials are another great concern for the manufacturer in order to survive in this turbulent atmosphere.

Before the global crises the US market which was the biggest consumer of light vehicles was dominated by the big three GM, Chrysler and Ford, while in Europe equal competition was seen among few companies (Ford, Volkswagen, and BMW) and Asian market was mainly dominated by the Toyota.

The one of the reason behind the success of Ford is its strong design and engineering capabilities. Ford also introduced the accident- assistance feature in coordination with the National Emergency Number Association (NENA) in order to improve the emergency service.

The automobile industry has a huge supply market which relies on few car makers to sell their products in order to survive in the competitive market.

The key inputs required by the manufacturer are not much differentiated by the other suppliser and its shows the little switching costs and wider choice of supply. This shows a little power in the hands of supplier but the only things strengths the power of supplier is the quality of their products which give them a little edge on car manufacturers but overall; supplier holds moderate powers over their buyers.

Before the recession & auto crises the market was dominated by the few players and people were mainly relying ~~on~~ local firms mainly in the US with the choice of few, but as the international firms made their way into the global market the customer's start getting more choices.

People often don't buy a car neither buy them in bulk which shows a little or no power in terms of bargaining and a top the strong brand names in the market even further weakens their power. There is huge potential market for new cars, although there is a little switching cost but customers are price sensitive and brand conscious too, therefore, this results in reducing their bargaining power.

The auto industry is highly competitive in terms of return on investments and it is considered as an oligopoly market. In the past this competition wasn't exactly about the prices of cars but ~~not~~ only to capture more market share through the innovative design and technology.

Most of the firms tried to avoid price based competition but now it's comes to the survival of business which lead towards the price war between rivals and it also resulted towards the lower profit margins. Even this competition has intensified; firms now offer longer warranties, lower interest rates and better after sale support in order to attract more customers. So, this results are the strong market competition.

NAME - SARTHAK RASTOGI

FY Bcom Div - A

Roll - 97

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

SEM - II

ECO ASSIGNMENT - 1

MARKET STRUCTURE

In economics, it refers to how different industries are classified & differentiated based on their degree & nature of comp. for goods & services.

It is based on various factors that influence the behavior & outcomes of companies working in a specific market.

Types

Perfect Competition | Monopolistic Competition | Oligopoly | Monopoly

The elements of market structure includes -

i) Number & size of sellers.
ii) Entry & exit barriers
iii) Nature of product.
iv) price & costs.

CASE STUDY - OLIGOPOLY

"Oligopoly arises when a small no of large scale firms have all or most control in an industry."

The term Oligopoly is derived from the greek word 'Oligo' which means Few & 'Poly' meaning sellers

The few firms in the market produce a homogenous product or a differentiated product. E.g → mobile service providers, cement etc

FEATURES -

1. Few firms or sellers - Under oligopoly, there are only a few firms that dominate the market & enjoy considerable control over the price of a product.

2. Interdependency - Since there are only a few firms in the market, if one firm tries to bring a change in price, all other firms try to follow so as to stay in the comp.

3. Entry Barriers - Any new firm that wants to enter the industry might have to face barriers such as Govt license, patents etc

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4. Advertising - A firm in oligopoly can start off with an agressive & attractive advertising.

5. Uncertainity - There is always a feeling of unease or uncertainity as Rivals may form alliance or disputes might occur.

INDIAN AIRLINES

A division of Air India ltd, Indian Airlines is based in New Delhi with primary focus on domestic travel & very few international flights. This was a division of Air India ltd after the merger of 8 pre-independence domestic airlines.

While the skies are dominated by large airline players such as Air India, Indigo, spicejet etc, small regional airlines are also trying to make their way into the market.
E.g → GoAir.
∵ the industry is dominated by few major players, & the entry of new players is restricted,
∴ the airlines industry is an oligopoly market.

Even though, the industry is facing a tough period, airlines still play a crucial role in integrating world economies. After Tata's takeover of Air India, if he decides to integrate its operations then it could be the largest airline in the country.

AIRLINE INDUSTRY - OLIGOPOLISTIC MARKET

Airline industries is characterised as an oligopoly, a form of market structure in which a lim. no of firms dominate the industry.

The firms in oligopoly are interdependent & each recognize that its market power is vulnerable to erosion by comp. or new players.

Here, the firms can produce efficiencies that provide better or lower prices. E.g →
Airlines may achieve this by route optimization, more efficient use of airline fleets, permitting route expansions etc

Although Airlines use oligopoly market to restrict competition, new firms always manage to carve out a niche.

Req of high capital, aircraft etc makes entry difficult (barriers of entry), but even then low fare carriers have managed to keep the Business.

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CONCLUSION -

The market sector has changed over the last few decades.

From being controlled by govt to growing into a cutting edge comp between firms.

Post DeRegulation, the industry has had an Oligopolistic nature i.e

i) Dominated by few major players
ii) Players sell similar goods or services at considerable prices
iii) Industry has significant barriers of entry.

Assignment - 1

Brihan Maharashtra College of Commerce, Pune

Student Name - Rutika Santosh Vichale

Subject - Economics

Division - A

Year - 2021 - 2022

Roll Number - 113

Semester - II

Automobile industry

* Introduction -

One of the most competitive, and unforgiving industries in the world is the automobile industry. Automobile industry, the business of producing and selling self-powered vehicles, including passenger cars, trucks, farm equipment, and other commercial vehicles. By allowing consumers to commute long distances for work, shopping, and entertainment, the auto industry has encouraged the development of an extensive road system, made possible the growth of suburbs and shopping centers around major cities, and played a key role in the growth of ancillary industries, such as the oil and travel businesses. The auto industry has become one of the largest purchasers of many key industrial products, such as steel. The large number of people the industry employs has made it a key determinant of economic growth.

* ## Features of automobile industry

- The automobile industry is dominated by a few key players - Even though there are plenty of car brands, most of them are controlled by a few companies. Twelve automobile companies control over fifty brands, while there are only nine brands that remain independent.

12 Automobile Companies Control Over 50 Brands
In essence, this is how it goes -

- Stellantis owns Fiat, Lancia, Maserati, Alfa Remeo, chrysler, Ram, Dodge, Jeep, Vauxhall, opel, Peugeot, DS Automobiles, and Citroen
- Volkswagen Group owns Audi, Seat, Skoda, Bugatti, Bentley, Porsche, Volkswagen, and Lamborghini.
- Renault - Nissan - Mitsubishi Alliance owns Dacia, Renault, Mitsubishi, infiniti, Nissan, and Alpine.
- General Motors Company owns Chevrolet, Cadillac, GMC and Buick.
- Hyundai Motor Group owns kia, Hyundai, and Genesis.
- Geely owns Volvo, Lotus and Polestar
- BMW Group owns Mini, BMW and Rolls-Royce
- Tata Motors owns Land Rover and Jaguar
- Tata Motor Corporations owns Toyota and lexus
- Ford Motor Company owns Ford and Lincoln
- Daimler AG owns Mercedes - Benz and Smart
- Honda Motor Company owns Acura and Honda.

Even though control is exerted by those 12, 9 brands remain independet -
Ferrari, Tesla, Aston Martin, Mclaren, Mazda, Suzuki, Subaru, Koenigsegg, Pogani

- **Barriers to entry** -
When it comes to entering the automobile industry, things become quite complicated since it requires huge amounts of money due to its high costs; specialized knowledge on the products, the competition, the customers, and how the industry works and understanding different government policies around the world.

- **It requires huge amounts of money** -
Researching, designing, developing and advertising a car calls for a lot of money, it's no wonder why we usually don't see many new companies succeeding in the automobile industry.
One of the keys to succeeding in such an industry are economies of scale. Producing cars in high quantities will allow a company to lower its costs, improve efficiencies and negotiate better prices with suppliers.
But having a lot of capital resources doesn't guarantee success. What can be expected is to lose money for a long time, as it happened to Tesla, which managed to have a profitable year for the first time in 2020 that's 17 years after it was founded (July 1, 2003)

- **Specialized knowledge** -
Having the right knowledge is as crucial as having the right amount of money.
The automobile industry has an excessive high competition in R&D. Companies spend millions every year in innovating and

improving in many areas like safety, fuel efficiency, technology, emission, etc.

It's common to regularly hear about how top-level executives, designers, and engineers are being hired from one automobile company to another. It just proves how much they value knowledge and how much they were willing to spend to perfect their products.

- Government policy -

When an automaker decides to enter a new country, it needs to fully understand how the laws and the government work in said country. Some governments create policies that restrict market entry since they prefer to incentivize local companies rather than foreign companies.

A great example would be the people's Republic of China, a very hot market, with countless potential customers but with laws that limit foreign investment.

Not so long ago, China required foreign Companies to create a 50:50 joint venture with a local chinese company, this was a big problem for many foreign Companies as they had to transfer manufacturing capability, know-how, and intellectual properties to its partner, which could form other joint ventures with other companies, sometimes causing information leakage, and intellectual property infringements.

However, on March 15, 2019 china adopted a new law that came into effect on January 1 2020 that made foreign investment less troublesome, banning the forced transfer ~~to~~ of technology and protecting intellectual property.

- It depends on brand loyalty and image to generate sales -

Brand loyalty happens when a brand successfully satisfies most of its customer's needs, creating a degree of loyalty that difficult any attempt of luring from other brands.

In the automobile industry, loyalty is based on people who decide to choose the same brand when buying their next vehicle.

Car brands understand how important customer retention is, as they will do many things to improve the experience of customers. This is a problem for new car brands as they will have to find ways to entice customers, which can be quite difficult it their needs are being satisfied.

* Comparision with the Features of the market structure.

Competition is of three types, namely, monopoly, monopolistic competition and perfect competition. There is another type of competition called oligopoly. which would fall between monopolistic competition and monopoly.

Comparison with the features of Automobile Industry happens to fall under the category of an oligopoly market structure. as there are - 1) A ~~sn~~ few number of Firms that control the market.

2) It has significant barriers to entry
3) It depends on brand loyalty and image to generale sales.
4) It is dominated by a few key players.
5) These sellers either sell a homogenous product or a differentiated product.
6) There is a very high level of price rigidity

Conclusion -

The automobile industry is a complex one with an oligopolistic nature. The pricing strategy has been dominated by the few automobile giants who rule the industry, and they have a firm foothold in the industry. They have been able to manipulate the competition and have strategized how to make collective profits. It has become challenging for other firms to gain a foothold or a market share as it is challenging for new firms to enter an industry with such a strong oligopolistic nature.

Moving ahead, there is little to suggest that the trend shall change. The only other players in the industry are those which sell luxury cars. However, they shall never be able to receive the sort of profits that these gaint have received merely because they have a tiny customer base. It is upon the government to ensure that this oligopoly does not go out of hand and stays under the control of the market to some extend, at least

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TOPIC - A Study of Market Structure

Market Structure - Monopoly Market

As per Irving Fisher, a monopoly is 'a market with the absence of competition, creating a situation where a specific person/enterprise/organisation is the only supplier of a particular kind of goods or services.'

It is thus characterized by a lack of economic competition to produce the good or service, a lack of viable substitute and a possibility of high price over the seller's marginal cost.

In law, a monopoly is a business entity that has a significant market power which is associated with decrease in social surplus. Although monopolies may be a good big business, size is not a characteristic of a monopoly. A small business entity may still have a monopoly power.

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In many countries / jurisdictions, competition laws restrict monopolies due to government concerns over potentional adverse effects. Holding a monopoly in a market is often not illegal in itself, however, certain categories of behaviour can be considered abusive and therefore incur legal sanctions.

Eg. In India, we have the 'Competition Commission of India (CCI)', a statutory body under the 'Ministry of Corporate Affairs (MCA)' which is responsible for enforcement of the 'Competition Act, 2002' to promote competition and prevent activities that have adverse effect on the Competition in India. It also approves combination of two or more business entities (through mergers/acquisitions) so that the combined entity does not overtake the market.

Similarly in USA, the Federal Trust Commission's (FTC) Bureau of Competition enforces the nation's anti-trust laws.

Monopolies derive their market power from various circumstances that prevent or greatly impede a potential competitor's ability to compete in a market.

Following are the few factors:-

① Economic barriers / Economies of Scale

- As the production volume increases, unit costs fall down.

② Capital requirements

- If the production process require large investments of capital, in form of large research and development or substantial initial sunk cost, it limits the number of firms / companies in an Industry.

③ Technology superiority.

- A monopoly may be able to better acquire develop, integrate the best and latest technology in producing goods while it may not be possible for new entrants.

④ No substitutes

- A monopoly may be supplying a good / service that no one can offer in the market.

⑤ Control of natural resources necessary to produce a good.

⑥ Legal barriers may provide an opportunity to monopolise the market.

⑦ Manipulation - A company wanting to monopolise a market may engage in various types of deliberate action to exclude competitors or eliminate competition.
- It may include collusion, lobbying and coercion/force.

★ Characteristics/Features of a Monopoly Market :-

① Profit maximizer.
- Since the seller is a sole provider in the market, he may exploit the opportunity to maximize his profits.

② Price maker
- Since he has the hold of complete market, he is the one who decides price of the goods/service.
- The price may be way too much over the marginal cost of the supplier.

③ High entry barriers
- The reason why the seller in the sole supplier is due to high entry barriers.
- The entry barriers (as mentioned

before) can be :-

i) Economies of scale
ii) Capital requirements
iii) Technology superiority
iv) NO substitute
v) Control of natural resources
vi) Legal barriers
vii) Manipulation

④ Single seller

- Since the whole market is being served by a single seller, the supplier organization/enterprise is the same as industry..

⑤ Price discrimination

- A monopolist can change the price/ quantity of product or services.
- They sell higher quantities at a lower price in an elastic market and sell lower quantities at a higher price in a less elastic market.

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Monopolies can be established by a government body as well. A government-granted monopoly or a legal monopoly is sanctioned by the state, often to provide an incentive to invest in a risky venture or enrich a domestic interest group. Similarly, government may also reserve the venture for itself, by forming a government monopoly, with a state owned company.

One such example of a state owned monopoly is MSEB (Maharashtra State Electricity Board).

It is interesting to know, that in India, electricity generation is open to private companies. However, the transmission, distribution is a monopoly of the respective state owned company. Thus, even though Tata Power Ltd., JSW Energy Ltd., Adani Power Ltd., etc. are engaged in electricity production, the power, license and rights to distribute this electricity is with MSEB in Maharashtra.

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★ **About the Enterprise**

The MSEB was formed on 20th June 1960 u/s 5 of Electricity (Supply) Act, 1948, MSEB, through Mahavitaran - MSEDCL is responsible for distribution of electricity in Maharashtra. That's the reason, electricity bill in any part of Maharashtra, be it for residential or commercial purpose is collected by MSEB.

★ **Features of MSEB as regards to its Monopoly Power**

① **Profit Maker/maximizer**

- The MSEB made a profit of ₹ 81,634.78 (lakhs) for the FY 2020 as per its annual report.

② **Price maker**

- The price for the electricity unit is decided by MSEB.
- For households,

Units	0-100	101-300	301-500	501-1,000	>1,000
Price/unit	3.44	7.34	10.36	11.82	11.82

(Source: Backside of an Electricity bill)

- For commercial usage, the user in charged at a flat rate of ₹ 8.85-9.48/unit depending on the location/area.

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③ High entry barriers

- MSEB has been given its market power by the Electricity (Supply) Act, 1948 and Electricity Act, 2003.
- Thus, it is a legal 'barrier to entry'.

④ Single seller

- MSEB is the sole distributor of electricity in Maharashtra.

⑤ Price districrimination

- As aforementioned in ②, different rates/unit are charged to commercial and residential establishments. The commercial establishment is charged a higher rate.
- Thus, it exercises 'Price Discrimination'.

★ Suggestion and Conclusion

Monopoly market may not always be the best solution for an industry. Though MSEB is making huge profits, various rural areas do not have supply of electricity yet after 75 years of Indepen--dence.

If the sector is privitized and private enterprises are allowed to distribute electricity, it'll bring electricity prices down substancially, allow deeper penetration of electricity in rural India, given it is regulated by Government.

PART-1

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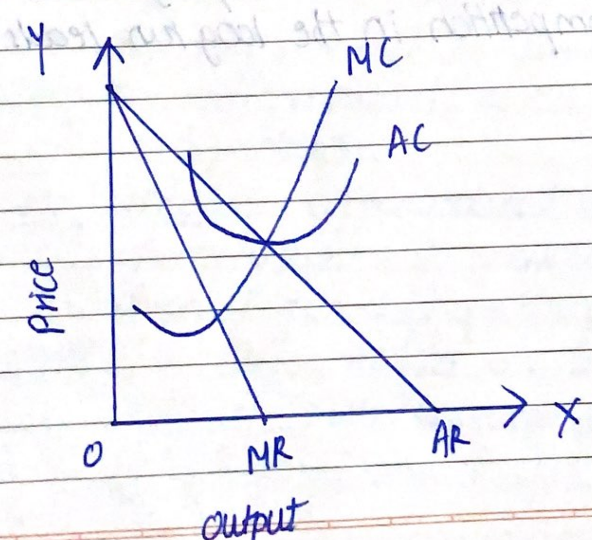
Monopolistic Competition

In this kind of market, many firms offer products or services that are similar but not perfect substitutes.
Barriers to entry and exit are low and decisions of one firm do not affect that of the competitors.
Product differentiation is an important feature of monopolistic competition.
Heavy advertising and marketing are common among monopolistic firms.
Monopolistic competition is a middle ground between monopoly and perfect competition and combines elements of each. The term was first used in the 1930s by economists Edward Chamberlain and Joan Robinson to describe the competition between firms with similar but not identical product offerings.
All firms in the market have a low degree of market power. They cannot curtail supply or raise prices to increase profits.



Markets that have monopolistic competition are inefficient for two reasons. The first source of inefficiency is due to the fact that at its optimum output, the firm charges a price that exceeds marginal costs. The firm maximises profits where MR=MC.
A monopolistic firm's demand curve is downward sloping which means it will charge a price that exceeds marginal costs. The market power extent of a monopolistic firm means that at its profit maximising level of production, there will be a net loss of consumer and producer surplus.

The second source of inefficiency is that these firms operate with excess capacity. The firm's profit maximising output is less than the output associated with the minimum average cost. All firms, regardless of the type of market, will produce to a point where demand or price equals average cost. In a perfectly competitive market, this occurs where the perfectly elastic demand curve equals minimum average cost. The downward sloping curve in monopolistic competition in the long run leads to excess capacity.

Demand curve

The demand curve of a monopolistic competition firm is downward sloping; as price decreases, the quantity demanded increases.
The downward slope also implies that (in contrast to perfect competition) the firm has market power to raise prices without losing all its customers. Firms have limited power to dictate the price of the product. since the number of competitors is less than that of perfect competition, businesses focus on product differentiation or any differences unrelated to price. This ensures that the products are imperfect substitutes of each other.

Product differentiation

It is the process of distinguishing a product or service from others to make it more competitive. Consumers do not need to know everything about the product for differentiation to work. They need to perceive the differences between the products. There are three kinds of product differentiation:-

① Simple - differentiated based on a variety of characteristics

② Horizontal - differentiated on a single characteristic, but consumers are not clear which is the high quality one.

③ Vertical - differentiated on a single characteristic and consumers are clear on which product is of higher quality.

sources of product differentiation are:-

① differences in quality, often accompanied by changes in price.
② difference in functional features or design.
③ Ignorance of buyers regarding essential characteristics and qualities of goods
④ Sales promotion activities of sellers
⑤ Difference in availability

Differentiation affects performance primarily by reducing direct competition.

<u>Short Run outcome</u>

short run is the time period when one factor of production is fixed in terms of cost while other elements are variable. A monopolistic firm cannot achieve allocative or productive efficiency in the short run. Its profit maximising level of production will result in a net loss of consumer and producer surplus.

In the short run, such firms behave like monopolies and are price makers. they maximise profits by producing goods where MR = MC. the profit maximising price of the good is determined based on where the profit maximising quantity amount falls on the revenue curve.
Due to large profits in the short run and low barriers to entry, it is attractive for new entrants.

Long Run outcome

Monopolistic firms are highly inefficient and only break even in the long run.
In the long run, all aspects of production are variable and can be adjusted to meet change in demand. Even in the long run, a monopolistic firm is inefficient and leads to loss of consumer and producer surplus. The effect of its monopoly like pricing will cause a decrease in demand in the long run. This means that there needs to be more product differentiation, meaning increase in average total cost.
The decrease in demand and increase in average cost causes the long run average cost curve to become tangent to the demand curve at the good's profit maximising price.
This means that the firm will produce a surplus in the long run and will only break even.

★ Merits of monopolistic competition

1. consistent quality of products and services
2. Multiple choices for consumers.
3. Decision making power.

* Demerits of Monopolistic competition.

1. Inefficiency
2. long term normal economic profit
3. waste of resources

Fast fashion- Monopolistic competition

The fashion industry is one of the biggest industries in the world with hundreds of thousands of different brands, both big and small. Although products are very similar, each of them vary in quality and the materials used to make them.
Clothing items are differentiated through price, quality, reliability, design and uniqueness. The purpose of product differentiation is to market a product and make it more desirable than others in the market. Thus, the above mentioned factors are important in consumer decision making, the most important being price, quality.
Fast fashion is defined as an approach to the design, creation and marketing of clothing fashions that emphasises making trends cheaply and easily available to consumers. In the fashion industry, new brands, big or small emerge constantly. The goal of each brand is to sell the most unique items.

In 2019-20, Zara, Forever 21, Urbanic, H&M were huge components of the fast fashion industry, yet sell products that are almost identical to each other.

We can say that the fashion industry fulfils all the criteria of a firm in monopolistic competition.

* There are no barriers to entry and exit. Any firm is capable of creating a brand and selling its products.
* Products are almost identical. They are differentiated by price, quality and availability.
* Firms spend heavily on advertising and marketing.
* Firms do not have significant power to influence prices.
* Fast fashion and monopolistic competition are so closely linked because, in order to differentiate their products, industries churn out newer ~~ta~~ trends each day, which is essentially the foundation of fast fashion.
* Each firm faces a downward sloping demand curve and each firm decides its price and quantity while competing with firms supplying products that are close substitutes that face an elastic demand.
* There exists brand loyalty, but if a brand increases its price too high, customers tend to shift to another brand.

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Oligopoly Market

Oligopoly markets are markets dominated by a small number of supplies. They can be found in all countries and across a broad range of sectors.

- The term "oligopoly" refers to a small number of producers working, either explicitly or tacitly, to restrict output and or fix prices, in order to achieve above normal market returns.

- Economic, legal and technological factors can contribute to the formation and maintenance, or dissolution of oligopolies.

- The major difficulty that oligopolies face is the prisoner's dilemma that each member faces, which encourages each member to cheat.

- Government policy can discourage or encourage oligopolistic behaviour and firms is mixed economies often seek govt. blessing for ways to limit competition.

Maruti Suzuki India Ltd

Maruti Suzuki India Ltd (formerly maruti udyog Ltd) is India's Largest passenger car company, accounting for over 50 % of the domestic car market. The company offers full range of cars from entry level maruti Alto to stylish hatchback Ritz, A-star, swift, Wagon R, Estillo and sedans Dzire, SX4 and sports utility vehicle Grand Vitara.

The company is subsidiary of Suzuki motor corporation of Japan. The company is engaged in the business of manufacturing, purchase and sale of motor vehicles and spare parts.

Maruti Suzuki India Ltd was incorporated on February 24, 1981 with the name maruti udyog Ltd.

The company was formed as a government company, with Suzuki as a minor partner, to make a people's car for middle class India.

It is one of the example of ~~mono~~ oligopoly firm in India.

Features of oligopoly firm

① **Few Sellers** : A market may have thousands of sellers, but if the top 5 firms have combined market share of over 50 percent, it can be classified as an oligopolistic market. This is because the power is concentrated between a few sellers who are able to exercise power over the market. In case of maruti Suzuki ltd there are few competitors such as Tata, Hyundai, Ford, Hond ete.

② **High Barriers to entry** : oligopolistic firms maintain their position through a number of barries to entry. For instance brand loyalty, patents and high start-up costs are but to name a few. maruti Suzuki have created brand image in the market. That's why it is difficult to new firms to enter into the market.

③ **Interdependence** : Any action a firm takes in an oligopolistic market will strongly affect the actions of it's competitors. If maruti Suzuki have lowered the prices, the demand of their car increases as a result other firms also reduce their prices to remain in market. Thus there is interdependence of firms about their prices.

(4) **Nature of the product:** Under oligopoly, the products of the firms are either homogeneous or differentiated. In case of Automobile Industries marut, Tata Honda have homogeneous product as passenger car but their product is differentiated in technique, quality, features etc.

(5) **Selling Cost:** Since firms try to avoid price competition there is a huge interdependence among firms. Selling cost are highly important for competing against rival firms for a larger market share maruti suzuki use advertising as selling cost. This company spend cost on increasing sale by way of attrative advertising.

(6) **Group behaviour:** The theory of oligopoly market is a theory of group behaviour. Each oligopolist closely watches the

business behaviour of the other oligopolists in the Industry and designs his moves on the basis of some assumptions of how they behave or are likely to behave. Automobile companies watches each other behaviour and act accordingly maruti suzuki company also see some of the moves happening in other automobile companies and accordingly that they make decisions about products.

Analysis

For new companies with similar offerings, breaking into an oligopoly is a challenge. The only firms that typically manage to do so are those with significant funding. Automobile companies like maruti suzuki firm dominate the space and their competitive and wide ranging product and service offering, including premium and mass market

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Himalaya Soap.

Himalaya Soap is a batting Soap which is manufactured by Himalaya wellness company. Himalaya wellness company formelly known as Himalya Drug company is an Indian multinational pharamace-utical company based in Bengaluru, Karnataka, India. It was Orignally established by M Manal in Dehradun in 1930. It produces health care products under the name Himalaya Herbal healthcare whose products include ayurvedic ingredien. It is Spread accross location in India, United States. Middle East, Asia, Europe and Ocenic While its products are sold in 106 countries across the world. The company has more than 290 researches that utilise ayurvedic herbs and minerals. This firm comes under imperfect competion that is monopolistic competition features like large number of sellers of soap market, product differezention freedom of entity and exit, non prize competion etc are found in the firm which are of monopolistic competion.

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Monopolistic Competition

All the products in monopolistic competition are almost similar, one might think that this is an example of perfect competition. But on a close inspection we find that though products are technically and functional similar, each seller produces and sells a product which is different from those of his competitors. The pratice of product and service differentiation gives each seller a chance to attract business to himself on some basis other than prize. This is the monopolistic part of contains features the market situation. Thus this market contains features of both the market monopoly and perfect competition. In fact this type of market is more common than pure competition or pure monopoly the principal goal of the firms is to maximize the profits, each firm in the market earns only normal profit in the long run.

Features of Monopolistic competition that are found in Himalaya soap:

1. Product Differentiation:-

In a monopolistically competitive market the product of different sellers are differentiozed on the basis of brands. Because competition products are close substitutes demand is relatively elastic but not perfectly elastic as in prefect compition firms use size design colour shape, performance feature and distinctive packaging and promotional techniques to make their products different such differenciation may be true or financial. Brands are generally so much advertised that a customer starts associating the brand with a particular manufacture and a type of brand loyalty is developed. Product differention gives rise to an element of monopoly to the producer over the element competing products because of absence of prefect substitutability the producer of an individual brand can rise the price of the product knowing that he will not lose all the customer to other brands. However, since all brands are close substitutes of one another the seller who increases the price of the product will lose some of his customer to his competitors. Thus, this market is blend of monopoly and perfect competition. This same can be seen is soap market Lux is claimed to be beauty soap, Lifebuoy is associated more with freshers Himalaya is used for treating skin problems etc. every product is different from other every product has different feature.

2. Market power.

Firms have relatively low degree of market power. Market power means that the firms has control over the terms and condition has control over the terms and condition of exchange. all monopolistic competition firms are prize makers. Market power also means that an monopolistic competitive firm faces a dowanwards slepping demand curve. In the long run, the demand curve is highly elastic means that it is not compeletly 'flat'. In the short run, economic profit is positive but it approches zero in long term. The source of an firm's market power is not barrier to entry since they are low. An firm has market power because the firm sells differntiated product.

3 Long number of sellers.

There are many firms in monopolistic competition. A product group is a collection of similar products. The fact that there are many firms means that each firm has a small market share. This gives each firm the freedemon to set prices without engaging in strategic decision making regarding the prices of other firm means and each firms action have a negligble impact on the market.

Similarly in the soap market there are many competitions for himalaya soap. for example lux, rivel, cinthol, dettol, lisol, Pears, Dove, lifboy etc.

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4 Freedom of entry and exit
Like perfect competition the firms can enter or exit freely. The firms will enter when the existing firms are making super normal profits with the entry of new firms the supply would increase which would reduce the price and hence the existing firm will be left only with normal profits. Similarly if the existing firms are sustaining losses some of of the marignal firms will exit. It will reduce the supply due to which price would rise and the existing firm will be left only with normal profit.

5 Non - price compition:
In a monopolistically competitive market firms are often in fierce competition with other firms offering a similar product or service and therefore they to compete on basis other than price for example they indulge in aggressive advertising, product, development better distribution arrangments effecient after sale services and so on. A key base of non price competion is a deliberate policy of product differeatiation. Sellers attempt to promote their product not by cutting prices but by incurring high

expenditures on publicity and adverstistment and other sales promotion techniques. This is because price competion may result in price-was which may throw a few firm out of market. Himalaya soap incure heavy expenditure on advertising that himalya soap is made of ayurvedic herbs and mineral. Also, the prize of all the soaps and mare or less equal

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Introduction of Company

H&M, Hennes & Mauritz AB is a Swedesh multinational clothing company headquartered in Stockholm. Its focus is fast fashion clothing for men, women, teenagers and children. As of November 2019, H&M operates in 74 countries with over 5000 stores under the various company brands with 126000 full time equivalent positions. It is the second largest global clothing retailer behind Spain-based Inditex.
H&M faces Monopolistic Competition in Market. Its features are:

1) Under Monopolistic competition large number of firms sell closely related products.

2) Product Differentiation is an important characteristic of Monopolistic Competition.

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This differentiation could be based on quality, ~~spec~~, packaging, color etc. For example, you must have seen different brands of shampoos. Even if they look different and have different fragrances, the product has same use.

③ Under ~~the~~ monopolistic competition, firm ~~spends too~~ spend large amount of money on advertisements of their product to attract more and more customers.

④ Under monopolistic competition, firms ~~often~~ compete with each other without changing prices. They may initiate different ~~pro~~ programme schemes, gift schemes or promotional schemes. Thus, firms compete in every possible ~~manner~~ way to attract ~~a~~ large number of customers and gain maximum possible market share.

H&M Marketing Strategy →

Marketing strategy of H&M analyses the brand with the marketing mix framework which covers the 4Ps (Product, Price, Place, Promotion). There are several marketing strategies like product innovation, pricing approach, promotion ~~pl~~ planning etc. These business strategies, based on H&M marketing mix help the brand succeed.

H&M ~~marketing strategy he~~ marketing strategy helps the brand/company to position itself competitively in the market and achieve its business goals and objectives.

Product strategy →

1. H&M is a clothing retail company which sells a wide range of designer collaborations for everyday basics and yoga wear.

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(2) Cheap Monday: Denim, fashion collection and accessories for ~~for~~ men and women. The brand is connected with music and ~~pop~~ pop culture.

(3) Classic and wardrobe essentials for men and women and children. The brand had designs inspired by art and technology from across the world.

H&M Pricing Strategy →

As compared to GAP and ZAP, H&M products are priced relatively lower as a part of it's marketing mix pricing strategy. These are due to lower cost of manufacturing and transporting of H&M. High quality and considerably lower prices attract the youth and hence leads to increase in sales of the company.

H&M Place & Distribution Strategy→

H&M sells products through its exclusive stores located in major cities across the globe. The products are manufactured in countries where cheap labour is available to reduce costs. H&M has developed an excellent supply chain over the years. The delivery time is instant and transportation costs are kept minimum.

H&M Promotion & Advertising Strategy→

H&M gives TV Advertisements, YouTube advertisements, promo codes, discounts, digital marketing, CSR activities, signed deal with The weeknd, sponsor Caitlyn Jenner etc.

THANK YOU

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SUBJECT : ECONOMICS

ASSIGNMENT : 1

* STUDY OF MARKET STRUCTURE

Page No
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* NESTLE Cerelac.

Nestle is known be a leading brand in Indian market. This brand specializes in health, wellness and nutrition. Set up in Switzerland in the year 1866, Nestle has proven its dominance in the Indian market as well. Today it has spent over 100 years in the Indian market and proven to be a big name. Nestle's baby product Cerelac is an instant ceral for infants above the age of 5 months as a supplement to breast milk. Nestle Cerelac has an undisputed monopoly with a market share of 96.5%

As we know, Monopoly in literal terms means the exclusive possession or control of the supply or trade in a commodity or service. Here we can see that Nestle Cerelac is the most supplied and demanded in market. This product has given Nestle the leisure of being on top with maximum number of sales. Hence also has complete control over the market.

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* Comparing Monopoly Features with Nestle.

1] Single Seller.- Here we can see that the product 'Cerelac' is only sold by more or most numbers There is no competition for it. The Advertisement of Nestle cerelac mention's "no mother wants to risk here childs health" here we can say it is a single seller.

2] Product can be homegenous or Heterogonous.
There are heterogenous product of cerelac as different flavours. Containing different levels of protiens or vitamins etc. There are different types of cerelacs.

3] The products have no substitutes.
There ~~is~~ might be a substitute for cerelac but the ratio of being consumed more is of cerelac hence we can say it has dominated over all

4] Entry is not allowed or not possible
There is no entry in this even if any one enters with the loyal customers and as wellknown brand it will be hard for the other brand to survive.

5] Monopoly firms are price maker.
As there is no substitute for product, even if price increased by firm customers will buy the product.

6] Price discrimination is possible
There is price discrimination in Nestle cerelac according to its flavours and other contents.

Conclusion:
We can see as the features of Monopoly are followed or seen in Nestle company. It tells us that is is a Monopoly.

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TOPIC - REVENUE AND PROFITS : CONCEPT AND ANALYSIS

(2nd ASSIGNMENT)

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Revenue is defined as the income that a firm recieves from the sale of goods or services to its customers.

Revenue is estimated in three different ways:

i) Total Revenue (TR)
ii) Marginal Revenue (MR)
iii) Average Revenue (AR)

i) Total Revenue (TR):
Refers to the reciepts of a firm from the sale of its output.

$TR = AR \times Q$.
$= \Sigma MR$ (corresponding to each unit of output.)

ii) Marginal Revenue (MR):
Refers to the change in Total Revenue when one more unit of a commodity sold.

$$MR = TR_n - TR_{n-1} = \frac{\text{Change in Total Revenue}}{\text{Change in Quantity sold}}$$

iii) Average Revenue:
Refers to the price of the output at which it is being sold.

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$$AR = \frac{TR}{Q} = \frac{\text{Total Revenue}}{\text{Total Output}}$$

Tabular Illustration :

TR, AR, MR when AR is constant = ₹10

TABLE - 1

Output Q (Units)	Price (AR) (₹)	Total Revenue $TR = AR \times Q$ (₹)	Marginal Revenue $MR = TR_n - TR_{n-1}$ (₹)
1	10	10	10
2	10	20	10
3	10	30	10
4	10	40	10
5	10	50	10

TR, AR, MR when AR isn't constant

TABLE - 2

Output Q (Units)	Price (AR) (₹)	Total Revenue $TR = AR \times Q$ (₹)	Marginal Revenue $MR = TR_n - TR_{n-1}$ (₹)
1	10	10	10
2	9.5	19	9
3	9	27	8
4	8.5	34	7

A situation when MR can be 0 or -ve.

TABLE - 3

Output Q (Units)	Price (AR) (₹)	Total Revenue $TR = AR \times Q$ (₹)	Marginal Revenue $MR = TR_n - TR_{n-1}$ (₹)
1	100	100	100
2	90	180	80
3	60	180	0
4	40	160	-20

Observations drawn from Table 1, Table 2 and Table 3 with respect to relation between AR, MR and TR :

i) If AR is constant (price is constant), then MR is also constant.

ii) Constant MR implies constant addition to TR when an additional unit of commodity is sold / produced. Thus, TR increases at a constant rate.

iii) If AR is declining, then MR is also declining.

iv) ~~When~~ In Table 2, when AR falls by ₹0.5 then MR falls by ₹1. Under monopoly and monopolistic competition, MR declines faster than AR, so that AR > MR

v) When MR falls, there is a small addittion to TR for every additional unit of output. This shows TR increases at a decreasing rate.

vi) In Table 3, MR can be zero or negative, when price is declining. Thus MR = 0, when output = ~~4~~3. MR is -ve when output = 4.

vii) TR is maximum when MR = 0.

viii) TR falls when MR is negative.

ix) When MR declines, less and less is added to TR for every additional unit of output. Thus, TR increases at a decreasing rate.

★ Relationship between Price Elasticity (e), AR and MR :

a) e and MR

$$MR = \frac{\Delta TR}{\Delta Q}$$

$$TR = P \times Q \text{ or } P \cdot Q$$

$$MR = \frac{\Delta TR}{\Delta Q} = \frac{\Delta (P \cdot Q)}{\Delta Q}$$

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$$MR = P\frac{\Delta Q}{\Delta Q} + Q\frac{\Delta P}{\Delta Q}$$

$$MR = P + Q\frac{\Delta P}{\Delta Q}$$

$$= P\left(1 + \frac{Q}{P}\cdot\frac{\Delta P}{\Delta Q}\right)$$

$\frac{Q}{P}\cdot\frac{\Delta P}{\Delta Q} = \frac{-1}{e}$ · as it is the reciprocal of the price elasticity co-efficient.

$$\therefore MR = P\left(1 - \frac{1}{e}\right)$$

Following are the relations between e and MR :

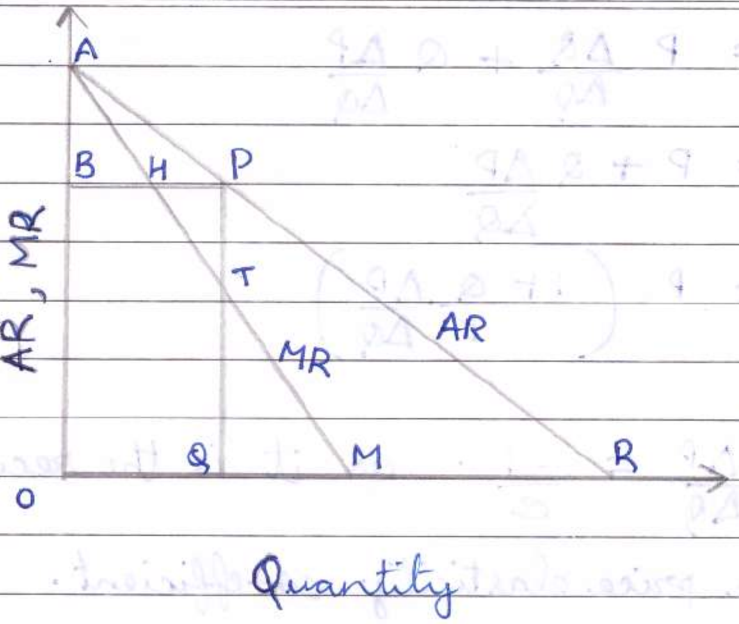
i) If $e = 1$, $MR = 0$. TR remains constant for both rise and fall in price.

ii) If $e > 1$, then $MR > 0$. With increasing price, TR falls and vice-versa.

iii) If $e < 1$, $MR < 0$. With increasing price, TR rises and vice-versa.

Since $P = AR$, $MR = AR\left(1 - \frac{1}{e}\right) \Rightarrow AR = MR\left(\frac{e}{e-1}\right)$

~~Following are the relations between e and~~



BREAKEVEN POINT :

Breakeven Point is defined as a point where total costs (expenses) and total sales (revenue) are equal. It is described as a point where there is no net profit or loss.

Graphically, it is the ~~time~~ point where the total cost and total revenues curves meet.

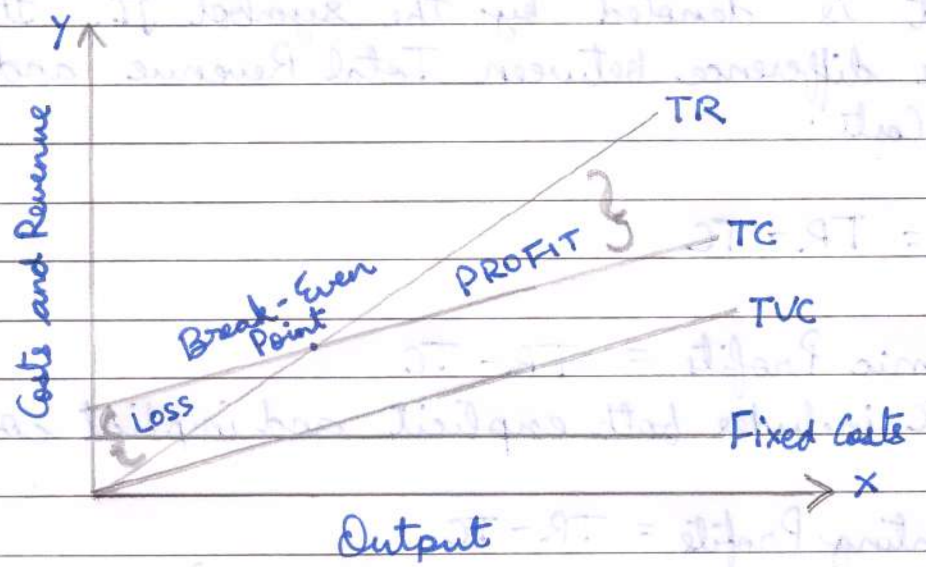
Calculation / formula :

Revenue − Total Costs = 0.

Revenue = Price × Quantity . = AR × Q

Total Costs = Fixed Costs + Variable Costs.

Graphical presentation :



In the short-run, a firm's initial objective is to cover the variable cost. If this cannot be covered, a firm would prefer to close down its operations completely and attempt to minimise the losses.

Potential investors in a business not only want to know the return to expect their investments but also the point when they will realize their return. This is because some companies may take years before turning a profit, often losing money in the first few months / years before breaking even. Thus, break even points are an important part of any business plan presented to a potential investor.

Meaning of Profit :
Profit is denoted by the symbol π. It is the difference between Total Revenue and Total Costs.

$\pi = TR - TC$

Economic Profits = TR - TC
(TC includes both explicit and implicit cost)

Accounting Profits = TR - TC
(TC includes only explicit cost)

Types of Profits :
i) Normal Profits
ii) Abnormal Profits
iii) Sub-normal Profits

i) Normal Profits :
Earned when $TR = TC$
or $TR/Q = TC/Q$
or $AR = AC$

ii) Abnormal Profits :
Earned when $TR > TC$
or $AR > AC$

iii) Sub-normal profits :
Earned when $TR < TC$
or $AR < AC$

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Div 'E'

Subject Business Economics

* Meaning & concept of Revenue

Revenue is the income generate from normal business operations & inclu discounts & for returned merchandie Revenue is new much money business bring in by selling its goods or services at a certain price.

Though revenue is one number the their are many different sights thats that is helpful to the business invest -ors. Two of the most common forms of revenew are totle revenue & marginal revenue.

* Revenue is the total amount of money a company brings in from selling its good & services at a specific price

* Total revenue is the full ammount of money a company.

* The starting point ofor any income statement is revenue that will eventually lead to net income after expencess are deducted.

* marginal revenue is the income is revenue from selling one additinal unit of a good & services.

1) Total Revenue

Total revenue means total receipts from sale of given quantity of commodity it is a total income of firm.

Total revenue = Tq x price.

For. ex:

If a firm sells is bikes at price. of 50000, per bike. then total revenue will be.

TR = Tq x p
= 15 x 50000
= 750000

* Average Revenue.

Average revenue means a revenue per units sold.

It is calculated by division total revenue by number of unit sold.

Therefore.

$$\text{Average Revenue.} = \frac{\text{Total Revenue}}{\text{quantity sales.}}$$

For ex: if total revenue from sells of 15 tables ₹ 3000 then average revenue will be

$$AV = \frac{TR}{q.s} = \frac{3000}{15} = 200.$$

3* Marginal Revenue.

Marginal revenue is the net addition made total revenue by selling an extra unit of commodity.

Ex. If total revenue from sell of 10 tables is ₹ 4000
& that from sell 21 tables ₹ 4180
marginal revenue will be

$$MR = TR - TR\,(n-1)$$
$$= 4180 - 4000$$
$$= 180$$

* Relationship between. TR, AR, MR

In order to understand the basic concepts of revenue, it is also important to pay attention to the relationship between TR. AR. MR when first unit is sual TR. AR & MR are equal.

Therefore, all three curves start from the same point, further as long as MR is positive The TR curve slopes upwards.

However, if MR is falling with the income in the quantity of sale than the TR curve will gain neint at a decreasing rate.

When the MR curve thouses x-axis the TR curve reaches maximum hight.

Further if MR is falling with the income in quantity of sales then the TR curve will gain hight at a decreasing rate. When the MR curve thuches the x axeis, the TR curve reaches its maximum height.

Further if MR curve goes below the x axis the TR curve starts sloping downwards.

Any changes in AR causes a much bigger changes in MR Therfore, if the AR curvehus a slope then the MR curve has a grater slopes & lies below it.

Similarly, if the AR curve has a positive slope than the MR curve again has a gratutr slope & lies above it. If AR curve is parallal to the x-axis than the MR curve conicidees with it.

* Concept of breakeven point.

In the business according the break even point refers to the amount of revenue necessary to cover the total fixed & variable expences incurred by company within a specified time period This revenue could be states in monetarly term as the number of unit sold or as house of services provide.

The break even point also can be considered the point in time when revenue forecasts are excatly equal to the estimated total costs. Thus to when company losses & its profits starts to accumulate. At thus point project product or business goal. bearing even is an importance. Although it does not seem like much as a business goals breaking even is an important point of referral for finance professionals. A company or projects break even point gives a valuable benchmark that helps to develop long-term business plans. Knowing your break even points for key area like sales, investment, scale, productions & operation helps you. potential investment in a business not only want to know the return to expect of their investment but also the points when also the point when they will realize thus return This is because some companies may take years before turning a profit often losing money in the first few months or years before breaking even for this reason, breakeven points are an approssiable investor.

For ex. ABC company calculates that its fixed costs consist of executives salaries depreciation of its assets property taxes & its lease. The company fixed costs of production of its main products the widget, adds upto ₹ 60000 These are also variables costs involes in the productions of wages including factory rent, labour raw materials & sales commission. The company calculates that variable costs add upto 80% per widget each unit is sold at ₹ 200.

With this information it is possible to calculate the break even point for production & sale of ABC company widget by using the formula below.

60000/₹ L200 - 0.80/ = 50000

If you are making an investment use this calculators to figure out your earning.

* Meaning & concept of profits.

Profits describes the financial benefit realize when revenue generated from a business activities exceed the expences costs & taxes involes in substaining the activity in questio Any profit earned funnel back to business owners, who choose the eithers pockets the cash or revenue back into the business profits is calculates as total revenue less total total expenses.

Profit is the money a business puls in afters accounting for all expenses wheather its a emounde stands or a publicity trades multinationals compan the primary goals of any ~~bus~~ business is to earn money. therefore a business performance is based on profitabiity in its various forms. Some analysist are intersted in profit top-line. whereas others are intersted in profi tability because taxes & other expenses still other are only conce rned with profitabiity after all expe ses have been paid.

These are three Major types of profit.

① Gross, operating & Net profit.

The first leavel of profitability is gross profit which is sales mines the cost of goods sold. Sales are first line item of income statement & the cost of goods sold is generally listed just below for ex. if companyA has ₹ 100000 in sales & cost of ₹ 60000. it means the gross profit is ₹ 40000 or ₹ 100000 minus ₹ 60000. Divide gross profit by sales for the gross profit margin which is 40%.

gross profit = Total sales - COGS

The second level of profitability is operating profit which is calculated by deducating expenses from gross profit. Gross profit look at profitability after direct expenses These things like selling, general & adminestrative costs (SG&A). If company A has ₹ 20000 in operating expenses the operating profit is ₹ 40000/- minus ₹ 2000 equaling ₹ 20000 provide operating profit by sales for the operating profit margin which is 20%.

operating profit = Gross - COGS

$$\text{operating profit magin} = \frac{\text{operating proft}}{\text{Total}}$$

The third leavel of proofit is net proof is the income let overs all expenses including taxes & intrest have been paid. It involes is ₹ 5000/- & taxes are another ₹ 5000 net proofit is calculate by deducating both of things from operating proofit. In the company the answer is ₹ 10000/- minus ₹ 10000 which equal ₹ 10000 dvide net proofit by sales per nere proofit margine which is 10%.

NP = OP - Tax

* Types of proofit.

① Normal proofit.

These are many theories of proofit. economic lead to start with afred Marshall's concept of normal profit which he argued, was the residual gain to a from owner as a result of contributing benefits to the business. The first benefit to busginess is the investment of the owners personal capital. The second benefit derives from the suppiy of what Marshall called busginess power which the adility to orgnise business adivaties.

To ensure that an entreprenuer continues to provide that two in- plus, a minimum reward will be required namely normal profit normal profit essencial an opporti unity cost given that the reward must be marginally better that could be derived by suppins these inputs into an alternative

② Supper Normal profit.

In the economic supper normal profit also called as excess profit supper normal profit or pure profit is profit of a firm over & above what provide its owner with a normal (market equilibrium return to capital normal profit return) in terms is afined as opporthunity cost of the owness resources. A related boode terms its economic rent which appiies to the owner of a resources such as land rather than to the firm as such.

According to the theoretical model of perfect competition abnormal profits are unstandable because they stimulate new suppiy which force down price & empliments the abnormal profits

Abnormal profits presurise in long term run in impoortectly competive market with firms successfully block. the entry of new firms abnormal profit is usually generated by an ~~opelog~~ y oligopoly or a monopoly however, firm often try to hide this facts both from the market of goverment in order to reduce the chance of competion.

- subnormal.

subnormal profit is any profit loss than normal profit = whose price L average cost. If firm is making an economical loss - it may decide level a market in the long search of higher expect es returns. I is profit.

Loss

Losses are one time removal or decrease in business ~~resources~~ resourcess or asset - losses are uncovered & uncertain capital staying on top of your acc-ounts can help you track your reve nue & losses easily.

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AUTOMOBILE INDUSTRY IN INDIA

ASSIGNMENT - 1

NAME - RAGHAV THAKAR

CLASS - FY B.COM (SEM - 1)

DIVISION - D

ROLL NO. - 641

TOPIC - MARKET STUDY OF DEMAND OF INDUSTRIAL PRODUCTS

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INTRODUCTION OF AUTOMOBILE MARKET :

India became the fourth largest automobile market in 2019 displacing Germany with close to ~~4 units sold~~ 4 million units sold in passenger and commercial vehicles in the passenger and commercial vehicles categories. India are expected to replace Japan as the third largest automobile market by the end of 2021 or beginning of 2022. It was the seventh largest manufacturer of commercial vehicles in 2019. There is a strong market in terms of domestic demand and exports.

Each sector is split into four segments, each having few market leaders. Two wheelers (Scooter and Motorcycles) vehicles dominate the domestic demand. Scooters and Motorcycles accounted for 80.9% of the domestic demand in FY 20.

Automobile exports reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% between FY-16 and FY-20. Indian automotive industry is expected to reach ₹16-18 Trillion by 2026 provided there is strong policy support from the Government.

Advantage India :

Following factors show why India is ~~an~~ in an advantageous position especially in the Automobile Market -

a) Growing demand :
- Rise in middle class income and young population should result in strong growth.
- Indian automotive industry is targeting to increase export by five times in the period 2016-26.

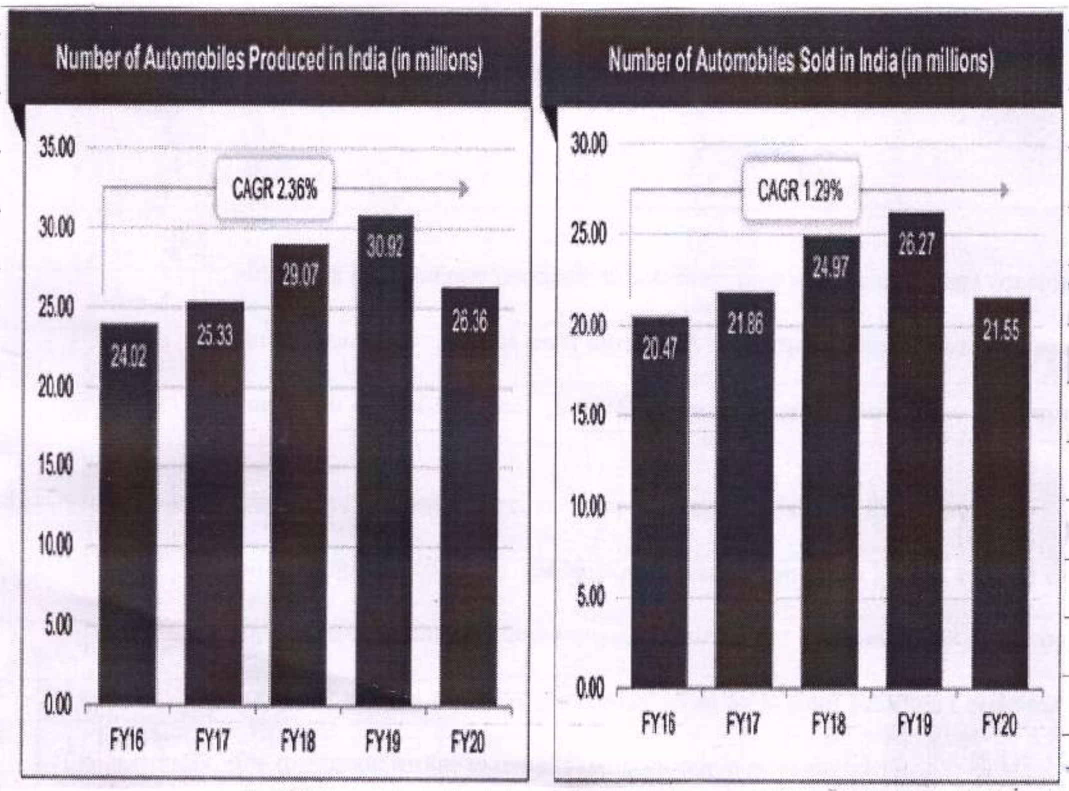
b) Opportunities :
- Focus shifting on electric cars to reduce emmissions
- Government aims to build India into R&D hub.
- India could be leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles.

c) Policy Support :
- Government aims to develop India as a global manufacturing center.
- Incubation centre to be setup for start-ups working in electric vehicles space.

d) Rising investments :
- India has significant cost advantages.
- Government expects automobile sector to attract 8-10 Billion US $ in local and foreign investments by 2023.

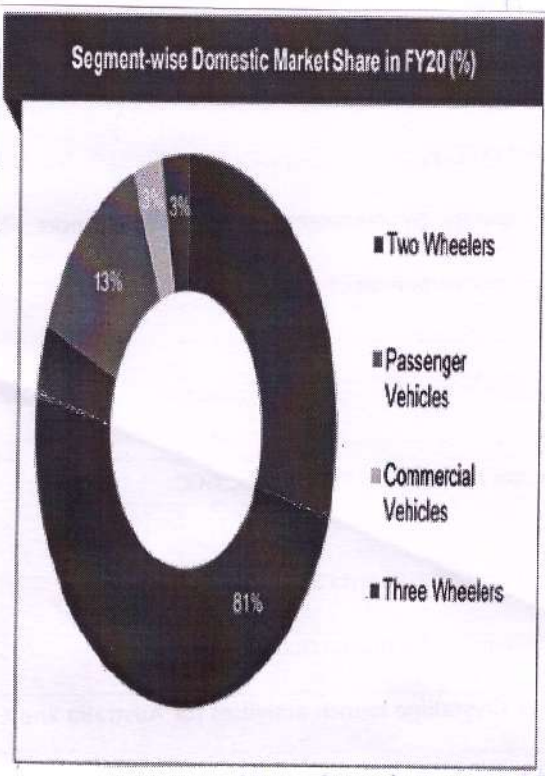
Automobile Sector

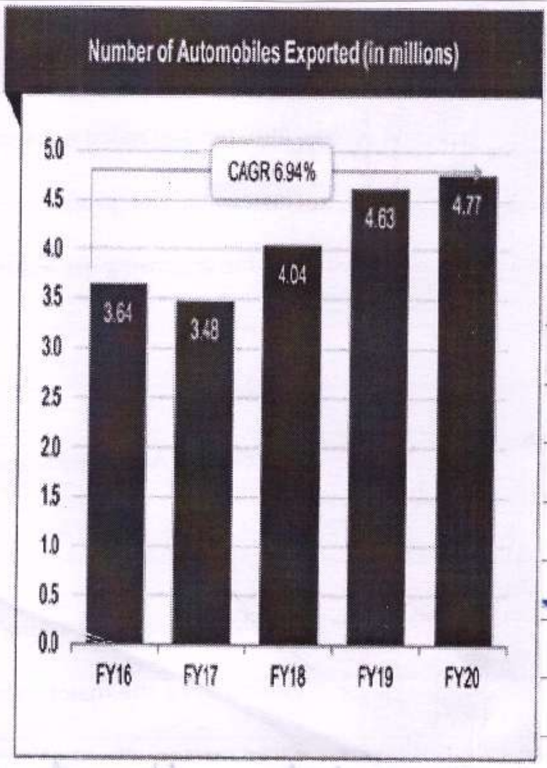
- **Two Wheelers**
  - Mopeds and Electric scooters
  - Scooters
  - Motorcycles
- **Passenger Vehicles**
  - Passenger Cars
  - Utility Vehicles
  - Multi-Purpose Vehicles
- **Commercial Vehicles**
  - Light commercial vehicles
  - Medium and heavy commercial vehicles
- **Three Wheelers**
  - Passenger carriers
  - Goods carriers



- Automotive manufacturing industry comprises the production of commercial vehicles, passenger cars, three wheelers and two wheelers.
- Domestic automobile production increased at 2.36% CAGR between FY-16 - FY20 with 26.36 million vehicles manufactured in the country during FY20.
- Overall, domestic automobile sales increased at a CAGR of 1.29% between FY16 - FY20 with 21.55 million vehicles being sold in FY20.

Source: Society of Indian Automobile Manufacturers





- Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passengers cars accounted for 80.8% and 12.9% market share, respectively, accounting for a combined sale of over 20.1 million vehicles in FY20.

- Overall, automobile export reached 4.77 million vehicles in FY20, implying a CAGR of 6.94% between FY 16 - FY20. Two-wheelers made up 73.9% of the total vehicles exported, followed by passenger vehicles at 14.2%, three wheelers at 10.5% and commercial vehicles at 1.3%.

Source: Society of Indian Automobile Manufacturers, Economic Times.

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Established key players:

Each segment in the Indian automobile sector have few, established key players hold major portion of the market.

Passenger Vehicles:

- Maruti Suzuki, the market leader in the passenger vehicles segment, held around 51% market share of the segment in FY20. The company recorded sales of 1.41 million units during 2019-20.
- Bharat Stage VI (BSVI) compliant "Wagon R" was launched in 2019 and Maruti Suzuki became the first carmaker to introduce BSVI compliant cars before the deadline of April 1, 2020.
- In FY20, passenger vehicles production, domestic sales and exports stood at 34,34,013; 27,73,575 and 6,77,311 units respectively.

Commercial vehicles:

- In FY20, commercial vehicles production, domestic sales and export stood at 7,52,022; 7,17,688 and 60,713 units respectively.
- In September 2020, Daimler India Commercial Vehicles launched 'Mitra', a customer engagement program which pairs selected customers with top executives from DICV to provide enhanced services.
- In September 2020, Ashok Leyland launched a new model of LCV 'Bada Dost' which is targeted towards growing demand from the LCV segment and builds on its Dost brand of CVs.

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Two - wheelers :

- Hero Motocorp and Honda Motorcycle and Scooter India (HMSI) were the top two players in the two wheelers segment with market share of 35.77% and 27.02%, respectively in FY20.
- In August 2020, Hero Motocorp and HMSI recorded YoY growth of 12% and 38% respectively.
- Ola Electric is planning to launch two-wheeler electric vehicle (EV). The EV will be reconfigured version of Netherlands based Etergo BV's appl scooter. It will roll out the scooter in Europe in 2020 and Asia in 2021-22 via Etergo. The company is expected to locally source and manufacture the App scooter in India.

Three - wheelers :

- Bajaj Auto was the leader in the three wheelers passage category with 63.8% market share in FY20, followed by Piaggio Vehicles with 20.1% market share.
- Piaggio Vehicles dominated the three wheelers load category with 42% market share in FY20, followed by Bajaj Auto with 27% market share.
- In FY20, three-wheelers production, domestic sales and export stood at 1,133,858 ; 6,36,569 and 5,02,169 units respectively.

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★ Investment Scenario in the Automobile Market :

The Indian automobile sector has had an inflow of huge investments from domestic and foreign manufacturers. Foreign Direct Investment (FDI) inflow in the sector was about 24.5 Billion US$ between April 2020 and June 2020.

NISSAN :

- Planning to double its current investments level to about US $ 2.5 Billion over the next 5 years.
- To prepare for production of the latest version of Navara pickup, the company plans to launch eight new car models by 2021.
- In India, the company revised its strategy and now plans to launch one product (new) every year.

TOYOTA :

- Planning to invest US $ 165 million on its new engines pRs.nts and projects.
- For self-driving and robotic technology startups, Toyota plans to invest US $ 100 million.
- Toyota Kirloskar Motors announced investment of over US $ 272.6 million in India directed towards developing electric components and technologies.

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HYUNDAI :

- Plans to invest US $ 1 Billion in India by 2020 for enpansion into electric car division.
- In January 2020, the company rolled out its 3 millionth car to be enported from its factory.

MERCEDES - BENZ :

- Increased its plant capacity at Chakan (Maharashtra) to 20,000 units per year, the largest for any luxury car manufacturer in India.
- In March 2019, the company inaugrated two service stations in New Delhi.

MG Motor :

- In October 2020, MG Motors announced its interest in investing ₹ 1000 crore to launch new models and expand operations inspite of the anti-China sentiments.

☆ Opportunities in the Indian Automobile Market :

1) A fast emerging global R&D hub :

- Strong support from Government, setting up of NATRIP centres.
- Private players such as Hyundai, Suzuki and General Motors (GM), keen to setup R&D base in India.
- Strong education base, large skilled English speaking manpower. Comparative advantage in terms of cost.

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- Firms, both National and foreign are increasing R&D centres which are now well over 1,165.

2) Opportunities for sizeable market segments through innovations :
- Mahindra & Mahindra is targeting to implement digital technology in the business.
- Hero Honda and M&M plan to jointly develop technology for two wheelers to run on natural gas.
- Hyundai is planning to enter the hybrid vehicles segment to explore alternative fuel technology and to avail Government incentives.
- In May 2019, Nissan Motor Company recieved a patent for wireless charging of EVs in India.

3) Small-Car manufacturing hub :
- GM, Nissan and Toyota announced to make India their global hub for small cars.
- Strong export potential in ultra low cost cars segment
- Maruti Suzuki launched facelift version of Alto 800 after the success of its earlier model.

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SALES FIGURES

Two-Wheeler (2W)				
Two-Wheeler OEM	**NOV'20**	**Market Share (%), NOV'20**	**NOV'19**	**Market Share (%), NOV'19**
HERO MOTOCORP LTD	5,24,986	37.14%	6,83,591	38.02%
HONDA MOTORCYCLE AND SCOOTER INDIA (P) LTD	3,80,088	26.89%	4,59,774	25.57%
TVS MOTOR COMPANY LTD	1,95,559	13.84%	2,42,824	13.50%
BAJAJ AUTO LTD	1,52,965	10.82%	2,21,063	12.29%
SUZUKI MOTORCYCLE INDIA PVT LTD	51,194	3.62%	60,694	3.38%
ROYAL-ENFIELD (UNIT OF EICHER LTD)	48,881	3.46%	64,368	3.58%
INDIA YAMAHA MOTOR PVT LTD	47,208	3.34%	51,581	2.87%
PIAGGIO VEHICLES PVT LTD	4,722	0.33%	6,201	0.34%
CLASSIC LEGENDS PVT LTD	3,203	0.23%	3,842	0.21%
BMW INDIA PVT LTD	427	0.03%	263	0.01%
ADISHWAR AUTO RIDE INDIA PVT LTD	176	0.01%	151	0.01%
INDIA KAWASAKI MOTORS PVT LTD	109	0.01%	293	0.02%
H-D MOTOR COMPANY INDIA PVT LTD	69	0.00%	212	0.01%
TRIUMPH MOTORCYCLES (INDIA) PVT LTD	59	0.00%	68	0.00%
DUCATI INDIA PVT LTD	4	0.00%	23	0.00%
DUCATI MOTOR HOLDING S.P.A	1	0.00%	2	0.00%
Others including EV	3,727	0.26%	3,251	0.18%
Total	**14,13,378**	**100.00%**	**17,98,201**	**100.00%**

Source: FADA Research

Passenger Vehicle (PV)				
Passenger Vehicle OEM	**NOV'20**	**Market Share (%), NOV'20**	**NOV'19**	**Market Share (%), NOV'19**
MARUTI SUZUKI INDIA LTD	1,43,554	49.33%	1,35,272	48.42%
HYUNDAI MOTOR INDIA LTD	47,162	16.21%	49,565	17.74%
TATA MOTORS LTD	21,835	7.50%	13,514	4.84%
KIA MOTORS INDIA PVT LTD	18,262	6.28%	10,572	3.78%
MAHINDRA & MAHINDRA LIMITED	15,951	5.48%	18,945	6.78%
HONDA CARS INDIA LTD	9,685	3.33%	10,646	3.81%
TOYOTA KIRLOSKAR MOTOR PVT LTD	9,072	3.12%	10,620	3.80%
RENAULT INDIA PVT LTD	9,001	3.09%	9,752	3.49%
FORD INDIA PVT LTD	5,856	2.01%	6,613	2.37%
MG MOTOR INDIA PVT LTD	3,043	1.05%	2,460	0.88%
SKODA AUTO VOLKSWAGEN INDIA PVT LTD	2,781	0.96%	7	0.00%
MERCEDES-BENZ INDIA PVT LTD	865	0.30%	1,223	0.44%
NISSAN MOTOR INDIA PVT LTD	[illegible]	[illegible]	[illegible]	[illegible]
BMW INDIA PVT LTD	728	0.25%	954	0.34%
FIAT INDIA AUTOMOBILES PVT LTD	719	0.25%	828	0.30%
VOLKSWAGEN AG/INDIA PVT. LTD.	209	0.07%	2,658	0.95%
JAGUAR LAND ROVER INDIA LIMITED	199	0.07%	317	0.11%
VOLVO AUTO INDIA PVT LTD	169	0.06%	196	0.07%
SKODA AUTO INDIA/AS PVT LTD	164	0.06%	1,192	0.43%
FORCE MOTORS LIMITED, A FIRODIA ENTERPRISE	158	0.05%	634	0.23%
MERCEDES -BENZ AG	32	0.01%	0	0.00%
PORSCHE AG GERMANY	27	0.01%	33	0.01%
AUDI AG	27	0.01%	260	0.09%
AUTOMOBILI LAMBORGHINI S.P.A	4	0.00%	1	0.00%
ROLLS ROYCE	1	0.00%	4	0.00%
FERRARI INDIA PRIVATE LIMITED	1	0.00%	3	0.00%
BENTLEY MOTORS LIMITED	0	0.00%	3	0.00%
Others	695	0.24%	1,240	0.44%
Total	**2,91,001**	**100.00%**	**2,79,365**	**100.00%**

Source: FADA Research

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Commercial Vehicle (CV)				
Commercial Vehicle OEM	**NOV'20**	**Market Share (%), NOV'20**	**NOV'19**	**Market Share (%), NOV'19**
TATA MOTORS LTD	17,584	35.09%	29,902	41.04%
MAHINDRA & MAHINDRA LIMITED	16,876	33.68%	20,932	28.73%
ASHOK LEYLAND LTD	6,060	12.09%	9,934	13.63%
VE COMMERCIAL VEHICLES LTD	2,578	5.14%	3,216	4.41%
MARUTI SUZUKI INDIA LTD	2,231	4.45%	2,672	3.67%
DAIMLER INDIA COMMERCIAL VEHICLES PVT. LTD	850	1.70%	968	1.33%
FORCE MOTORS LIMITED, A FIRODIA ENTERPRISE	475	0.95%	1,035	1.42%
SML ISUZU LTD	369	0.74%	608	0.83%
Others	3,090	6.17%	3,596	4.94%
Total	**50,113**	**100.00%**	**72,863**	**100.00%**

Source: FADA Research

Three-Wheeler (3W)				
Three-Wheeler OEM	**NOV'20**	**Market Share (%); NOV'20**	**NOV'19**	**Market Share (%), NOV'19**
BAJAJ AUTO LTD	8,795	36.37%	30,711	44.47%
PIAGGIO VEHICLES PVT LTD	4,492	18.57%	12,076	17.49%
ATUL AUTO LTD	1,065	4.40%	4,079	5.91%
MAHINDRA & MAHINDRA LIMITED	988	4.09%	4,468	6.47%
TVS MOTOR COMPANY LTD	658	2.72%	1,119	1.62%
Others including EV	8,187	33.85%	16,603	24.04%
Total	**24,185**	**100.00%**	**69,056**	**100.00%**

Source: FADA Research

✱ FACTORS AFFECTING DEMAND OF ELECTRIC VEHICLES :

1) Conventional cars emit gases and smoke which is harmful for the environment ; whereas Electric Vehicles (EVs) don't.

2) The fuel cost has increased or decreased constantly. Owing to constant fluctuations in the cost of petrol and diesel, Electric Vehicles come across as a ~~su~~ suitable way to save money

3) Maintenance costs of Electric Vehicles will be less than of the conventional vehicles.

4) Government policies encourage consumers to use environment friendly ~~EV~~ Electric Vehicles

5) Lack of infrastructure in place for charging stations, ~~Moreo~~ which are essential for Electric Vehicles.

6) Requires a lot of time to be charged.

7) EVs run with a mileage around 150-200 Km with fully charged batteries whereas fuel based vehicles have a mileage of well over 300 KM.

★ FACTORS AFFECTING DEMAND OF TWO-WHEELER VEHICLES :

1) Absence of public transport during the lockdown, the need to have a two-wheeler vehicle in such a crisis would only have risen.

2) In public transports, maintaing social distancing is a remote possibility. In such a scenario, maintaining distance is only possible using two-wheeler vehicles.

3) Two-wheeler vehicles especially scooter are much easier to ride and much lighter in weight as compared to cars.

4) Two-wheeler vehicles are always cheaper and easy to maintain than a car. They are also exempted from tolls because of several factors but primarily because they don't cause much wear and tear on roads.

5) Two-wheelers users in India have a variety of choices as the market is available with range of products such as scooters and motorcycles catering to all income groups.

6) In facilities with close proximity such as mall, hospitals, etc. it becomes easier to park and travel with.

Rajdhani
DATE / /

★ FACTORS AFFECTING DEMAND OF PASSENGER VEHICLES :

1) Rising per capita income and a favourable demographic distribution in the country.

2) Significant percentage of population i.e 70% ~~come~~ are below the age of 35 years who are potential buyers.

3) Among Passenger Vehicles, specifically small cars such as Alto, Celerio, Kwid, Tiago remain dominant given the affordability of Indian consumers.

4) Indian consumers are very cautious when it comes to cost of car and it is deemed more important than performance, power.

5) Rising disposable incomes would help in increasing demand of passenger vehicles.

6) Increasing availability of Financing Options by bank has encouraged growth of the Passenger Vehicle segment.

Rajdhani
DATE / /

☆ FACTORS AFFECTING DEMAND OF COMMERCIAL VEHICLES :

1) Increased investment in road infrastructure along with availability of finance.

2) Investment in rural and urban roads have increased connectivity and has propelled growth of small commercial vehicles.

3) Relatively less investments in national highways and state highways causing a sluggish growth in medium and heavy commercial vehicles segment.

4) JNNURM (Jawaharlal Nehru National Urban Renewal Mission) scheme led to a growth in demand of buses.

5) Growth in Export - Import trade is expected to fuel a shift to tractor - trailer combinations.

6) Regulations on entry - exit norms in cities and implementation of GST are expected to cause growth.

☆ FACTORS AFFECTING DEMAND OF THREE - WHEELERS :

1) Excise duty rates being brought down from 16% to 12% on small cars, two wheelers and three-wheelers.

2) Known for its affordability for intermediate public transport (short-to-medium distance public transportation) and connectivity ~~of~~ for goods transportation.

3) Demanded in areas/countries where there is demand for mobility but ~~there~~ public transport systems are negligible/inadequate such as South America, South-East Asia

4) Absence of fresh permits issued by state governments, increase in financing costs has affected sales of three-wheelers.

5) Improvements in fuel efficiency and direct/self employment, the three wheeler segment played a key role in generating direct employment.

6) ~~Popularity of~~ Demand of three wheelers passenger segment declined due to shift towards Light Commercial Vehicles (LCVs).

CONCLUSION

The Indian Automobile Industry has made great stride and progress over the past two decades, sufficient to be noticed at a global level and be counted as a contendor for a top table position. With respect to global rankings in manufacturing output, India is 2nd largest in two wheelers, 7th largest in commercial vehicles, 6th largest in passenger vehicles and the largest in tractors.

India has been one of the preferred locations in the world for manufacturing high quality ~~aut~~ automotive components and vehicles of all kinds.

Over the next decade, the automobile industry at a global level is likely to see some significant transformations. Principal ones include shift of growth in demand for automobiles from developed to developing nations (mainly BRICS); a relentless pursuit of economies of scale and scope in design and engineering of automobile and components while also pursuing low cost manufacturing decisions.

Automotive Mission Plan (AMP) 2026 envisages that the Government and Indian Automobile Industry will work together to address all key issues. AMP 2026 will help the industry to focus on its strengths and improve its competitiveness in certain segments. By 2026, India could stand first in the world in production / sale of small cars, 2 and 3 wheelers, buses third in passenger vehicles and trucks, all adding up to 12% of G

Rajdhani
DATE / /

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BRIHAN MAHARASHTRA COLLAGE

OF COMMERCE Pune

Name :- Aishwarya Shahuraj Madane

Div :- B

Roll NO :- 164

Subject :- Economics

Page No.
Date

* Case Study of Monopoly Market Structure:
Luxottica

A monopoly is a market in which a single sellar sells a product which has no substitute. A monopoly exists when a specific person or enterprise is the only supplier of a particular commodity. This contracts with a monopsony which relates to a single entity's control of a market to purchase a good or service, and with oligopoly and duopoly which consists of a few sellers dominating a market.
An unregulated monopoly has market power and can influence prices. Examples:- Microsoft and Windows, De Beers and diamonds your local natural gas company.
other some best examples of monopoly market structure are Indian Railways, Luxottica, microsoft, AB InBev, Google, Patents, AT 4 T, Facebook

* There are two types of Monopoly.

- Pure Monopoly :-
When is that type of monopoly in which a single firm which controls the supply of of a commodity which has no substitutes not even a remote one. It possesses an absolute Monopoly power.

- Natural Monopoly :-
When a monopoly is established due to natural causes then it is called natural monopoly. To-day India has got Monopoly in mica production and Canada has got Monopoly in ~~a~~ nickel production. These Monopoly natures has provided to these countries.

- Legal Monopoly :-
When any body receives or acquires Monopoly due to legal provisions in the country.

- Simple and Discriminating Monopoly :-
A simple monopoly firm charges a uniform price for its output sold ~~a~~to all the buyers. While a discriminating monopoly firm charges different prices for the same product to different buyers.

Page No.
Date

* Introduction

Luxottica Group S.p.A. is an Italian eyewear conglomerate and the world's largest company in the eyewear industry. It is based in Milan, Italy. The company is founded in 1961; 60 years ago in (Agordo, Italy) and their headquorters are in Milan and in Italy. This company in spread in the whole world.
Founders of the Luxottica Company are Leonardo Del Vecchio (Founder & Executive chairman) and Francesco Milleri (Deputy chairman and Chief Executive Officer)
The products of the Luxottica Company are Sunglasses, spectacle frames, prescription frames. They also provide services like opticians, Optical retail, sun retail.
Company's revenue in 2019 was 9.493 billion dollors. There are 80000 employees are working under this company.
Some of the most famous Divisions are:
Ray-Ban, Essilor, Persol, Oakley, LensCrafters, OPSM, Sunglass Hut, Apex by Sunglasshut, Eyemed, Pearle Vision, Sears Optical, Glasses.Com, Onesight, Target Optical.

* Background

Leonardo Del Vecchio started the company in 1961, in Agordo north of Belluno, Veneto; today the company is headquartered in Millan, Italy. Del Vecchio began his career as the apprentice to a tool and die maker in Milan, but decided to turn his metalworking skills to making spectacle parts. So in 1961, he moved to Agordo in the province of Belluno, which is home to most of the Italian eyewear industry. The new company was Luxottica S.a.S. a limited partnership with Del Vecchio as one of the founding partners. In 1967, he started selling complete eyeglass frames under the Luxottica brand, which proved successful enough that by 1971 he ended the contract manufacturing business

Convinced of the need for vertical integration in 1974, he acquired Scarrone, a distribution company set up its first internatinal subsidiary, in Germany, the first in a rapid period of international expansion. The first of many licensing deals with a designer was struck with Armani, in 1988.

The company listed in New York in 1990, and in Milan in December 2000, joining the MIB.30 index in Sept 2008. The listing raised money for the company and allowed it to use it shares to acquire other brands, starting with Italian brand Vogue Eyewear in 1990, Persol and the United States Shoe Corporation (Lens Crafters) in 1995, Ray-Ban in 1999 and Sunglass Hut, Inc. in 2001. Luxottica later increased its presence in the retail sector by acquiring Sydney-based OPSM in 2003, Pearle vision and Cole National 2004 Luxottica acquired Oakley in November 2007. for US $2.1 billion. Oakley had tried to dispute their price because of Luxottica's large marketshare, and Luxottica responded by dropping oakely from their stores, causing their stock price to drop, followed by Luxottica's hostile take over of the company.

In January 2017 the company agreed on a merger with Essilor. The deal also offered a succession plan for Leonardo Del Vecchio, the company's founder. Shortly before the merger completed, reporter Sam Knight wrote in The Guardian, "in seven centuries of spectacles, there has never been anything like it. The new entity will be worth around $ 50 bn, sell close to a billion pairs of lenses and frames every year, and have a workforce of more than 140000 people.

On 1 October 2018 the new holding company Essilor Luxottica was founded, resulting in combined market capitalization of approximately €57 billion.
In August 2018, Luxottica restored Accademia Bridge in Venice.

* Retail
Luxottica Retail has about 9100 retail locations in United States, Latin America, Canada, India, china, Australia, New Zealand, South Africa, the united kingdom and United Arab Emirates. The headquarters of the retail division is in Mason, Ohio. Their retail banners include the following: Sunglass Hut, Apex by Sunglass Hut, Spectacle Hut, Lens Crafters, Alain Mikli, etc.
Ray-Ban
Luxottica is the largest optical retailer in the united States, with 7.3% of US retail sales in 2015. With its merger with Essilor in 2018 the company owns coastal / clearly, an online contacts and glasses retail giant bought in 2014 that ships to over 200 countries beside its original North American market.

Conclusion

Summarizes key issues faced by destinations played with a negative image and idedfiries adarive marketing image strategier based on existing marketing theorier & success stories from storuggling destinations.

Purpose of this concluding paper out meaning market strategies that could be used to Re-option and re-establish tourism destinations struggling with negative image originality value the pape take some what different approach and proposes adoprive marketing strategies Highlights four main challenger of such destinations.

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE (AUTONOMOUS).

As a part of partial fulfilment of internal board examination for the subject Business Economics for the year 2020-21

Assigned by : Prof. Deepak Udhap Prasad Powdel

Executed by : Ankit Chettri.

Roll Number : 643.;Section : B

Class : F.Y.B.Com.

Assignment : Demand of Domino's in India

Teacher's Sign

Student's Sign

ACKNOWLEDGEMENT

I would like to convey my thanks to, **<u>Prof. Deepak Udhap Prasad Powdel</u>** our Business Economics teacher of Brihan Maharashtra College of Commerce for his immense help and guidance in the completion of the assignment on the topics of 'Demand of Domino's in India'. It is due to his immense help and guidance that my project could be completed successfully.

This assignment is submitted as a part of practical examination included curriculum of Savitribai Phule Pune University for the year 2020-2021.

Introduction.

"Dil, Dosti, Domino's! I hope this taglines reminded you and evoked a lot of memories among you and your friend sharing that pizza! Of course who doesnot know about Dominos' pizza. This assignment basically dives into Domino's pizzas India's supply and what are the factors affecting its demand, including its competitors

The domino's brand was founded in the United States of America in 1960 by Thomas and James Monagahan. Currently, it has grown into a global network of over 8,500 pizzas store in more than 60 countries involving 2,000 franchises. It is the second largest pizza restraunt chain in the world. On average, Dominos' sell more than 1.5 million pizzas each day throughout our global system.

Domino's In India.

Jubilant Food Works Limited (the Company) is a Jubilant Bhartia Group Company. The Company was incorporated in 1995 and intiated operations in 1996. The Company and its Subsidiary operates Domino's pizza brand with the exclusive right for India, Nepal, Sri lanka and Bangladesh.

Objective of Study.

i) To study consumer behaviour.

ii) To study factors influencing consumer behaviour

iii) To examine purchasing behaviour of the consumer.

iv) To know the consumer satisfaction in pricing factor.

v) To know the consumer satisfaction in delivery of their order.

vi) To give suggestions to the company in order to improve their services.

Scope of the study:

The area of the study is limited in the segment within my locality, neighbourhood and my resedential place. In this assignment, I have made an attempt to study consumer's preferencie relating to Dominos Pizza and among its competitors The required data was collected from 100 (one hundred) respondents in the form of a Questionnaires

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Research Methodology:

This study is based on both Primary and Secondary data. Primary data was collected through Questioniarre. Secondary data ~~data~~ was used through information collected on whatsapp, mail, etc.

Some Challenges faced by the Dominos in India

However, great domino's pizzas may be, and the consumer base it has in India, it is faced by challenges. These challenges include.

i) Health matters: Undoubtedly, Fast food is synonym to unhealthy balance of ingredients. Dominos have come under criticism for their high salt content on some of their meal. So much so that it surpassed the daily recommended amount of salt for an adult by twice the recommended contents

ii) Menu featuring a lot of America culture: The current Dominos menu features a variety of Italian-American entrees and side dishes. Of course many people love these culture, but still many Indians feel the need that ~~Indian~~ menu based on Indians taste and preference should be centered in Dominos.

iii) Location and Sales: The company ~~was~~ faces with crucial issues of weaking bottom lines due to slow growth and decline. Of course it does not have many outlets thus affecting its sales.

Hygiene and price are also the central challenges faced by the Dominos in India.

Competitors in India.

i) Mc Donalds

ii) Subway.

iii) KFC

iv) Pizzahut.

Mc Donald's: worldwide is well known for the highdegree of respect to the local culture. Mc Donalds has developed a menu especially for India with vegetarian seletion to suit Indian taste and culture. Also it does not offer any beef or pork Items in India.

Subways main focus is on nutrion and health consciousness which is quite contrary to what ~~fast~~ image comes in mind when fast food are talked about. Hence, its success in Indian market cannot be overestimated.

KFC; keeping in mind the taste for Indian taste and preference has developed tasty vegetarian offerings ~~th~~ including the veg Zinger and veggie Snacker. In India, KFC is growing rapidly with close to 107 restraunts.

The major competitor for Dominos, is however, Pizzahuts

Pizzahut: Workforce of pizzahut is chosen with the motto "together we grow" with primary concern being quality of services, be it in term of delivery ~~of~~ and quality of pizzas.

The customer focus is so high that they have separate system in place to satisfy vegetarian customers. vegetarian dishes are prepared and served using separate green spatulas. Among all other other players, the main competitors of Dominos is Pizzahut!

Market share and major players:

Indian taste buds are demanding more and more pizza industry - one of the most intensive industry is gearing on. People across the country are consuming over three million pizzas a month current.

Market share as on 2020.

Pizza chain	Market share (%).
Pizza hut	29 %.
Dominos	50 %
others	21 %.

Source: The financial Express.

This can be illustrated in the form of a bar graph.

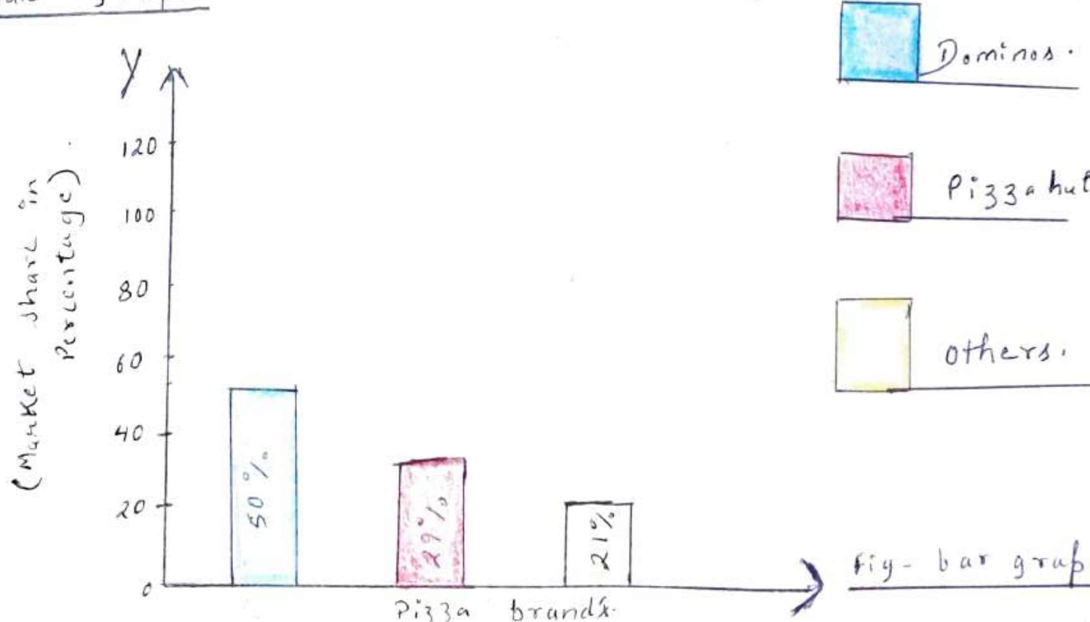

Fig - bar graph.

Data Analysis and Discussion

It shows why many people still prefer to choose Domino's from the wide range of pizza available. This analysis was conducted with the help of 100 respondants.

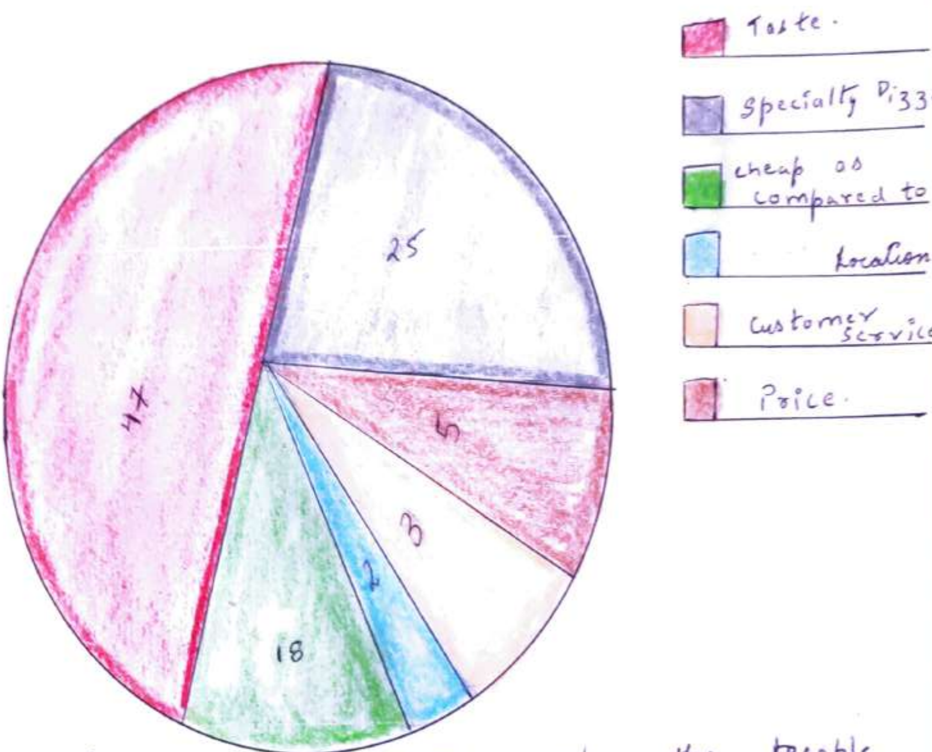

Fig: Pie chart illustrating why the people choose domino's compared to others.

The above short shows the people's preference as to why they love Domino's as compared to other brand. 47 respondants choose dominos pizza because of the taste while the other 25 respondents order dominos because of the speciality and wide menu. 18 people think it is cheap when compared to others. Also 5 and 3 people though its is available in most of their region and customer service is great respectively. 2 people thought price shouldn't change.

Suggestions given by the respondents for Domino's Pizza were:-

i) Quantity should be increased in mid-range priced pizza.

ii) Reduce cost if possible.

iii) Have more of the Indian flavours.

iv) We want some offers and discounts.

v) Domino's pizza should provide more flavours in regular pizza as mostly people buy those.

vi) There should be less tax.

vii) More outlets should be there.

viii) Improve the topping and more cheese please!.

ix) Try to make it a thin crust. Also you provide very less of herbs.

x) Give some more quantity.

xi) Wish pizza was free! :

Conclusion:

The extend of the survey was conducted with limited people and less no. of localities. However official data were recorded from various site to provide or ~~invita~~ a trying unto it. Pizza is mostly ordered and liked by students. Most of the consumers prefer pizzas in the range of 99-299.

Consumers like to order pizza once in a month or during dinner. Most of the pizza is ordered online. Also most respondents said pizza is affordable to them. Also their response time and services provided is great!

Many respondents have said said that they have Dominos Pizza for number of factors influencing them to purchase the pizza. Also from the survey the consumers has rate Dominos pizza as a good Pizza in the world.

From, this we can conclude that they have a large and good customer relationship.

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

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SUBJECT: ECONOMICS

ROLL NO: 518

DIVISION: 'E'

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SEMESTER: 01

YEAR: 2020

PIZZA *

- Pizza is a type of food that was created in Italy. It is made by putting "toppings". Some of the most common toppings are cheese, sausages, pepperoni, vegetables, tomatoes, spices and herbs and basil. These toppings are added over a piece of bread covered with sauce.

History -

The origin of the word Pizza is uncertain. The food was invented in Naples about 200 years ago. It is the name for a special type of flatbread, made with special daugh. The Pizza enjoyed a secound birth as it was taken to the United States in the late 19^{th} century. Pizzas need to be baked at temperature of 200 - 250°C Hardly any household over could reach such temperatures at the time. Because of this, the Pizza was made at home, and then given to the town bakery to bake. In ~~Jul~~ June 1889, the Neapolitan chef Raffaele Esposito Created the "Margherita" in honour of Queen Margherita, and was the ~~Pizza~~ first pizza to include cheese.

Pizza was brought to the United States with Italian immigrants in the late nineteenth century; and first appeared in areas where Italian immigrants concentrated. The Country's first pizzeria (place that focuses in Pizza) Lombardi's, opened in 1905. Veterans returing from world war II's Italian Campaign were ready market for pizza. Since then pizza consumption has increased in the US. Pizza chains such as Domino's Pizza Hut; and papa John's, have outlets all over the nation Thirteen percent of the U.S population eats pizza on any given day.

DOMINO'S

founded in - 1960 (1961)
franchising since - 1967
franchise units - 1100+
Initial investment - \$119,950 - \$461,700
Royalty fees - 5.5%

Domino's pizza is an American pizza restaurant chain with guaranteed time of delivery of 30 minutes which in February 2018 became the largest pizza seller worldwide in terms of sales. presently, it controls over 60% of the overall pizza market share in India.

DOMINO's PIZZA (firm information.)

Dominas pizza is a famous ~~el~~ branded ~~R~~ pizza restaurant in American. It is an public type of firm. Industry like food delivery, franchising. Restaurants which was founded in ~~&~~ December 9, 1961; 59 years ago in ypsilanti, Michigan, U.S. The headquarters of ~~a~~ domino's farms office park, Ann Arbor, michigan ; U.S. Number of location where domino's pizza is located 17,000. It is an ~~wor~~ worldwide. Area served. Chairman of the firm is David A. Brandon, CEO is Richard Allison. The products that was made in Domino's are (chicken wings, Dessert, Pasta, Pizza, submarine, sandwiches.) On May 12, 1983, Domino's opened its first international store, in Canada. ~~&~~ That was same year, Domino's opened its 1000th store, in washington. At February 2016, Domino's opened its 1000th store in India.

Naming - In August 2012, Domino's Pizza changed their name to simply Domino's. At the ~~sa~~ same time Domino's introduced a new logo that removed the blue rectangle and text under the domino in the logo, and changed the formerly all-red domino to be blue on the side with two dots and red on the side with one dot. This was done because the company wanted to "expand" menu choices rather than simply rely on their traditional pizza.

Domino's Pizza Business Vision and Objectives of the Company

I The mission

* Maintaining high standards of the international chain of ~~pizza~~ pizza delivery and provide the experience of an excellent product with excellent customer services
* Exceptional peopal serving the best pizza in the world
* Sell more Pizza ; Have more fun.

II The Vision

* To be the best operator Domino's Pizza System with the best talent.
* Number one in pizza.
* Number one in people.

III The Values /objectives.

* Treat people as you'd like to be treated.
* Produce the best for less.
* Measure, manage and share what's important.
* Think big and grow.
* Incentivize what you want to change.
* Set the bar high ; train, never stop learning promote

* promote from within
* We are not ordinary ; we are exceptional.
* fastest delivery service, tastest food and
* st satisfied customer differentiated the company from other company.

Factors that influences the demand.

Enconomic Factors:

* Some of the Significant economic factor that affect Domino's business performance and Conditions are economic growth ; consumer services industry growth rate, inflation, deflation, unemployment rate, interest rate, wage policies.

Revenue factor.

A. Development points:

1. Use of price discrimination targeting segments of the market.
2. Game theory - i.e extent to which Domino's has to react to pricing of rival Suppliers.
3. Changing behaviour of consumers e.g increase in demand for "free-from" products.
4. Contestability of the market - pricing affected by the threat of rival entry.

Cost factors.

* Development point :

1. Distinction between short run costs and long run costs
2. Extent to which shareholders hold managers to account (Principal - agent problem)
3. Market power and contestability - possibility of x-inefficiency which leads to lower profit.

Social Factors :

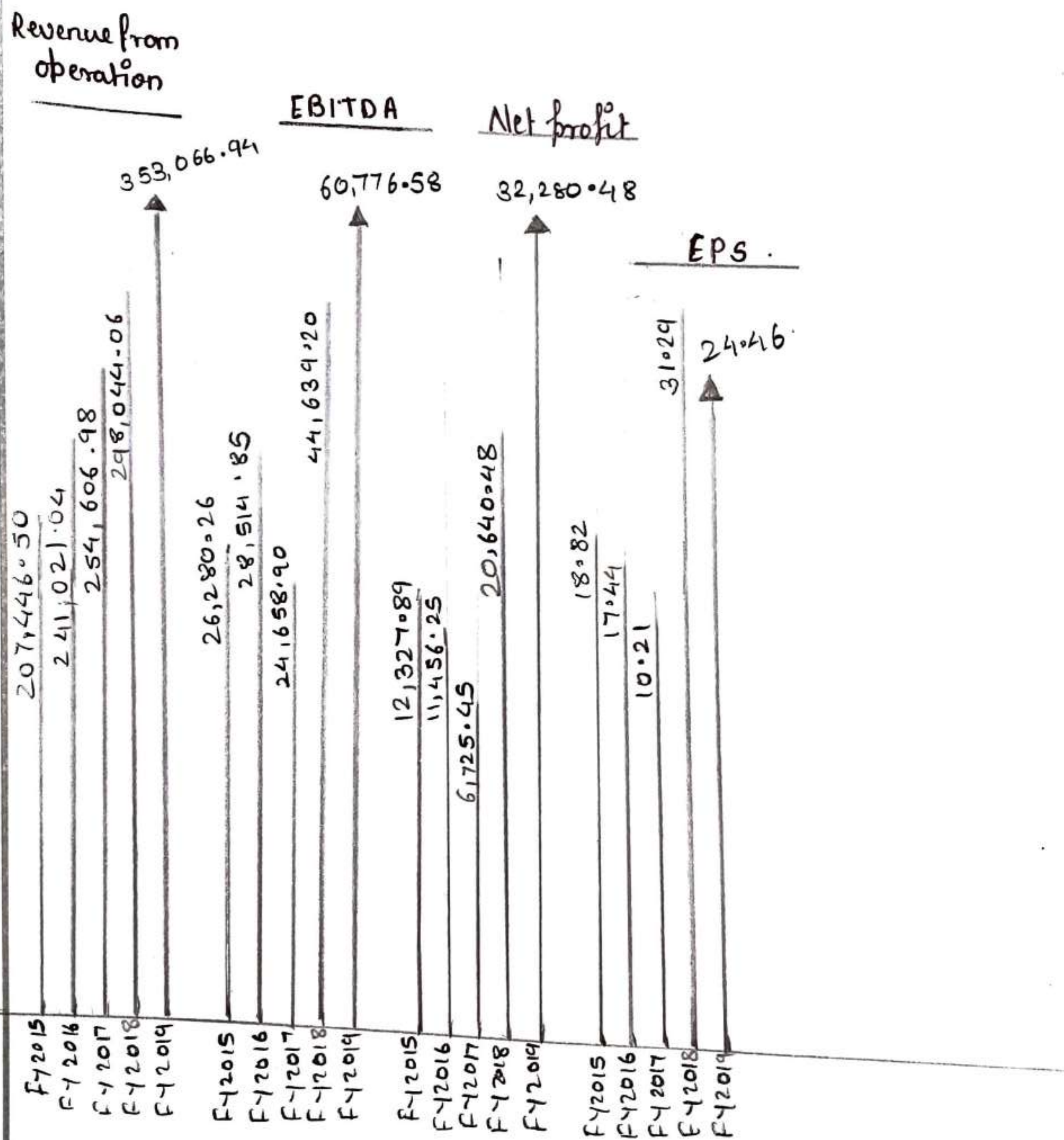
The Social factor in the Dominos PESTLE Analysis :

The culture of an organisation in an environment ~~in~~ is impacted by society's culture and method of doing things. This culture includes certain social factor like demography trends, power structure in society, participation of women in workforce, etc. These factor impact both the operational and marketing aspect of Dominos.

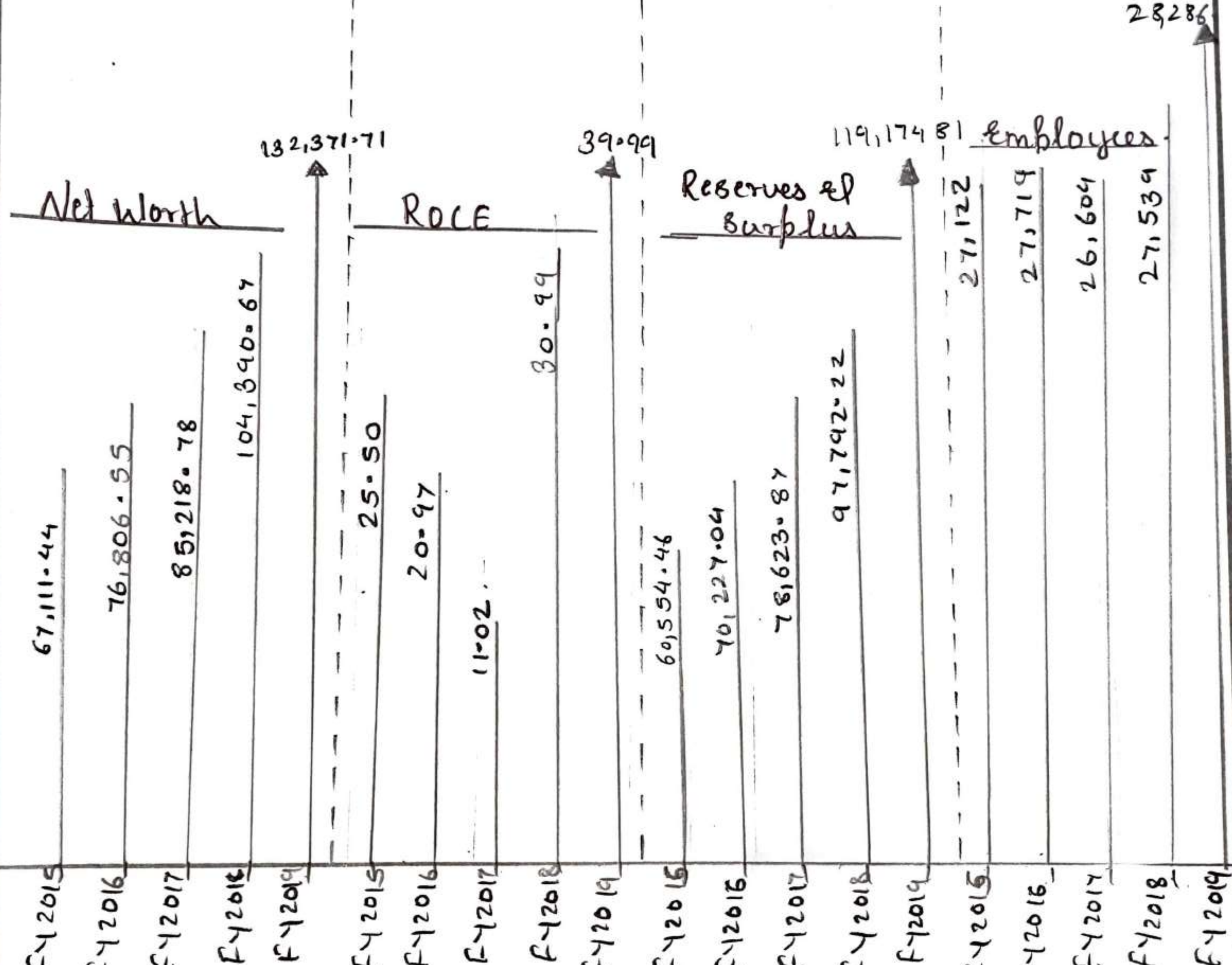
Some interesting facts (Domino's Pizza)

- Domino's pizza India has now become the brand's largest market outside of the U.S.
- Differentiated brand USP - '30 minutes of free' delivery guarantee.
- Striking an emotional chord with consumers through Campaigns such as 'Hungry kya? 'Yeh Hai Rishton ka time' and the latest one, "Khushiyon ki Delivery kabhi bhi kahi bhi'.
- Robust supply chain capability, and a network of large and small commissaries and distribution Centres across India, supplying raw material to all restaurants.

Strong Performance and Progress :-



Balance Sheet Metrics (Standalone)



Brihan Maharashtra College of Commerce, Pune.

Name: Zeenat Javed Jamadar

Roll no: 644 Div: D Semester: I

Year: F.Y. Bcom, 2020-21

Subject: Business Economics.

Title: Study of demand and supply of Coca-Cola.

The Coca-Cola Company:

The Coca-Cola Company is an American multinational beverage corporation headquartered in Atlanta, Georgia. The Coca-Cola Company has interests in the manufacturing, retailing and marketing of non-alcoholic beverage concentrates and syrups. The company produces Coca-Cola, invented in 1886 by pharmacist John Stith Pemberton. In 1889, the formula and brand were sold for \$2,300 to Asa Griggs Candler, who incorporated The Coca-Cola Company in Atlanta in 1892.

It is a Public company. It was founded on January 29, 1892, 128 years ago. It is served World-wide. Key people of this company are, James Quincey (chairman & CEO) Brian Smith (President and CEO). It's revenue in 2019 was US \$37.27 billion. Operating income was US\$ 10.09 billion. Net income US\$ 8.92 billion (2019), Total assets US\$ 86.38 billion (2019) Total equity US\$18.98 billion (2019). Number of employees was 86,200 (2019).

The company-headquarted in Atlanta, Georgia, but incorporated in Delaware-has operated a franchised distribution system since 1889. The company largely produces syrup concentrate, which is then sold to various bottlers throughout the world who hold exclusive territories.

Coca-Cola:

Coca-cola or Coke, is a carbonated soft drink manufactured by The Coca-Cola Company. Originally marketed as a temperance drink (alcohol free) and intended as a patent medicine, it was invented in the late 19th century by John Stith Pemberton and was bought out by businessman Asa Griggs Candler, whose marketing tactics led coca-cola to its domiainance of the world soft drink market throughout the 20th century. The drink's name refers to two of its original ingredients: coca leaves, and kola nuts (a source of caffeine). The current formula of coca cola remains a trade secret; however, a variety of reported receipes and experimental recreations have been published.

The Coca-Cola Company produces concentrate, which then sold to licensed Coca-Cola bottlers throughout the world. The bottlers, who hold exclusive territory contracts with the company, produces the finished products in cans & bottles from the concentrate, in combination with filtered water & sweetners. A typical 12-US-fluid-ounces (350 ml) can contains 38 grams (1.3 oz) of sugar (usually in the form of high-fructose corn syrup). The bottlers then sell, distribute, and merchandise Coca-Cola to retail stores, restaurants and vending machine throughout the world. The coca-cola company also sells concentrate for soda fountains of major restaurants

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Date :
Page :

and food service distributors.

The Coca-Cola Company has no occasion introduced other cola drinks under the coke name. The most common of these is Diet Coke, along with others including Caffeine-Free-Cola, Diet Coke Caffeine free, Coca Cola Zero sugar, coca cola cherry, coca vanilla & special version with lemon, lime & coffee. Coca-Cola was called Coca Cola Classic from July 1985 to 2009, to distinguish it from "New coke". Based on Interbrand's "best global brand" study of 2015, Coca-Cola was world's third most valuable brand, after Apple & Google. In 2013, Coke products were sold in over 200 countries worldwide, with consumers drinking more than 1.8 billion company beverage serving each day. Coca-Cola ranked No. 87 in the 2018 Fortune 500 list of the largest united states corporations by total revenue.

In 1892, Candler set out to incorporated a second company; "The Coca Cola Company" (the current corporation). When Candler had the earliest records of the "Coca-Cola Company" destroyed in 1910, the action was claimed to have been made during a move to new corporation offices around this time.

After Candler had gained a better foothold on Coca-Cola in April 1888, he nevertheless was forced to sell the beverage he produced with. ~~the~~

Coca-Cola's first ad read "Coca Cola. Delicious! Refreshing! Exhilarating! Invigorating! Candler was one of the first businessman to use merchandising in his advertisement strategy. As of 1948 Coca-Cola claimed about 60% of it's market share. By 1984, The Cola Cola Company's market shares decreased to 21.8% due to new competitors namely pepsi.

According to The Coca-Cola Company's 2005 Annual Report it had sold beverage worldwide, daily.

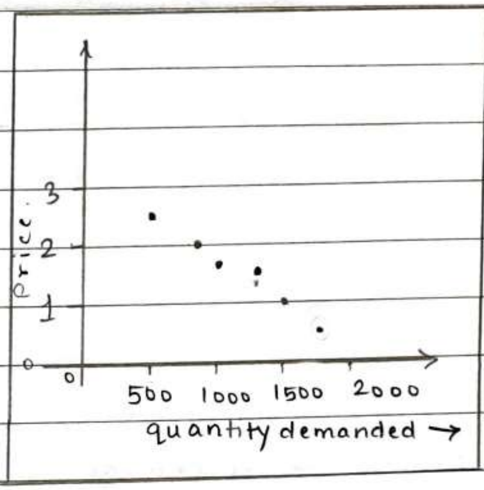
Year	Revenue in mil. USD	Net income in mil. USD	Price Per share in USD	Employees.
2000	17,354	2,177	17.11	
2001	17,545	3969	15.24	
2002	19,394	3050	15.82	
2003	20,857	4347	14.28	
2004	21,742	4847	15.34	
2005	23,104	4872	14.47	
2006	24,088	5080	15.26	
2007	28,857	5981	19.24	90,500
2008	31,944	5807	19.71	92,400
2009	30,990	6824	18.49	92,800
2010	35,119	11,787	22.12	1,39,600
2011	46,542	8584	26.84	1,46,200
2012	48,017	9019	30.70	1,50,900
2013	46,854	8584	33.78	1,30,600
2014	45,998	7098	35.82	1,29,200
2015	44,294	7351	37.29	1,23,200
2016	41,863	6527	40.63	1,00,300
2017	35,410	1248	42.80	61,800.

The Coca Cola products can be termed as normal product, that is products whose demand increase as consumer income increases. ~~and~~

Demand & Supply Curves:

Demand Curves:

quantity demanded	Price.
1750	0.5
1500	1
1250	1.5
1000	1.75
750	2
500	2.5



The demand curve of coca-cola as any other normal goods demand curve is downward sloping from left to right, showing the inverse relationship between the price of Coca-Cola & the quantity demanded of Coca Cola over a given time. The relationship can be explained by the law of demand which states that as price of goods increases (or decrease) the quantity demanded of that goods falls (or rises). Therefore the lower the price of Coca-Cola, the more a consumer is likely to buy it. Hence it can be concluded that price is major determinant of demand. The effect of a change in price is illustrated by a movement along the demand curve & is refferred to as a change in quantity demanded. There are also ather factors which affect demand of Coca-Cola, we will discuss them later.

Supply Curve:

Like it's demand curve, the supply curve of Coca-Cola is that of a normal good which slopes upwards from left to right, showing the relationship between the price of Cola-Cola

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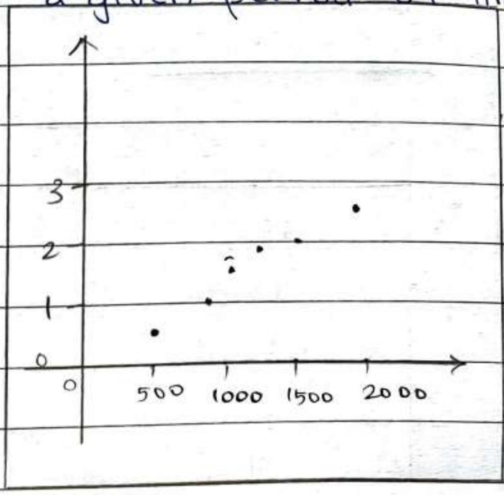
and the quantity supplied over a given period of time

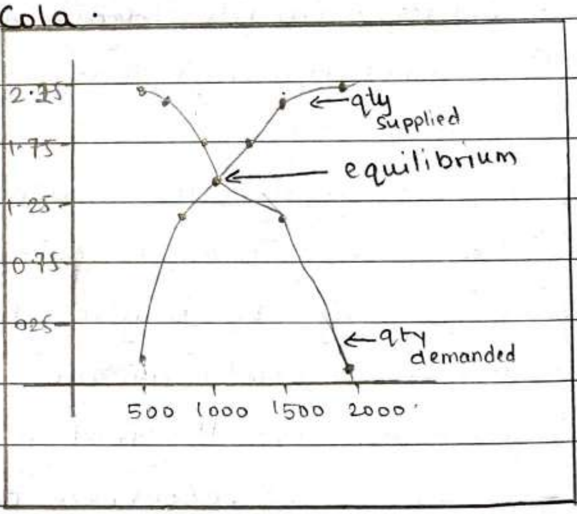
quantity Supplied	price.
500	0.5
750	1
1000	1.5
1250	1.75
1500	2.
1750	2.5



Like its demand curve, the supply curve of CocaCola's effect of a change in price is illustrated by a movement along the supply curve which is often referred as a change in quantity demanded.

Equilibrium Curve of Coca-Cola.

quantity demanded	quantity Supplied	price
1750	500	0.5
1500	750	1
1000	1000	1.5
900	1250	1.75
700	1500	2
500.	1750	2.5



Equilibrium is the point at which at a particular price both quantity demanded is equal to quantity supplied.

From above diagram, we can see that at a price of \$1.50 both quantity demanded and quantity supplied are equal at 1000.

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Shifts in Demand Curve:

Price is not the only factor that determines how much of a good people will byy. There are other factors affecting demand and any change in any other determinants other than price causes change in demand and a shift in the demand curve.

Factors affecting shifts in demand curve:

Income: Coca-Cola being a normal good, the demand for Coca-Cola will increase with increase in the income of the consumer & price of Coca Cola remaining constant.

Price of Substitutes: Demand of Coca-Cola is affected by price of substitute goods (eg. pepsi). If price of Coca-Cola rises drastically from £12 to £20, price of other substitutes remaing constant, people will reduce their demand for Coca Cola & their demand will increase for substitute goods & vice-versa.

Price of complementry: If there is an increase in price of complementry goods like KFC there will be a decrease in the demand of cocacola which in turns lead to the left decrease in demand & vice versa.

Taste and preferences- If consumers have a very strong preference for Cota-Cola, their demand for it will remain unaffected even with a rise in the price of Coca Cola.

Demographic population of country: Demographic population of the country refers to the distribution of population in terms of age. If the population of the country is more of middle aged people, youth and kids then the demand for Coca-Cola will increase & vice versa.

Time: Time is an important factor that affects the demand of Coca-Cola. For example, the demand for Coca-Cola will increase during festive seasons & summers.

Shifts in Supply Curve:
Supply is not only determined by price. The other factors influcencing the supply of a product causes change in supply.
Factors affecting Shifts in Supply:
Cost of production: If there is an increase in the prices of inputs such as flavor, sugar, Caffeine, there will be an increase in the cost of production of the product and supplier tends to produce of the product which leads to decrease in supply.

Technology: Any improvement in the techniques of production used by Coca-Cola would lead to decrease in the cost of production & hence supplier would be willing to supply more & the quantity supplied will increase.
Number of cunsumers: If the number of consumers for cocacola is large then the

company will supply for of it.

Conclusion:

From this study, we come to know that the change in price of coca-cola can lead to change in its demand & supply & also other factors such as, price of substitute goods, complementry goods, taste & preference of consumer, etc affect demand of Coca-Cola & change in price of Cost of production, technology etc leads to change in supply of coca-cola.

BRIHAN MAHARASHTRA COLLEGE OF COMMERCE

NAME : GAYATRI D. TODKAR

SUBJECT : ECONOMICS

DIV : A ROLL NO : 42

TOPIC : SUPPLY OF JIO PRODUCTS BY RELIANCE RETAIL

JIO PLATFORMS

- INTRODUCTION
- JIO PLATFORMS LTD. is an Indian technology company and a subsidiary of Reliance Industries Limited.
- Established in 2019, the company owns India's largest mobile network operator Jio and other digital business of Reliance.
- On 8 may 2020, Jioplatforms was reported ~~to~~ be the fourth largest Indian company by market capitalization.
- Since April 2020, Reliance Industries has raised ₹ 152,056 crore (US$ 21b) by selling 32.97% equity stake in Jio platforms.
- In may 2020, private equity firm Silver Lake Partner's obtained a 1.15% stake with a ₹ 56.5575 billion investment in the company.
- In June 2020, Emirati Sovereign Fund Mubadala confirmed that it would acquire a 1.85% stake in the company for ₹ 90.936 billion.

BUSINESS

- Jio, telecommunications and brodband services
- Jio Apps
  - My JIO
  - JIO TV, live TV streaming app, launched on 5 september 2016
  - Jio Cinema, video-on-demand app
  - Jio Saavn, an online music streaming service
  - Jiochap, messging app
  - Jiomeet, video-conferencing platform.
  - JioPages, web browser
  - JioSwitch, file sharing app
  - JioNews, newspaper and magazine app
  - JioHome, mobile remote control for JIO set-top box
  - JioGate, apartment security app
  - JioCloud, cloud storage services
  - JioSecurity, security app
  - JioHealthHub, health companion
  - JioPos Lite, Jio recharge commission earning app.
  - JioGameslite, online Gaming
- JIOmoney, digital currency and payments services.
- JIOMart, online grocery delivery services

- ## ACQUISITIONS AND INVESTMENTS

Reliance India Limited has acquired or invested in several companies, which are now under Jio platforms.

Name	Type	Amount
Haptik	AI-based conversational Platform	US $100 million
Embibe	AI-based educational Platform	US $180 million
Radisys	Telecommunication technology	US $75 million
Reverie language techno. ltd.	Vernacular chatbot & speech technologies	US $35 million
Grab-a-Grub	Delivery services	US $30 million
Fynd	Analytics	US $15 million
Easy Gov	Citizen convenience services	US $10 million

- ## HEAD COMPAY : RELIANCE RETAIL

- Reliance Retail is an Indian retail company, a subsidiary of Reliance Industries Limited.
- Founded in 2006, it is the largest retailer in India in terms of revenue. V Subramaniam is the CEO of the venture. It's retail outlets offer foods, groceries, apparel and footwear, lifestyle and home improvement products, electronic goods, and farm implements and inputs.
- It had a total of 11,784 stores in April 2020 in India with the area of over 28.7 million square feet across more than 7000 towns and cities, with yearly revenue of over ₹ 162 billion ($ 23 bn US).
- Reliance Retail has build the largest distribution reach for devices in India.
- Reliance Retail offers a wide range of 4G LTE smartphones and 4k TVs under its own brand 'LYF'. LYF range of smartphones with superior features like voice over LTE (VOLTE), Voice over Wi-Fi (VOWI-FI), HD Voice and HD quality video calling enables users to experience a new digital life.

• SUBSIDIARIES AND DIVISION

NO.	Name	Note
1	Reliance Fresh	Reliance outlets of fruits, vegetabl-es and groceries.
2	Reliance Smart	Reliance Smart offers a one-stop shopping experience by offering fresh produce, bakery, dairy products, home and personal care products, general merchen-dise, fruits, vegetables and groceries.
3	Reliance Digital	Consumer electronics retail stores. It had 689 stores in oct. 2014.
4	Reliance LYF	4G mobile headset manufacturer based in mumbai, founded in 2015.
5	Reliance Jewels	Jewelry retail; it had revenues of about ₹8 billion in financial year 2012-13.

6	Reliance Trends, Trends Footwear & Reliance liv.	Apparel and clothing. It had revenues of about ₹16 billion in financial year in 2012-13 with a store count of 287.
7	Reliance market and Reliance market wholesale Cash-n-carry	It had revenues of about ₹1.6 billion in financial year 2012-13
8	Ajio	E-commerce, fashion shopping website, officially launched at the Lakme Fashion Week SS 16.
9	Hamleys	Hamleys, one of the oldest and largest toy retailers in the world, was acquired by Reliance Retail in 2019.
10	JioMart	Jiomart is the e-commerce venture of Reliance Retail that provides grocery delivery from neighbourhood kirana stores. It operates in 200 cities in India and was started as a Joint venture

OBJECTIVES

- To study the aspects of Reliance Retail limited.
- To gain the knowledge about Jio Platforms.
- To understand the demand and supply of Jio products in India.
- To study the factors affecting demand and supply of Reliance Retail limited as well as the Jio Platforms.
- To study different products supplied by Jio platforms. As well as to study the services given by Jio Platforms to their customers.
- To determine the supply factors essential for increase in demand and at the same time to increase the profit.
- To determine the elasticity of supply as well as the type of elasticity of supply.

- # SUPPLY

- ## PLANNING AND MARKETING

➤ Reliance Jio Infocomm Limited revolutionised the telecom sector. The scenario of Indian telecom market. The scenario of Indian telecom market before Jio earned it was:
- There were more than 1 billion mobile users in India, out of which only 34% were connected to the internet.
- only 12% from these 1 billion used 3G data or above.

➤ Then came Jio which took the market by offering data centric plans and free promotional data.

➤ The success of Jio can be mainly attributed to its clear operational planning which can be summarised into five distinct steps:

1 step one: Undercut the market price by giving attractive discounts and free promotional data.

2. Step two: Let everyone switch to ~~one~~ Jio or at least buy a Jio sim to experience data for free.
3. Step three: Unleash the power of fibre option network to give superfast internet and make people realise that 1 GB data is not really much
4. Step Four: Grow your subscriber base by having good consumer care and awesome plans.
5. Step Five: Recover your investment using the large number of users accumulated.

➤ Once the fibre optic network is laid down, the cost of operating is not very huge. On the contrary, the network can be minimal cost; therefore the only focus was to get more internet users. If 60% of people in India use 1 GB internet per month then Jio can recover the initial investment in 3 years. The company also plans to rake in profits from its mobile apps which include variety of services which are described in subsequent sections

• FACTORS AFFECTING SUPPLY

PEST analysis (Political, economic, socio-cultural and technological) describes a framework of macro-environmental factors used in the environmental scanning component of strategic moment. It is a tool for understanding market growth or decline, business position, potential and direction for operations. PEST can help you identify significant changes in the political, economic, social and technological landscapes.

1. Political Factors:

TRAI frames the rules and regulations for telecom industries. The rapid growth of Jio made the competitor to disturb the schemes and offers of Jio. The TRAI came under sharp criticism from the rest of the telecom industry for allowing RIL to test the connectivity of its network for 253 days. TRAI regulation says being found guilty of predatory pricing could lead to a penalty of Rs 50 lakh per circle. This prevents

Jio from further slashing prices. Jio has always tried to link the growth of Jio with the government's Digital India Initiative. Favouritism from the part of government had always been in the news. TRAI has also imposed fines on Jio for slipping on various service quality benchmark.

2. Economic Factors :

In the current economic situation it is very difficult to run the business in the telecom industry as already there is a large number of network operators but Jio is providing free services with minimum changes to its services like call rate, minimum price of their products. Due to all such stuff, Affordable smartphones has become popular in rural areas.

3. Social factors :

Jio mainly focuses on millenials who are active on various networking platforms and have made them addicted to data. Their pricing schemes and advertising strategies mainly

attract the Indian middle class and youth. There have been an overwhel-
-ming response from young people. The growth in subscription and data consumption are all proof of Jio's transformative social power.

4. Technological Factors:

The advanced 4G technology has been adopted by Jio at a cheaper rate. They are the leader in the 4G market. This is supported by Voice over LTE which makes it scalable and supportive of 5G and 6G technologies which are expected to be the future in wireless communications. Technology upgrada-
-tions are fast and capital intensive. Telecom sector is witnessing 5G and 6G upgradati-
-ons.

CONCLUSION

Reliance Jio Infocomm Limited, known as Jio, is an Indian mobile network operator. owned by Reliance Industries and headquarted in mumbai, Maharashtra, it operates a national LTE network with coverage across all 22 telecom circles. Jio does not offer 2G or 3G service, and instead uses voice over LTE to provide voice services on its network. The launch of Reliance Jio has caused a revolution of telecom industry. Now, Jio claims to be the world's largest data network, base on mobile data consumption.

In this project, a complete analysis of the upcoming of Jio and its sudden success story was looked into. The organizational structure, Planning and Marketing strategy, Staffing and recruitment, SWOT, PEST analysis, Promotional strate-gy, the impact of coming of Jio, Govt. policies, controverseis surrounding Reliance Jio, its ventures, Collabo-rations and future projects were discussed in detail.

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MONOPOLISTIC COMPETITION

By Bhakti Udaykumar Pandav

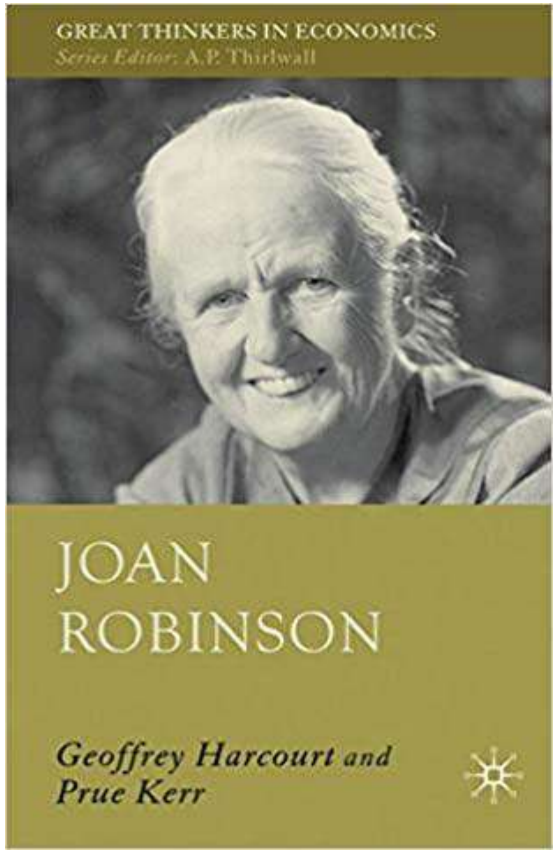
Introduction

- Monopolistic competition characterizes an industry in which many firms offer products or services that are similar, but not perfect substitutes. Barriers to entry and exit in a monopolistic competitive industry are low, and the decisions of any one firm do not directly affect those of its competitors

Facts

- Monopolistic competition as a
  market structure was first identified in the 1930s by American economist

Facts



Mr. Edward Chamberlin

Features

- Large Number of Sellers: There are large numbers of firms selling closely related, but not homogeneous products. Each firm acts independently and has a limited share of the market. So, an individual firm has limited control over the market price. Large number of firms leads to competition in the market.

Features

- **2. Product Differentiatio**
- Each firm is in a position to exercise some degree of monopoly (in spite of large number of sellers) through product differentiation. Product differentiation refers to differentiating the products on the basis of brand, size, colour, shape, etc. The product of a firm is close, but not perfect substitute of other firm.

Features

- **3. Selling costs:**
- Under monopolistic competition, products are differentiated and these differences are made known to the buyers through selling costs. Selling costs refer to the expenses incurred on marketing, sales promotion and advertisement of the product. Such costs are incurred to persuade the buyers to buy a particular brand of the product in preference to competitor’s brand. Due to this reason, selling costs constitute a substantial part of the total cost under monopolistic competition.

Features

- **4. Freedom of Entry and Exit:**
- Under monopolistic competition, firms are free to enter into or exit from the industry at any time they wish. It ensures that there are neither abnormal profits nor any abnormal losses to a firm in the long run. However, it must be noted that entry under monopolistic competition is not as easy and free as under perfect competition.

Features

- **5. Lack of Perfect Knowledge**
- Buyers and sellers do not have perfect knowledge about the market conditions. Selling costs create artificial superiority in the minds of the consumers and it becomes very difficult for a consumer to evaluate different products available in the market. As a result, a particular product (although highly priced) is preferred by the consumers even if other less priced products are of same quality.

Features

- **6. Pricing Decision:**
- A firm under monopolistic competition is neither a price- taker nor a price-maker. However, by producing a unique product or establishing a particular reputation, each firm has partial control over the price. The extent of power to control price depends upon how strongly the buyers are attached to his brand.

Features

- **7. Non-Price Competition:**
- In addition to price competition, non-price competition also exists under monopolistic competition. Non-Price Competition refers to competing with other firms by offering free gifts, making favourable credit terms, etc., without changing prices of their own products.

That’s all!

Bhakti Udaykumar Pandav

Roll no. 193

Div. B

Brihan Maharashtra College of Commerce

Full Name	-	Nikya Ann Joy
Class	-	FY Bcom
Division	-	B
Roll no	-	
Topic	-	A study of demand for Agricultural product

Economics Assignment

Ice Cream

Introduction

Ice cream is a sweetened frozen food typically eaten as a snack or dessert. It may be made from dairy milk or cream and is flavoured with a sweetener, either sugar or an alternative, and any spice such as cocoa or vanila.

The Ice cream company I choosed here is Baskin-Robbins.

Founders- Burt Baskin and Irv Robbins

i) Burt Baskin
Burt Baskin was an American businessman who co-founder the baskin-Robbins ice cream parlor chain in 1946 with business partner and brother-in-law Irv Robbins.

ii) Irv Robbins
Irv Robbins was a Canadian born American businessman. He co-founded the baskin-Robbins ice cream parlor chain 1945 with his partner and brother-in-law Burt Baskin.
Irv Robbins grew up working in his father's ice cream parlor and as a young man he went into the ice cream business with his brother in law.

Baskin-Robbins

Baskin Robbins is an American chain of ice cream and cake speciality shop restaurants. Its parent company is inspire Brands. Based in Canton, Massachusetts, Baskin Robbins was founded in 1945 by burt baskin and Irv Robbins in Glendale, California. It claims to be the world's largest chain of ice cream speciality stores, with more than 8000 locations, including nearly 2500 shops in the United States and over 5000 in other countries. Baskin-Robbins sells ice cream in nearly 50 countries. The company is known for its "31 flavor" slogan, with the idea that a customer could have a different flavour every month. The slogan came from the Carson-Roberts advertising agency (which later merged into Ogilvy & Mather) in 1953. Baskin and Robbins believed that people should be able to sample flavours for free until they found one they wanted to buy.

Various factors that influence the demand for the ice cream.

Based on recent surveys conducted and collected, there are few factors that affect the demand for purchasing icecream. These factors include the taste and preferences of the consumers, the prices, and also the different brands of ice creams available which consumer generally prefers.

i) According to the recent data collected, the main factor that affects the demand of ice cream purchase is the consumers taste and preference which amounts up to 58% of the pie chart. The results from the survey has shown that consumers tend to look at the types of ice cream before purchasing such as its flavor or whether they prefer to buy ice cream on cones, cups or stick. If a specific kind of ice cream meets the requirements and wants of the consumers, then they will tend to purchase more and therefore the quantity demanded will increase.

ii) Next higher factor which affects the demand of ice cream purchase is the price of the ice cream sold which consist of 22%. Consumers tend to be very sensitive to the price changes of ice cream and therefore they can only afford to buy ice creams which have reasonable and affordable prices. For consumer who have higher incomes, they are less price sensitive and so they wouldn't mind spending on ice creams which have slightly higher price to satisfy themselves whereas consumers with slighly less income who prefer to buy icecreams that are cheaper in price but still could satisfy their taste because they are more conscious of the price changes of ice creams.

3) Last but not least, the factor which affects the least demand of ice cream purchase is the brand of the ice creams. For consumers with high income, it would not be a problem for them splurge on luxurious ice creams such as Baskin Robbins and Haagen Dazs. However for lower income consumers, these branded ice creams are beyond their capability for them to purchase Therefore, they would opt for much cheaper ice creams that has almost similar quality and taste as the branded ones. Thus, when they cannot afford the branded ice creams, the demand for it would become lower

Substitutes of Baskin Robbins ice creams.

1) ~~Dairy Queen~~

Dairy Queen is one of the most recognizable ice cream shop brands in the world. And the company offers various flavours of icecreams that are preferred by many. Prices are based on locations and type of franchise

2) ~~Cold Stone Creamery~~

Cold stone Creamery offers a unique ice cream franchising concept that features a variety of flavors and toppings in a quick serve setting.

3) ~~Ben & Jerry's~~

Ben & Jerry's scoop shops feature iconic Ben & Jerry's flavors in a classic ice cream shop setting. The company offers different opportunities ranging from full shops to kiosks.

4) ~~Dippin' Dots~~

Dippin' Dots is famous for its "beaded" ice cream concept. And the company offers franchising opportunities for those interested in owning stores, kiosks or mobile concession businesses.

5) Rita's Italian Ice:

Rita's Italian Ice is a franchise business that focuses on flavoured ice rather than diary based ice cream, offering a differentiated product from most of the other businesses in the list.

Haagen-Dazs

Haagen-Dazs offers its own chain of ice cream shoppes in addition to selling its ice cream in stores.

7) Bruster's Real Ice cream

Bruster's Real Ice cream has been in business for 25 years and focuses on quality ice cream and sustainable growth for its franchisees.

8) Marble Slab Creamery

Marble Slab Creamery is an ice cream franchise that offers more than 75 flavor varieties and various mix ins.

Conclusion

Baskin Robbins is doing well with excellent quality offerings. It is categorized under monopolistic competition. For a better improvement, Baskin Robbins have to create more touch-point for the prospective customers to interact with the brand. The brand can position itself as a premium alternative to other mass market brands like Haagen, Dzas, Gelato Giulina, Ben and Jerry's etc. Also more ice cream parlour are created by maintaing its excellence ambience that would generate word of mouth, the most powerful form of positioning the brand.

Overall the consumer have a good satisfaction towards baskin Robbins ice cream.

It is possible to illustrate the number of times and the frequency of purchasing ice cream by consumers. The main factor that affects demand of ice cream purchase is the consumers taste and preferences, price and the brand of the ice cream. If a specific kind of ice cream meets the requirement and wants of the consumer, then they will tend to purchase more and the quantity demanded will increase. While for customers who tend to have higher incomes, they are less price sensitive which is inelastic demand and vice versa. From the recent final reports it is proved that Baskin Robbins ice cream is much better compared to lower ice cream as they look in to these factors such as price, taste and preference & brand.

Brihan Maharashtra College of Commerce
[AUTONOMUS]

Name :- Prajakta Dadasaheb Munde

Class :- FY. BCOM

Div :- 'E'

Roll No :- 567

Subject :- Economics

Topic :-
"Study on demand For
Coca-Cola"

DATE / /

ASSIGNMENT NO : 1

"STUDY OF DEMAND FOR COCA-COLA"

★ Coca-Cola :-

The coca-cola is an american multinational beverage corporation incorporated under Delware's general corporation law and headquartered in Atlanta, Georgia. The coca-cola company has interested in manufacturing, retailing and marketing of nonalcholic beverage concentrates and syrups.

The company has interested in the manufacturing The company produces Coca-cola, invented in 1886 by pharmacist John stith pemberton. In 1889, The formula and brand were sold $2,300 to Asa Griggs Candler, who incorporated The Coca-Cola company in Atlanta in 1892

Type :- Public
Industry :- Beverage
Founded :- January 29, 1892 (128 years ago)
Founder :- John Pemberton / Asa Candler
Area served :- World wide
Number of employees :- 86, 200 (2019)

DATE / /

★ About coca-cola beverage :-

Leading daily co-operative. coca-cola co-operative beverage marketing Fedration Ltd. which markets the popular cola products inaugurated to a 1,00,00,000 litter per day world wide manufacturing capacity at its all branch facitiy with an invenstment of huge amount.

In July 1886, John stith pemberton from columbus, Georgia invented the original coca-cola drink, which was advertiesed as helpful in the relief of headache to be placed primarily on sale in drugstores as a medicinal beverage. Pemberton continued mixing experiment and reached his goal during the month of may, the new product as yet unnamed nora carbonated drink, was ready for the market and was available for sale.

Robinson chose the name coca-cola because of its two main ingredients (coca leaves and kola nuts) and and because it sounded like an alliteration. John pemberton had taken a break and left robinson to make and promote, as well as sell coca-cola on his own. He promoted the drink with the limited budget that he had, and succeeded.

Coca-cola's first ad read 'coca-cola. Delicious! Refreshing! Exhilarating! Invigorating!" candler was one of the first businessman to use merchandising in his advertising statergy.

★ Objective of topics :-

A] To know awarness of people towards coca-cola beverage.

B] To know the preference of coca-cola products with comparison to other competetive beverage products.

C] To know The factors that affects customers buying behaviour.

D] Ideas about to increase the sale of coca-cola product.

E] Understanding and knowing different types of sub-products manufactured by coca-cola.

F] To study various factors that is influencing lot of people's / customers positivity

G] Analysing the data of coca-cola beverge in various aspects

DATE / /

★ Product Feature :-

According to coca-cola's Annual report, it had sold beverage products in more than 200 countries that year. The report further states that of the more than 50 billion beverage serving of all types consumed worldwide, daily, beverages bearing the treadmarks owned by or licensed to coca-cola for approximately $1.5 billion.

It is carbonated softs drinks. Coca-cola is part of one of the best beverage. uplifting refreshment; great taste; goes well with food.

The coca-cola brand represents qualities such as caring, sharing, connecting, integrity and excellence.

★ Competitors of Coca-cola brand :-

1] Pepsi
2] Red bull
3] Diet coke
4] Fanta
5] Gatorade
6] Dr. Pepper
7] Mountain dew
8] Lipton
9] Nescafe
10] Tropicana

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★ ABout Competitor :-

A) Tropicana :-

Tropicana is juice brand competitor of coca-cola, compare to coca-cola it has less sugar and lots of natural elements to boost your immune system?

This is what is happening in the market and hence tropicana's range of natural juices is strong rising as a go to drink for people who don't want caffeinated or carbonated beverage.

Hence tropicana is tough competitor of coca-cola company.

★ Flavors of coca-cola :-

1. Coca-cola cinnamon
2. coca-cola cherry
3. cherry vanilla
4. orange vanilla
5. coca-cola vanilla
6. coca-cola cherry zero sugar
7. cherry vanilla zero sugar
8. orange vanilla zero sugar
9. vanilla zero sugar
10. zero sugar drink.

KOLORS

* Marketing mix :-

The relationship between dimensions of brand equity and 4ps marketing mix that is product, price place and promotions are examined in this paper. Questionnaire was self designed and administered personally. Findings showed that there is significant relationship between dimensions of brand equity and 4ps of marketing mix.

* Marketing Shares of bevarage brands :-

A] Nestle	42,115
B] The coca-cola	37,266
C] Pepsico	30,894
D] Heineken	25,782
E] Diageo PLC	23,815
F] Star bucks	23,442
G] Dr. Pepper	11,120
H] Molson coors	10,579
I] Pernod Ricard	9,959
J] Unilever Group	9,443

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★ Views on demand of coca-cola :-

Between all the companies coca-cola is holding the large portion ie. 40%. of market share in india. It is the most loved and prefered beverage brand in india with variety of Flavourse and types in its product. coca-cola is able to keep its market share consant and increasing it. because of its continuing demand and satisfaction of its customers.

★ Conclusion :-

① Trend of buying showed the willingness and prefrences of customers towards coca-cola.

② We have learnt about the demand and various types of Flavours which coca-cola produce.

③ Compoging the demand of coca-cola with different brands of bevarage in india.

④ Product Feature of Coca-Cola helps it to increase its demand day by day.

Page No.:
Date:

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A study of market structure. of

Monopolistic Competition.

* Characteristics or Features of Monppolistic Competition Market.

1) Large Number of Buyers and sellers.

Under Monopolistic Competition there are more sellers than a monopoly but less number than a Perfect Competition ideal market.

That means each firm can control its price output policy to some extent. It is also assumed that any price-output policy of a firm will not get reaction from other firms that means each firm follows the independent price policy.

2) Free entry and Exit of firms.

Like Perfect Competition, under monopolistic competition also, the firms can enter or exit freely. The firms will enter if the existing firms are making super-normal ~~fro~~ profit. With the entry of new firms, the supply would eventually increase which would reduce the price and hence the existing firms will be left with only normal profits. Similarly, if the existing firms are suffering losses the marginal firms may tend to leave or exit the market. It will reduce supply due to which price would rise & existing firms will be left with normal profit only.

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3) Product Differentiation :-

Anothe feature of Monopolistic competition is the product differentiation. Product Differentiation refers to a situation when the buyers of ~~different~~ product differentiate the product with others.

Basically, the products are not altogether different but they are slightly different from others. Although each firm producing differentiated product has the monopoly of its own product, yet he has to face the competition. This product differentiation may be real or imaginary. Real differences are like design, material used, skill set, etc. whereas imaginary differences are through advertising, trade mark and so on.

4) Selling cost :-

Another feature of the monopolistic competition is that every firm tries to promote its product by different types of expenditures. Advertisement is the most important constituent of the selling cost which affects demand as well as cost of the product. The main purpose of the monopolistis to earn maximum profits; therefore he adjusts this type of expenditure accordingly in the price of product.

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5) Lack of Perfect knowledge:-

The buyers and sellers do not ~~do~~ have perfect knowledge of the market. There are innumerable products each being a close substitute of the other. The buyers do not know all these products, their qualities and prices.

Therefore, so many buyers purchase a ~~g~~ product out of a few varieties which are offered for sale near there place. Many a-times buyers don't know where the product is available or what else products exist. Similarly, the seller doesnot know the exact preference of buyers and is therefore unable to get advantage out of the situation.

6) Less Mobility :-
Under monopolistic competition both the factors of production as well as goods and services are not perfectly mobile.

7) More elastic demand:-
Under monopolistic competition, demand curve ~~in~~ is more elastic. In order to sell more, the firms must reduce its price.

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- In monopolistic competition many of the Firms compete with each other but at the same time sell the products which ~~the~~ are distinct with that of the product of competitors in some or the other way.

- Since monopolistic competition exists in multiple industries or markets, so all examples can be provided. So, some of the examples of monopolistic competition are given below explaining different situations.

* Examples of Monopolistic Competition.

- 1) Fast food Company.

Fast food companies like MCDonald and Burger King, who sells the burger in the market are the most common type of example of monopolistic competition. The two companies mentioned above sell an almost similar type of product but are not substitute for each other. Now which product the particular consumer likes the most and of which company totally depends on him. Apart from the burger, other products are also sold by these companies like French fries, soft drinks, fast foods, etc. All these products of the mentioned companies are of similar nature but there is no Congruency between the products sold by
&

the two as each one has slightly different shape and taste. This is the monopolistic structure.

2) Hairdresser.

The service provided by the hairdressers in the market provideds one of the most famous types of the example of the monopolistic competition. There are certainly lot of hairdressers and each of the hairdressers has a slightly different type of skill and thus each one of them sells a slightly differentiated product to the consumer in the market. Also, they have different premises situated in a differentiated location where they provide the services. These things differentiate the product in the eyes of the consumers. The hairdressers service is not a big chain industry and thus keeps them away from the more oligopolistic market structure.

The prices offered by the hairdresser will depend on the services offered by them and its uniqueness. The uniqueness gives the power to charge more amount. Thus it is the service that gives reputation to the firms. Also relatively there is a low barries for exit and entry for setting up a new hairdresser shop, this is an important feature of the monopolistic structure.

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3) Bakery Shop :-

There are certainly a lot of bakeries in any town and each one of them sells a slightly differentiated product to the consumer in the market. But if in a particular area of the town there exists only one bakery then it can demand a slightly higher amount of price for its products.

If the bakery provides best quality products in the town then it can increase the prices, for their superior product. Also relatively there is a low barrier for entry and exit which is one of the important features of the monopolistic structure. Also relatively there is low barrier of exit and entry in this type of business which is the important feature of monopolistic competition market.

4) Running shoes market :-

There are number of brands, if one is searching for shoes like Adidas, ASICS, Nike, etc. The market of running shoes looks to be in full competition on one hand as there are many brands at present competing with each other as there are low barriers to entry and exit.

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* Conclusion to study on examples of types and few real firms in Monopolistic Competition Market :-

- Thus monopoly is the industry or the sector which combines the elements of both monopoly and the competitive markets. There is freedom to the players to enter and exit from the market along with offering the differentiated products which can't substituted or be substituted by other products

  Therefore they can maintain prices of their product or the services that they offer on their own. In case of the industry or market where firms are seen making super normal profits and monopolistic competition exists, the new firms will be encouraged to enter the market, as there is freedom of entry in the market, which in long run will lead to normal profits.

- Thus above mentioned study of examples explains about Monopolistic Competition market.

Submitted by Atharva Shiurkar

TYBCA ROLL NO. 4

DATE OF SUBMISSION: 7 JAN 2023

INTERNATIONAL RELATIONS ASSIGNMENT

Q.1 Why didn't India join RCEP? What can be the possible repercussions?

The RCEP (Regional Comprehensive Economic Partnership) was first proposed at the 2011 ASEAN Summit in Bali, Indonesia, and formal discussions began at the 2012 ASEAN Summit in Cambodia. India was invited to join the group at any moment after taking part in the early negotiations but later opted-out.

The following is the purpose of the Regional Comprehensive Economic Cooperation (RCEP):

- The RCEP intends to create an integrated market with 16 nations, making it easier for each of these countries' products and services to be available throughout the region
- Trade-in goods and services, assets, intellectual rights, dispute settlement, e-commerce, small and medium-sized businesses, and economic cooperation are all on the table

China was the single most important factor for India's reluctance to join the RCEP (Regional Comprehensive Economic Partnership) among the economic reasons stated. As a result of the Covid-19 pandemic and the ongoing border standoff with China, New Delhi has chosen not to join any trade agreement, including Beijing. It is no secret that China's participation in the RCEP is well aligned with Beijing's market imperialist objectives for the Belt and Road Initiative. India was concerned that the accord would be turned into a free trade agreement with China through the back door, maybe via other nations, which is one of the reasons New Delhi is currently examining several regional FTAs. One of India's key concerns was the threat to local manufacturers posed by the RCEP's abolishing tariffs, which it feared would open its markets to a flood of imports. New Delhi was particularly concerned about the risk of circumvention of origin laws due to tariff differentials and the inclusion of a fair accord to resolve trade deficits and service openness. The worry is apparent, as existing trade agreements and tariff liberalisation initiatives have resulted in low-cost imports and a wider range of low-cost goods. India's indigenous sector has been unable to compete with imports over the last 15 years, as seen by the rise in import demand. As a result, foreign products have infiltrated the domestic market, particularly in the industries of edible oil processing, autos, electronics, communications, and white goods. Experts have warned that the RCEP might harm India's massive dairy industry since Australian and New Zealand farmers could flood Indian markets, killing mostly unorganised and inefficient small-scale Indian producers A mega-trade deal like the RCEP, if India's industry had been competitive enough, would have provided a barrier-free regional market for their products, promoting "Make-in-India." The agreement would have reduced import levies on 80% to 90% of items and simplified service and investment requirements.

The main consequence of India not joining the Regional Comprehensive Economic Partnership (RCEP) is that it will be left out of the world's largest free trade agreement, which covers about 30% of the global economy. This could potentially limit India's access to the global market and hinder its ability to compete in the global arena. India's exclusion from the trade bloc could also lead to higher trade barriers, which could limit the exports of Indian goods and services and reduce economic growth. Additionally, India may miss out on potential benefits such as preferential access to certain markets and increased investment opportunities.

Q.2 The United Nations Security Council and whether veto power should be abolished

The United Nations Security Council veto power is the power of the five permanent members of the UN Security Council (China, France, Russia, the United Kingdom, and the United States) to veto any "substantive" resolution. They also happen to be the nuclear-weapon states (NWS) under the terms of the Treaty on the Non-Proliferation of Nuclear Weapons. However, a permanent member's abstention or absence does not prevent a draft resolution from being adopted.[1] This veto power does not apply to "procedural" votes, as determined by the permanent members themselves. A permanent member can also block the selection of a Secretary-General, although a formal veto is unnecessary since the vote is taken behind closed doors.

The issue of whether veto power should be abolished from the United Nations Security Council is a complex and controversial one. Supporters of the veto argue that it is essential in order to prevent any one state from dominating global decision-making. In particular, it can protect the interests of small and vulnerable countries, who may be disadvantaged in negotiations between powerful states if the veto is not in place. On the other hand, opponents of the veto point out that it can be used to block important initiatives and resolutions, even if they have the support of the majority of states. They also argue that it can be used to protect states that are in breach of international law. Ultimately, the decision to abolish the veto power rests with the members of the United Nations Security Council. However, it is clear that this is an issue that should be addressed at the international level, since it has significant implications for global decision-making and international law. As such, any decision to abolish the veto should be made through a transparent and inclusive process that takes into account the views of all states, regardless of their size or power.

Two other issues in the deliberations over the design and scope of the United Nations concerned the voting mechanisms and the distribution of power within the organization. Some experts, notably Grenville Clark, counsel to the Secretary of War, Henry Stimson, had argued for a system of weighted voting, with voting power linked to some objective criteria, such as population size, trade flows, levels of defense spending, and the like, to take into consideration the huge disparities in size and economic heft of the membership. This was not accepted and, in the end, as is well known, the General Assembly was established based on the principle of one-country-one-vote. Weighted voting was, however, adopted at the Bretton Woods United Nations Monetary and Financial Conference of July 1944, bringing into being two institutions, the International Monetary Fund and the World Bank.

Related to concerns over the voting mechanism, was the perception that a Security Council in which the five permanent major power members had veto power—France was included in 1945—and that the UN would turn into an imperialistic organization in which the permanent members of the Council would be, de facto, running the world. The veto itself was perceived by many as undermining the democratic legitimacy of the organization, a practice that could not be defended on the basis of any principle of just governance. Non-permanent members of the Security Council accepted to be limited by a two-thirds majority, whereas the permanent members accepted no such constraints. More importantly—and with huge practical and political implications—some argued that a system was being created in which the organization would not be able to deal with problems and/or conflicts between the major powers or between a major power and a smaller country.

If it is not abolished it will not only hamper the organization in its effort to remain faithful to its noble founding principles, but it will ultimately corrupt its remaining moral authority without which it cannot hope to remain relevant in an interdependent world.

Deccan Education Society's

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Academic Year – 2022-23

SUB- International Relation Credit Course

Sr. No.	Name of Student	Div.	Roll No.	Semester
1.	Kaustubh Kiran Shete	E	567	5

Topic 1- Why didn't India join RCEP? What can be the possible repercussions?

- ## What is RCEP?

The Regional Comprehensive Economic Partnership (RCEP) is the world's largest free trade agreement comprising 15 Asia-Pacific nations, viz, Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar, Cambodia, Japan, South Korea, China, Australia, and New Zealand. The new tariff regime will kick in from 2022 and will see duties go back to 2014 levels.

The RCEP negotiations were launched by leaders from 10 Asean member states (Brunei Darussalam, Cambodia, Indonesia, Loas, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam) and six Asean FTA partners (Australia, China, India, Japan, Korea, and New Zealand) during the 21st Asean summit in Phnom Penh in Cambodia in November 2012.

The agreement allows for common one set of rules of origin to qualify for tariffs reduction with other RCEP members. This means less procedures and easier movement of goods. That should encourage multinational firms to invest more in the region, including building supply chains and distribution hubs.

- ## Why didn't India join RCEP?

The present form of the RCEP Agreement does not fully reflect the basic spirit and the agreed guiding principles of RCEP. It also does not address satisfactorily India's outstanding issues and concerns. In such a situation, it is not possible for India to join RCEP Agreement. One of the major issues India had been a potential threat to local producers as it believed that elimination of tariffs under RCEP would open its markets to a flood of imports. There several other issues related to RCEP which are as follows:-

i) Trade Deficit:

In the financial year 2019, India registered a trade deficit with 11 out of the 16 RCEP countries. India's deficit with RCEP countries stood at around $105 billion, out of which China alone accounted for $52 billion. At present, India has 20% of all its exports to the RCEP countries and receives 35% of all imports from them.

ii) Inadequate protection against dumping:

There are concerns related to the dumping of cheaper goods such as dairy and farm products, and electronic items, especially from China. The RCEP deal format required India to abolish tariffs on quite 70% of products from China, Australia, and New Zealand, and nearly 90% of goods from Japan, South Korea, and ASEAN. This would have made imports to India, cheaper.

iii) Market access:

India did not receive any assurances on its demand for more market access and its concerns over non-tariff barriers. RCEP participants like China are known to have used non-tariff barriers within the past to stop India from growing its exports to the country.

iv) Base year concern:

India had sought to safeguard the interests of its domestic industry through measures like seeking a 2014 base year for tariff reductions instead of 2013, when negotiations on RCEP began, as it has raised import duties on several products between 2014 and 2019.

Using a base year before 2014 would mean a drastic drop in the import duties on these products.

v) Concerns in the Agricultural Sector:

RCEP will permanently bring down import duties on most agricultural commodities to zero which can cause countries looking to dump their agricultural produce in India which might cause a drastic drop in prices. Spices, chiefly pepper and cardamom, and coconut would face dumping from the South Asian spice majors. Sri Lanka is already giving a tough time to Indian spice growers.

vi) Dairy Sector:

New Zealand is the second-largest exporter of milk and milk products. New Zealand's milk producers are more efficient than India's small producers. Both Australia and New Zealand are expecting free access to India for his or her dairy products.

vii) Services trade:

India has "long pushed for other countries to permit greater movement of labour and services" reciprocally for opening up its own market. Any agreement on trade goods without simultaneous agreement on services trade and investment will only harm India's interests. The ITA was established through a Ministerial Declaration on trade Information Technology Products which was concluded on 13 December 1996 at the WTO Singapore Ministerial Conference.

viii) Concern related to China:

The RCEP is seen to be China-centric and is expected to elevate its economic and political influence in the region. India has an unfavourable trade deficit with China. While China's share in India's imports is roughly 14%. India's exports to China are a meagre 5% of its exports to the rest of the world. The unfavourable trade balance is further compounded by the composition of exports and imports. While India's exports to China mainly consist of primary products like ores, minerals, and agro-chemicals, imports from China consist of high-value items like capital and manufactured goods like machinery and engineering goods. An FTA has the potential of giving disproportionate gains to China. India's exports to China are different from its exports to the rest of the world 75% of its export basket comprises manufactured goods, of which engineering goods' share is 24%.

ix) India's experience with FTAs:

India has a trade deficit with most RCEP countries. While India serves as a huge market for its trading partners, its industries do not stand to gain materially from the trade deal. India has entered into numerous bilateral and regional trading agreements over the years, it currently has preferential access and FTAs with about 54 countries and Comprehensive Economic Cooperation Agreements (CECA)/FTAs with around 18 countries.

• What can be the possible repercussions?

i) Relation with member nations:

- India's decision would impact its bilateral trade ties with RCEP member nations, as they may be more inclined to focus on bolstering economic ties within the bloc.
- The move could potentially leave India with less scope to tap the large market that RCEP presents —the size of the deal is mammoth, as the countries involved account for over 2 billion of the world's population.

ii) Other deals:

- Given attempts by countries like Japan to get India back into the deal, there are also worries that India's decision could impact the Australia-India-Japan network in the Indo-Pacific.

- It could potentially put a spanner in the works on informal talks to promote a Supply Chain Resilience Initiative among the three.

iii) Missing opportunity:

- India's stance on the deal also comes as a result of learnings from unfavourable trade balances that it has with several RCEP members, with some of which it even has FTAs.
- An internal assessment by the government has revealed that the growth in trade (CAGR) with partners over the last five financial years was a modest 7.1%.
- While "there has been growth rate in both imports from and exports to these FTA partners", the "utilisation rate" of FTAs both for India and its partners has been "moderate" across sectors, according to this study, which covers pacts with Sri Lanka, Afghanistan, Thailand, Singapore, Japan, Bhutan, Nepal, Republic of Korea, and Malaysia.
- India has trade deficits with 11 of the 15 RCEP countries, and some experts feel that India has been unable to leverage its existing bilateral free trade agreements with several RCEP members to increase exports.

Topic 2- The United Nations Security Council and whether Veto Power should be abolished

- ## The United Nations Security Council

United Nations Security Council or UNSC or simply security council is one among the six principal organs of the United Nations. It is the most powerful and influential UN Body and deals with International Peace. Founded on 24 October 1945, the first session of UNSC was held in New York on January 17, 1946.

After World War II, maintaining peace and friendship among the countries was a major challenge. So, to maintain world peace by addressing the fall of the League of Nations, the first session was held.

The main objective of the security council of the UN is to bring all countries of the world on one platform and recommend the admission of a new member to the United Nations General Assembly (UNGA). The founders of the UNSC are the International Court of Justice and 51 countries. A total of 15 members are part of the security council, of which five members are permanent. The five permanent members are the United States of America, the United Kingdom, Russia, France, and China.

Out of 15 members, ten members are non-permanent, so they keep changing from time to time. After a specific tenure, different countries get the status of a non-permanent member. The non-permanent members are selected among the member states of the United Nations General Assembly. A country is selected from every part of the world, but the main condition is that the country has to be a regional superpower and have great influence in that particular region.

- ## Functions of Security Council of UNO:

As UNSC is a powerful and decision-making body, it has several functions. Here are the functions of the security council of UNO.

- Maintaining international peace.
- Monitoring security conditions in various parts of the world.
- Solving conflicts and disputes between countries in a structured manner and without military action.
- Monitoring member states and use of their military power.
- Restricting countries or any other power indulging in an unnecessary show of power or aggression.
- Prevent threat of aggression through sanctions and various other ways.
- Be involved in solving disputes that can lead to international conflicts.
- To act against any illegal organisations or aggressors.
- Controlling and fighting terrorism.

- ## Powers of Security Council:

- **Sanctions Power –** Using this power, UNSC can put economic and other sanctions breaking the backbone of the country's economy. Also, sanctions on individuals make the individual helpless and under the radar of all member states.
- **VETO Power –** Though this power is given only to permanent members, a single VETO can affect the whole world. If any permanent member country uses VETO, the bill, draft or any type of document can't be passed, and a decision can't be made.

• Whether Veto Power should be abolished?

No. It's essential. It's also essential to understand that the UN Security Council is step one of the whole diplomatic processes. It's essential to identify the antagonists and the relevant issues relating to a conflict. The Security Council appears to Americans as a repeated failure. Yet if you examine the results of the issues brought before it, save for one salient issue plaguing the entire globe, those issues have eventually been resolved.

The exception of course is the Israeli-Palestinian conflict. That endures. Of course, it began before the UN was even created. The conflict dives into the world of religious bigotry, racism, irrational hatred, emotional dysfunction, and every bad aspect of humanity imaginable. Yet the diplomacy continues waiting for that gap, that opportunity, for peace to march through as the only real option.

The change I would like to see, is that any issue that has been vetoed, that a reference to the General Assembly be automatic and a vote of 75% can override a veto to the extent that it must be returned to the Security Council for a better resolution. I would also like to see that abstains are not allowed in the General Assembly. The countries that abstain should not be allowed to count their vote.

To further the independence of the UN, that it moves its headquarters to Gibraltar and instead of Britain losing the rock, and instead of winning the rock, that Gibraltar be the city of the UN much like Vatican City is the independent city of a global church or the District of Columbia, supports the Capital of the United States.

In this method, a sure conflict between Spain and the UK can be avoided. And a city dedicated to world peace at a famous historic location be allowed to evolve. A change of location, always influences the shape of the discussion necessary in dispute resolution.

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Oligopoly

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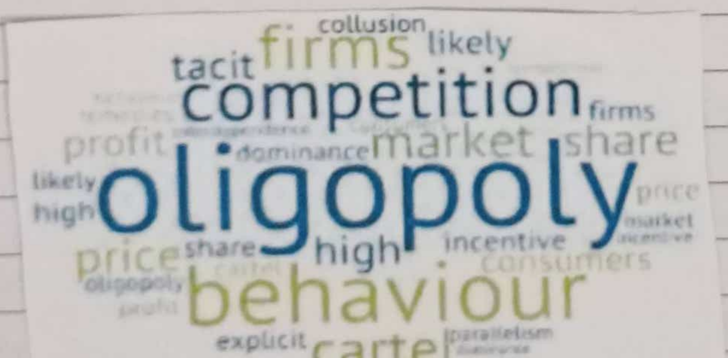
SUBJECT : ECONOMICS

DIVISION : A

ASSIGNMENT : 1 sem 2

WHAT IS OLIGOPOLY

An Oligopoly is a market characterized by a small number of firm who realize they are interdependent in their pricing and output policies. This Word is derived from the Greek word "oligo" (few) and "polo" (to sell). Market dominated by a few large firm i.e; Competition amongst the few. Oligopoly is a situation where a few large firm compete againt each other and there is an element of interdependence in decision making of these firms.



FEATURES OF OLIGOPOLY

★ Few Sellers: Small number of large firms compete

★ Product: Some industries may consist of firms selling identical product, while in some other industries firms may be selling differentiated product.

★ Entry Barriers: No legal barriers; only economic in nature.
1] Huge investment requirement
2] Strong consumer loyalty for existing brands
3] Economies of Scale

★ Oligopolistic firm is a price maker

★ eg of Differentiated → car, motorbike, T.V etc.

★ eg of Homogeneous → Petrol, Steel, Cement etc

Sundaram

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OLIGOPOLISTIC COMPETITION IN AIRLINE INDUSTRY

In an increasingly globalised economy air transport is a vital element of the country's transport infrastructure. The sector play an integral role in the development of the economy by facilitating the growth of business, tourism, with significant multiplier effect across the economy.

India is the 9th largest civil aviation market in the world. In FY17 domestic passenger transport traffic witnessed a growth rate of 21.5% India civil aviation market is set to become the world 3rd largest by 2022 & expected to the lagest by 2030.

Date __/__/__ Page __

★ Market Structure

1] Spice Jet

Market Share :- 13.2%
Passenger Load traffic :- 91.4%

2] Go Air

Market Share :- 8.9%
Passenger Load traffic :- 84.8%

3] Jet Airways

Market Share :- 15.4%
Passenger Load traffic :- 79.8%

4] Jet lite

Market Share :- 2.5%
Passenger Land traffic :- 79.2%

5] Air India

Market Share :- 13%
Passenger Land traffic : 74.6%

6] Indigo

Market Share :- 39.9%
Passenger Load traffic :- 81.6%

Market structure of the sector has changed over the last few decades. The sector has evolved from a market tightly controlled by the government with two air carrier services provider to a relatively competitive regime. Post deregulation, the civil aviation industry in India has an Oligopolistic structure.
The Key market characteristics of India aviation sector are as follows.

1] The industry is dominated by small no. of large firm.

2] Player of the industry i.e the airlines sell either identical or differential product.

3] The Industry has significant barriers to entry.

* Competition issues in the India Airlines Sector.

Competition issues related to the provision of Airline Regulatory Framework.

There are few regulatory provision in the domestic air transport sectors which may raise competition concern in the sector, however these provision may have different justification, such as safety, security etc.

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CONCLUSION

★ An oligopoly may end ~~gop~~ up looking more like a monopoly or competitive market depending on the number of firms.

★ No certainty as to how firm will compete in oligopoly

★ It depends on the objectives of the firm, the market's contestability & nature of the product.

★ Thus, oligopoly has emerged as the most prevalent market form in the industrialized world.

NAME-JEEL ZINZUVADIYA

CLASS- SY. B.COM.

DIVISION-C

ROLL NO-345

INTERNATIONAL RELATIONS ASSIGNMENT

Q1) Why didn't India join RCEP? What can be the possible repercussions?

Ans 1) The Regional Comprehensive Economic Partnership (RCEP) is the world's largest free trade agreement comprising 15 Asia-Pacific nations, viz, Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar, Cambodia, Japan, South Korea, China, Australia and New Zealand. The new tariff regime will kick in from 2022 and will see duties go back to 2014 levels.

The reasons for India not to join RCEP are as follows:

- China was the single most important factor for India's reluctance to join the RCEP (Regional Comprehensive Economic Partnership) among the economic reasons stated. As a result of the Covid-19 pandemic and the ongoing border standoff with China, New Delhi has chosen not to join any trade agreement, including Beijing
- It is no secret that China's participation in the RCEP is well aligned with Beijing's market imperialist objectives for the Belt and Road Initiative
- India was concerned that the accord would be turned into a free trade agreement with China through the back door, maybe via other nations, which is one of the reasons New Delhi is currently examining several regional FTAs
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- The worry is apparent, as existing trade agreements and tariff liberalisation initiatives have resulted in low-cost imports and a wider range of low-cost goods. India's indigenous sector has been unable to compete with imports over the last 15 years, as seen by the rise in import demand. As a result, foreign products have infiltrated the domestic

market, particularly in the industries of edible oil processing, autos, electronics, communications, and white goods

- Experts have warned that the RCEP might harm India's massive dairy industry since Australian and New Zealand farmers could flood Indian markets, killing mostly unorganised and inefficient small-scale Indian producers
- A mega-trade deal like the RCEP, if India's industry had been competitive enough, would have provided a barrier-free regional market for their products, promoting "Make-in-India." The agreement would have reduced import levies on 80% to 90% of items and simplified service and investment requirements.

Since it is clear what is Regional Comprehensive Economic Cooperation, we can say that the institutionalisation of the RCEP (Regional Comprehensive Economic Partnership) can aid in the management of the multilateral trade system's current threats. It is well-positioned to encourage the development of Asia-wide positions and strategies that will aid in defence of the system and positively influence global trade and commercial policy, allowing ASEAN and its East Asian partners to better navigate and manage the threats to regional prosperity and stability. Several analysts predicted that it would help signatory countries' economies recover from the COVID-19 pandemic and "pull the economic centre of gravity back towards Asia.

Q2) The United Nations Security Council and whether veto power should be abolished.

Ans 2) The United Nations Security Council (UNSC) is one of the six principal organs of the United Nations (UN) and is charged with ensuring international peace and security, recommending the admission of new UN members to the General Assembly, and approving any changes to the UN Charter. Its powers include establishing peacekeeping operations, enacting international sanctions, and authorizing military action. The UNSC is the only UN body with the authority to issue binding resolutions on member states.

Like the UN as a whole, the Security Council was created after World War II to address the failings of the League of Nations in maintaining world peace. It held its first session on 17 January 1946 but was largely paralyzed in the following decades by the Cold War between the United States and the Soviet Union (and their allies). Nevertheless, it authorized military interventions in the Korean War and the Congo Crisis and peacekeeping missions in Cyprus, West New Guinea, and the Sinai Peninsula. With the collapse of the Soviet Union, UN peacekeeping efforts increased dramatically in scale, with the Security Council authorizing major military and peacekeeping missions in Kuwait, Namibia, Cambodia, Bosnia and Herzegovina, Rwanda, Somalia, Sudan, and the Democratic Republic of the Congo.

The Security Council consists of fifteen members, of which five are permanent: China, France, Russia, the United Kingdom, and the United States. These were the great powers that were the victors of World War II (or their successor states). Permanent members can veto (block) any substantive Security Council resolution, including those on the admission of new member states to the United Nations or nominees for the office of Secretary-General. This veto right does not carry over into any General Assembly or emergency special sessions of the General Assembly matters or votes. The other ten members are elected on a regional basis for a term of two years. The body's presidency rotates monthly among its members.

Taking an idealistic approach, yes, the veto powers should be removed and every country's vote should carry equal importance.

Realistically, this can never be done, otherwise the power of UN will be totally exposed. For instance, if the US does not have veto power, the UN not be able to impose any decision on the US.

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ASSIGNMENT 1: - "Why didn't India join RCEP? What can be the possible repercussions?"

ASSIGNMENT 2: - "The United Nations Security Council and whether veto power should be abolished"

<u>Assignment-1</u>

"Why didn't India join RCEP? What can be the possible repercussions?"

So, before we speak why India join RCEP, RCEP means **Regional Comprehensive Economic Cooperation** is a free trade agreement among the Asia-Pacific nations of Australia, Brunei, Cambodia, China, Indonesia, Japan, South Korea, Laos, Malaysia, Myanmar, New Zealand, the Philippines, Singapore, Thailand, and Vietnam. The 15 member countries account for about 30% of the world's population (2.2 billion people) and 30% of global GDP ($29.7 trillion), making it the largest trade bloc in history. Signed in November 2020, RCEP is the first free trade agreement among the largest economies in Asia, including China, Indonesia, Japan, and South Korea. the purpose of RCEP is The RCEP intends to create an integrated market with 16 nations, making it easier for each of these countries' products and services to be available throughout the region. Trade-in goods and services, assets, intellectual rights, dispute settlement, e-commerce, small and medium-sized businesses, and economic cooperation are all on the table.

India didn't join RCEP because China was the single most important factor for India's reluctance to join the RCEP among the economic reasons stated. As a result of the Covid-19 pandemic and the ongoing border standoff with China, New Delhi has chosen not to join any trade agreement, including Beijing. It is no secret that China's participation in the RCEP is well aligned with Beijing's market imperialist objectives for the Belt and Road Initiative. India was concerned that the accord would be turned into a free trade agreement with China through the back door, maybe via other nations, which is one of the reasons New Delhi is currently examining several regional FTAs. One of India's key concerns was the threat to local manufacturers posed by the RCEP's abolishing tariffs, which it feared would open its markets to a flood of imports. New Delhi was particularly concerned about the risk of circumvention of origin laws due to tariff differentials and the inclusion of a fair accord to resolve trade deficits and service openness. The worry is apparent, as existing trade agreements and tariff liberalisation initiatives have resulted in low-cost imports and a wider range of low-cost goods. India's indigenous sector has been unable to compete with imports over the last 15 years, as seen by the rise in import demand. As a result, foreign products have infiltrated the domestic market, particularly in the industries of edible oil processing, autos, electronics, communications, and white goods. Experts have warned that the RCEP might harm India's massive dairy industry since Australian and New Zealand farmers could flood Indian markets, killing mostly unorganised and inefficient small-scale Indian producers.

A mega-trade deal like the RCEP, if India's industry had been competitive enough, would have provided a barrier-free regional market for their products, promoting "Make-in-India." The agreement would have reduced import levies on 80% to 90% of items and simplified service and investment requirements.

Assignment-2

"The United Nations Security Council and whether veto power should be abolished"

What is UN Security Council and how it works? The Security Council is one of the 6 main organs of the United Nations. It is a restrained council of Member States in charge of the world peace and security. As the embodiment of cooperation between countries, the issue of its reform is frequently raised. Composition and functions of the Security Council. The Security Council primary responsibility is to maintenance "international peace and security" according to (Article 24 of the UN Charter). It must be able to function continuously.

The Security Council is composed of 15 members: Five permanent (the winners of the Second World War: China, France, Russia, the United Kingdom and the United States). Ten elected members, elected for two years by the General Assembly, considering a geographical distribution. Each regional group has thus an allocated number of seats: 3 for Africa, 2 for Asia- Pacific, 2 for Latin America and the Caribbean, 1 for Eastern Europe and 2 for Western Europe and other States.

The Security Council Member States hold the presidency in turn, following the English alphabetical order, and agree on a Program of Work for the month to come. Each member of the Council has one vote. Resolutions are adopted when supported by a majority of vote of nine out of fifteen votes. Permanent member States also have the right to veto. Any decision of the Council is rejected if one of the permanent member State uses it. France has not used its veto since 1989. The decisions adopted by the Security Council are legally binding texts that apply to all UN Member States. When peace is seriously threatened, the Security Council can adopt resolutions imposing obligations or sanctions on one or more States.

The Council can:

Recommend procedures for peaceful settlement of disputes, Authorize the use of force to maintain or restore peace and security, set up a peacekeeping operation (PKO), Create sanction regimes, Establish international criminal tribunals.

The Security Council can also decide to adopt other form of expressions, such as press statements or statement by the President of the Security Council, which are adopted by consensus. The Security

Council can also be seized by another UN Member State, regarding a question of peace and security, the General Assembly, or the Secretary-General. A State whose interests are particularly affected by an issue discussed at the Security Council, can be invited to attend the meeting, however, without decision-making authority.

The VETO POWER should be abolished the Two issues in the deliberations over the design and scope of the United Nations concerned the voting mechanisms and the distribution of power within the organization. Some experts, notably Grenville Clark, counsel to the Secretary of War, Henry Stimson, had argued for a system of weighted voting, with voting power linked to some objective criteria, such as population size, trade flows, levels of defence spending, and the like, to take into consideration the huge disparities in size and economic heft of the membership. This was not accepted and, in the end, as is well known, the General Assembly was established based on the principle of one-country-one-vote. Weighted voting was, however, adopted at the Bretton Woods United Nations Monetary and Financial Conference of July 1944, bringing into being two institutions, the International Monetary Fund and the World Bank. The veto itself was perceived by many as undermining the democratic legitimacy of the organization. Since most major security problems in the future were likely to involve, directly or indirectly, one of the major powers, this gave rise to the concern that, given the strategic importance, economic size, and large geographic footprint of the Soviet Union, China, the United States and the British Commonwealth, the United Nations, as conceived, would be largely useless at doing what it was created to do, namely, “*maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace*.” (Article 1.1) The kinds of collective security interventions envisaged in Article 43 would inevitably clash with the principle of the “sovereign equality of states,” as opposed to an order based on principles of international law, as made tragically clear in recent weeks with Russia´s unprovoked attack on Ukraine. Everything we need to do to meet the global challenges of this century will require a great deal of consensus. But nothing will get done if every last decision requires absolute consensus amongst global and regional powers with entrenched rivalries and historical axes to grind.

ECONOMICS Assignment-1

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Name- Pratik Rathi
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Semester- 2

TOPIC:- A STUDY OF MARKET STRUCTURE IN INDIA

★ In this assignment I have chosen Monopoly market structure.

A) What is Monopoly?

A monopoly is a dominant position of an industry or a sector by one company, to the point of excluding all other viable competitors.

Monopolies are often discouraged in free-market nations. They are seen as leading to price-gouging and detoriating quality due to lack of alternative choices for consumers. They also can concentrate wealth, power and influence in the hands of one or a few individuals.

On the other hand, monopolies of some essential services such as utilities may be encouraged and even enforced by governments.

B) TYPES OF MONOPOLY

Monopoly are generally classified into three types:-

i) Natural Monopolies - One type of monopoly is the natural monopoly, which is called "natural" because there is no direct government involvement. This derives from the fact that it's creation originates from variables that are not man-made.

For instance, railways are a prime example of a natural monopoly. This is because the cost to build another track would be over and above what a competitor would make back in profit.

Utilities are another example. To build new sewers or power lines would be costly, inefficient and impractical. If two companies were to build and offer seperate lines, the costs would be higher than what they would be under monopoly. Therefore, other firms do not want to enter the market because there is no profit to be made.

ii) State Monopolies - Another type of monopoly is the state monopoly. This covers industries where the state has full ownership. Notable examples include postal services, utilities, television and supply of money. These are usually controlled by the state as they are deemed as 'natural' monopolies. In other words, the goods could only be efficiently provided under a monopoly structure. Therefore, rather than trust a private firm to run them, they are taken under government ownership instead.

The aim of state ownership is to prevent price gouging that private monopolies would participate in. As monopolies have greater power to dictate prices, they may increase the cost to consumer over and above the market rate. Some government regulate these monopolies instead, but in many countries, there is a strong political will to have these controlled by the state.

iii) Un-natural Monopolies - The third type of monopoly is un-natural monopolies which are a combination of natural and state monopolies. They are natural monopolies in the traditional sense but are re-enforced by the state. Patents are a clear example of un-natural monopoly.

A private firm creates a new product. This may be completely different from whatever is on the market. For example, a new medical

drug, that can reverse the effects of Alzheimer's.
Nothing else is available to the consumer.
So this drug has monopoly within the market.

It is naturally occuring as it is the first and only product on the market. However, this product is given an artificial monopoly through the patent system. For a certain period of time, this will be the only product customers can buy.

c) Causes of Monopoly are as follow:-

- High Costs & Scarce Competition
- Low Potential Profits are unattractive to Competitors
- Ownership of a Key Resource
- Patents
- Restriction of Imports
- Baby or Infant Markets
- Geographic Markets
- Barriers to entry
- Special Knowledge of a low-cost method of production.

Q) What are the characteristics of Monopoly?

The characteristics of Monopoly are as follows:-

i) Single Seller - There is only one seller; he can control either price or supply of his product. But he can't control the demand of the product as there are many buyers.

ii) No close substitutes - There are no close substitutes for the product. The buyers have no alternatives or choice. Either they have to buy the product or go empty handed.

iii) Price - The monopolist has control over the supply so as to increase the price. Sometimes he may adopt price discrimination. He may fix different prices for different sets of consumers. A monopolist can either fix the price or quantity of output; but he can't do both at the same time.

iv) No Entry - There is no freedom to other producers to enter the market as the monopolist are enjoying monopoly power. There are strong barriers for new firms to enter. The barriers can be legal, technological, economic or natural which may block the entry of new producers.

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v) Firm and industry - Under monopoly, there is no difference between a firm and an industry. As there is only one firm, that single firm constitutes the whole industry.

E) DISADVANTAGES OF MONOPOLY:-

- Higher price for consumers.
- Less incentive to cut costs.
- Less incentive to innovate and invest
- Allocative inefficiency (P > MC)
- Decline in consumer surplus
- Productive inefficiency
- Potential diseconomies of scale
- May also have monopsony powers (pay lower wages to workers)
- Monopolies can gain political power to protect their vested interests.
- Less choice for consumers.

F) ADVANTAGES OF MONOPOLY :-

- Economies of scale - lower average costs from increased scale.
- High profit can be used for research and development - dynamic efficiency.
- The reward of getting patent (a monopoly power) can encourage investment.
- Firms who become monopolies may just be very efficient, successful and innovative.
- Governments can regulate to get best of both worlds - economies of scale and fair prices.

G) SOME COMPANY ENJOYING MONOPOLY IN INDIA :-

☆ HAL	☆ ITC LIMITED
☆ IRCTC	☆ MARICO
☆ NESTLE CERELAC	☆ PIDILITE INDUSTRIES
☆ COAL INDIA LTD.	☆ CONCOR
☆ HINDUSTAN ZINC LTD.	☆ BHEL

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H) INDIAN RAILWAYS (MONOPOLY MARKET STRUCTURE)

Indian Railways is a statutory body under the ownership of Ministry of Railways, Government of India that operates India's national railway system. It manages fourth largest national railway system in the world by size, with a total route length of 67,956 km.

It has 22,593 operating trains (9141 freight and 13,452 passengers) with a daily passenger count of 24 million passengers and 203.88 million tonnes of freight. India's railway is recognised as one of the largest railway system in the world under single management.

Government of India has focused on investing in railway by making investor friendly policy. It has enabled FDI to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.

Indian Railway is major shareholder in 16 public sector undertakings (PSU) and other notable rail transport in India. Some of them are IRFC, RITES, IRCON, RVNL, IRCTC, CONCOR, etc.

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I) WHY INDIAN RAILWAY IS CONSIDERED AS MONOPOLY

→ single seller and many buyers.

→ No substitute or close alternative.

→ closed or Restricted Entry

→ Price Maker

→ Price discrimination (senior citizen, student, Army people, etc.)

J) CHALLENGES FACED BY INDIAN RAILWAYS

☆ Lack of Funds, Red Tapism and slow work process.

☆ Poor infrastructural facilities.

☆ No use of modern technology, machinery or any upgradation in the existing ones.

☆ congested conventional rail lines leading to accidents.

☆ Entry of private players in the industry like Tejas.

☆ Major challenge is by diluting it's share and selling it at a low price.

K) CONCLUSION

A company that has secured a monopoly does enjoy a lot of benefits. There is a constant demand for their products. The monopolist can adopt the strategy of price differentiation wherein different prices are charged for the same product from different target markets.

However, there are drawbacks to this type of market structure. Lack of competition in the market can often lead to the inefficient operations of the monopolist. Also, price discrimination could be disadvantageous for the consumers.

In short, it is surely for a business to attain Monopoly in an industry, but it is even more difficult for it to maintain that position. With most industries having no barriers to entry, it becomes relatively easier for business to enter a market and tap into potential opportunities.

— X —

ECO. ASSIGNMENT- I

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SEMESTER - 2.

Page No.: 1

MARKET STRUCTURE AND IT'S TYPE

Market Structure -

In economics, refers to how different industries are classified and ~~differtiated~~ differentiated based on their degree and nature of competition ~~of~~ for goods and services. It is based on the characteristics that influence the behavior and outcomes of companies working in a specific market.

The term "market" refers to a place where sellers and buyers meet and facilitate the selling and buying of goods and services. But, in economics, it is much wider than just a place.

The major determinants of market structures are :-

1) The number of sellers operating in the market.
2) The number of buyers in the market.
3) The entry and exit barriers in a particular market.

Thus, the structure of the market affects how firm price and supply their goods and services, how they handle the exit and entry barriers, and how efficiently a firm carry out its business operations.

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Types Of Market Structure :-

1) Perfect Competition:
It ~~er~~ occurs when there is a large number of small companies competing against each other. They sell homogenous (similar) products and are free to enter or exit the market.

2) Monopolistic Competition:
It refers to an imperfectly competitive market with the traits of both the monopoly and competitive market. Sellers compete among themselves and can differentiate their goods in terms of quality and branding.

3) Oligopoly:
It consists of a small number of large companies that sell differentiated or identical products. Since there are few players in the market, their competitive strategies are dependent on each other.

4) Monopoly:
In this market, a single company represents the whole industry. It has no competitor, and is the sole seller of products in entire market.

OLIGOPOLY

An oligopoly is a market structure with a small number of firms, none of which can keep the others from having significant influence. The concentration ratio measures the market share of the largest firms.

- The term "oligopoly" refers to a small number of producers working, either explicitly or tacitly, to restrict output and/or fix prices, in order to achieve above normal market returns.

- Economic, legal and technological factors can contribute to the formation and maintenance or dissolution of oligopolies.

- Government policy can discourage or encourage oligopolistic behavior, and firms in mixed economies often seek government blessings for ways to limit competition.

- Oligopolies in history include steel manufacturers, oil companies, railroads, tire manufacturing, grocery store chains, and wireless carriers. The economic and legal concern is that an oligopoly can block new entrants, slow innovation, and increase prices, all of which harm consumers.

Firms in an oligopoly set prices; whether collectively - in a cartel - or under the leadership of one firm, rather than taking prices from the market. Profit margins are thus higher than they would be in a more competitive market.

Conditions That Enable Oligopolies :-

The conditions that enable oligopolies to exist include high entry costs in capital expenditures, legal privilege (license to use wireless spectrum ~~or~~ land for railroads), and a platform that gains value with more customers (such as social media).

The global tech and trade transformation has changed some of these conditions: offshore production and the rise of "mini-mills" have affected the ~~stel~~ steel industry, for example. In the office software application space, Microsoft was targeted by Google Docs, which Google funded using cash from its web search business.

The firms need to see the benefits of collaboration over the costs of economic competition, then agree to not compete and instead agree on the benefits of co-operation. The firms have sometimes found creative ways to avoid the appearance of price-fixing, such as using phases of the moon. Another approach for firms to follow a recognized price leader; when the leader raises prices, the others will follow.

Functions of Oligopoly :-

1) Under oligopoly, there are few large firms. The exact number of firms is not defined. Each firm produces a significant portion of the total output. There exists severe competition among different firms and each firm try to manipulate both prices and volume of production to outsmart each other. For example, the market for automobiles in India is an oligopolist structure as there are only few producers of automobiles.

The number of the firms is so small that an action by any one firm is likely to affect the rival firms. So, every firm keeps a close watch on the activities of rival firm.

2) Firms under oligopoly are interdependent. Interdependence means that actions of one firm affect the actions of other firms. A firm considers the action and reaction of the rival firms while determining its price and output levels. A change in output or price by one firm evokes reaction from other firms operating in the market.

For example, market for cars in India is dominated by few firms (Maruti, Tata, Hyundai, Ford etc). A change by any one firm in any of its goods, will induce other firms to make changes in their respective goods.

3) Under oligopoly, firms are in a position to influence the prices. However, they try to avoid price competition for the fear of price war. They follow the policy of price rigidity. Price rigidity refers to a situation in which price tends to stay fixed, irrespective of changes in demand and supply conditions. Firms use other methods like advertising, better services to customers, etc to compete with each other.

If a firm tries to reduce the price, the rivals will also react by reducing their prices. However, if it tries to raise the price, other firms might not do so. It will lead to loss of customers for the firm, which intended to raise the price. So, ~~pr~~ firms ~~price~~ prefer non-price competition instead of price competition.

4) ~~The main~~ Due to severe competition and interdependence of the firms, various sales promotion techniques are used to promote sales of the product. Advertisement is in full swing under oligopoly, and many a times advertisement can become a matter of life-and-death. A firm under oligopoly relies more on non-price competition.

5) In most markets, antitrust laws exist that aim to prevent price collusion and protect consumers. Nonetheless, firms have devised ways to achieve price collusion without being detected by regulators.

Company - Coca-Cola

The Coca-Cola company is a multinational beverage corporation incorporated under Delaware's General Corporation Law and headquartered in Atlanta, Georgia.

The Coca-Cola Company has interests in manufacturing, retailing, and marketing of non-alcoholic beverage concentrates and syrups, and alcoholic beverage.

Why is Coca-Cola oligopoly Company?

→ The soft drink company Coca-Cola can be seen as an oligopoly. There are two companies which control the vast majority of the market share of soft drink industry which is Coca-Cola and Pepsi. There are some other smaller companies like Dr. Pepper with smaller market share.

Coca-Cola and Pepsi produce nearly identical products. The gasoline industry is an oligopoly and it is dominated by a few giant companies like ExxonMobil, Chevron, and Texaco.

Suppose the price of Coke rise up the demand for pepsi will increase and the quantity demanded of Pepsi will increases. Because coke and Pepsi are substitutes of each other, there is a positive relationship between the price of Coke and quantity demanded of Pepsi exists.

Coca-Cola Company is in ~~a~~ an oligopoly type of market structure because of the dominance of a restricted number of companies in the sector. Coca-Cola set different competitive strategies against its primary competitor, which is Pepsi.

Due to the fact that soda industry is an oligopoly market, Coke has to spend a lot of money on advertisement to compete with their rivals as Pepsi produces close substitutes of Coca-Cola's products. Usually all businesses would actively use the low-price strategy to increase business profits. The game theory is implemented to the market share.

Coke has the largest share in the ~~rest~~ industry

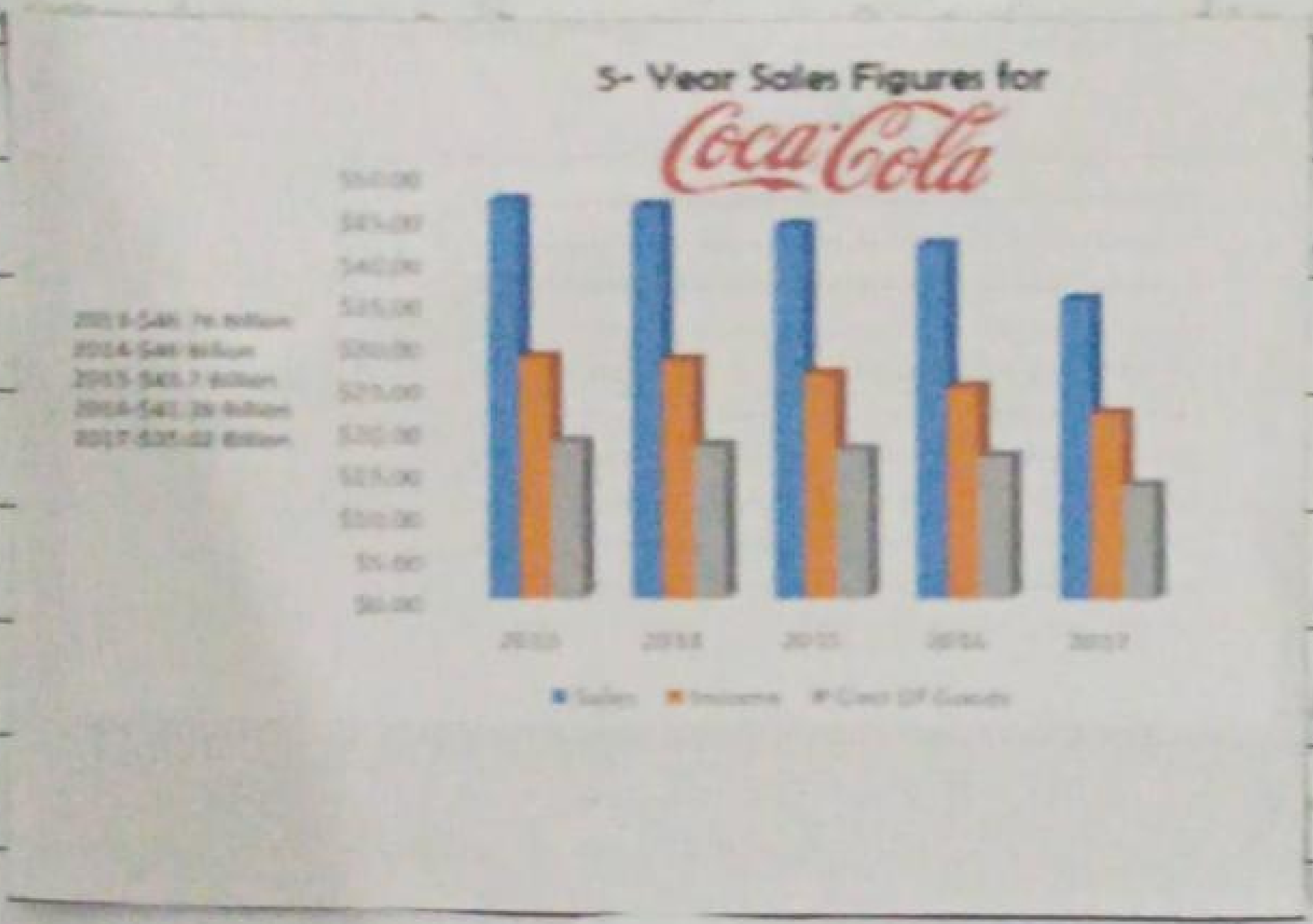
Coca-Cola has the largest share in the industry. Coke's pricing tactics give them a competitive advantage over Pepsi. Coke has drinks that range from low to a higher price, making them affordable for everyone. The marketing techniques is effective with pricing; coke bottle drinks in smaller bottles at a low price to big bottles at a higher price, thus the affordability.

Pepsi and Coca-Cola are working together to regulate their product prices. This is a collective policy to guarantee that the beverage industry does not have any new competitors. This is primarily a strategy to restrict the number of new entrants that would result in profits being cut. The policy is aimed at reducing costs, increasing prices and maximizing profits.

Although nearly any soda company is ~~eab~~ capable of producing cola of similar and at a similar price, Coca-Cola and Pepsi are the most recognizable companies in the market and control most of their shares.

While the competition results in frequent promotional efforts, price drops and other venues that benefit the customers, the existence of these companies set a high entry barrier for new comers, as it is very hard to claim any significant market share.

Thus, while an oligopoly offers a greater choice when compared to a monopoly, it is still far from instilling fair competition.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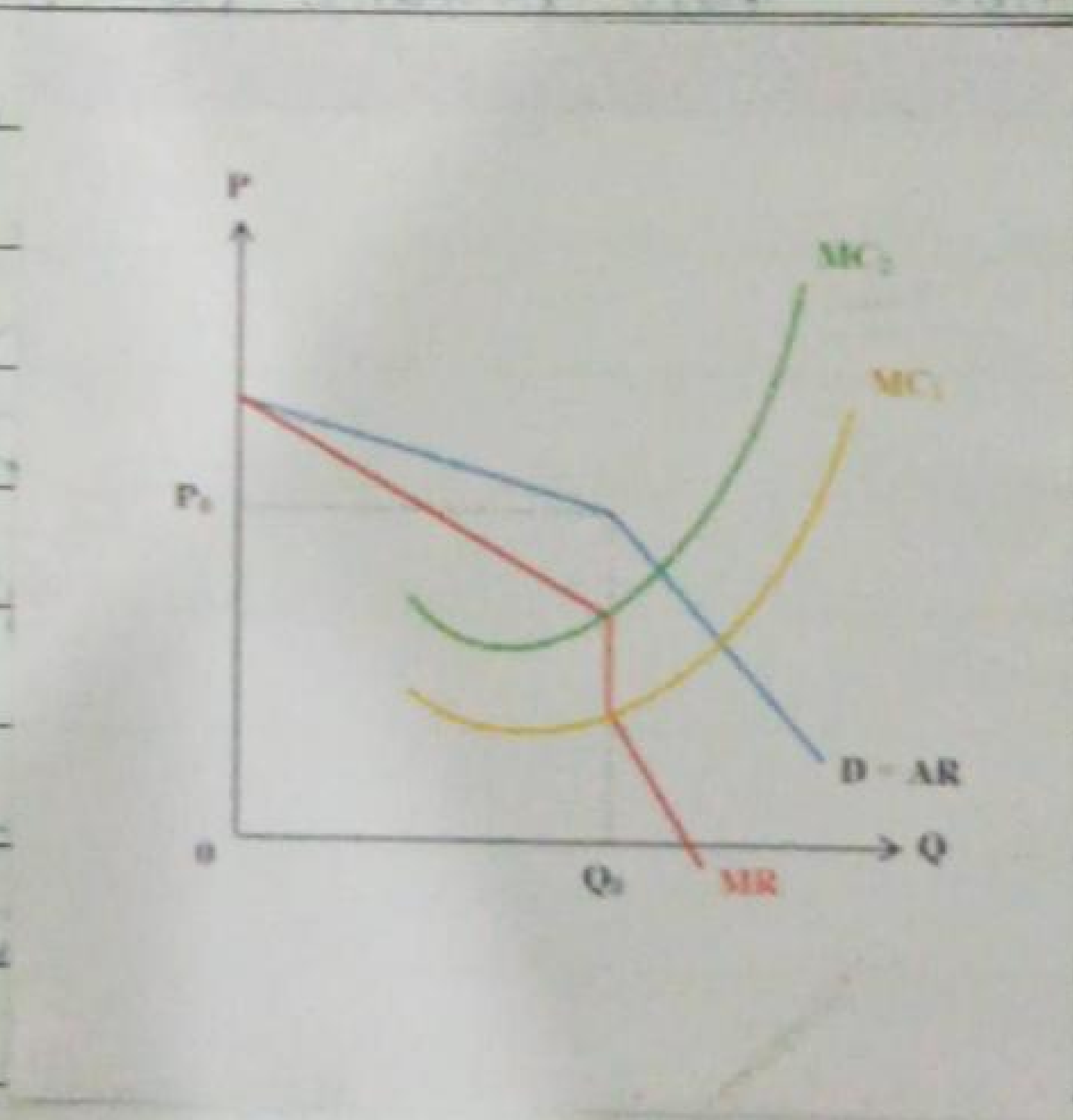
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Interdependence
Advertising
Few Sellers
Oligopoly Market
Competition
Lack of Uniformity
Entry and Exit Barriers

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Economics Assignment - (I)

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- Semester : 2
- Subject : Economics Assignment - 1

'Market Structure'

Market Structure

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- **What is a market structure?**

Market structure, in economics, refers to how different industries are classified & differentiated based on their degree and nature of competition for goods & services. It is based on the characteristics that influence the behaviour and outcomes of companies working in a specific market.

Some of the factors that determine a market structure include the number of buyers and sellers, ability to negotiate, degree of concentration, degree of differentiation of products, and the ease or difficulty of entering & exiting the market.

In economics, market structure can be understood well by closely examining an array of factors or features exhibited by different players. It is common to differentiate these markets across the following seven distinct features:

1. The industry's buyer structure.
2. The turnover of consumers.
3. The extent of product differentiation
4. The nature of costs of inputs.
5. The no. of players in the market.
6. Vertical integration extent in the same industry.
7. The largest player's market share.

Based on the above features, types of market structure include perfect competition, oligopoly market , monopoly market & monopolistic competition

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• Market Structure analysis of : 'Indian Railways'

Indian Railways is a statutary body under the ownership of Ministry of Railways, Govt. of India that operates India's national railway system. It manages the forth largest national railway system in the world by size, with a total route length of 67956 kms.

Indian Railways firm is a state-owned railway transport provider that operates India's rail network. It is one of the largest employers. Because it is the only provider of railway transport in India. It has 13169 passanger trains and 8479 friegnt trains, plying 23 million travellers & 3 million tonnes (MT) of freight daily from 7349 stations. It is recognised as one of the largest railway systems in the world under single management.

Indian railways is divided into 18 zones, headed by general managers who report to the railway board. It has its headquarter in New Delhi and was founded on 6 May 1836. Centre for railway information systems, railway health services, railway protection force, container corporation of India, IRCON international, RailTel corporation of India, Mumbai railway Vikas corporation are some of its subsidiary companies.

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- Specify the Market Structure :

The market structure analysis ~~ef~~ analyzes the 4 market structure that operates in the real market environment such as perfect competition, monopoly, oligopoly and monopolistic market structure.

Indian Railways is the world's largest govt. owned monopoly, annually carrying passanger number that surpass the global population. They are often considered a typical example of a ~~natural~~ monopoly.

The very high costs of laying track & building a network, as well as the cost of buying or leasing the trains would prohibit or deter the entry of a competitor, are perceived as the main reasons for railway being a monopoly.

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• What are the features on the basis of which we are saying that railway is a monopoly?

i] Single Service Provider:

Here, in the feild of rail transport, Indian Railways (a govt. owned industry) is only one single service provider. But, the number of passangers i.e. no of cutomers are large.

ii] No distinction between firm and industry:

Indian railways is the sole seller & producer of the product. A monopoly firm itself is an industry.

iii] No close substitute:

There are no close substitutes for the product of the monopolist. Likewise, there is no close Substitute for Indian railways which provide transporotation at such nominal rates.

iv] Price maker:

Price of tickets is fixed entirely by the decision of railway, only. It in short, fixes the price of its own products.

v] Price discrimination:

Indian railway charges different products from different passangers.
ex: It discounts the price of its tickets for, different passangers. They offer different concessions to students, patients, sports person, handicapped people, etc.

Also, sometimes price varies according to the place from where the ticket is booked.

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v] Barriers to entry :

Indian railways is a monopoly organization controlled by the central govt. Because of its being a ministry, is not allowing any legislation to be passed, which will give it any competition. Thus, it is very difficult for private businesses as there are various barriers to entry.

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- Type of Monopoly of Indian Railways:

In case of Indian Railways, due to large network and very high cost of running the Rail Network, it is very difficult for any private entity to compete simply because of exorbitantly high cost of entry and then keeping the fares at lower levels which Indian Railway is forced to do keeping public sentiments in mind. Railway is a department of Govt. of India and ministry of Railway is running the department. ★

Here, the production of services is solely owned, controlled and operated by the Government. Railway is welfare oriented. It acts as the cheapest means of commutation and also connects the remotest corners of the world. It is not easy for the private sectors to invest such a huge capital and undertake such a massive welfare programme.

Thus, it is purely classified as '<u>Public Monopoly</u>'

★ THANK YOU!

SEM II

ECONOMICS ASSIGNMENT 1

A STUDY OF MARKET STRUCTURE

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OLIGOPOLY MARKET STRUCTURE

The United States airline industry is an oligopoly. As of 2021, there are 4 major domestic airlines: American Airlines Inc. (AAL), Delta Air lines Inc. (DAL), Southwest Airlines (LUV) and United Airlines Holdings Inc. (UAL) which fly over 65% of all domestic passengers.

Oligopoly:

Companies in oligopoly realize that they are best served individually not by competing but by coordinating and cooperating with one another to a certain degree or in particular aspects of business. Oligopolies exist naturally or can be supported by government forces as a means to better manage an industry.

An oligopoly is a market characterized by a small number of firms, none of which can keep the others from having significant influence. It is an industry dominated by few firms. Firms in oligopolies control the prices, making it difficult for other businesses to enter the

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market. They prevent the emergence of new competitors thant can hinder their business growth. Oligopolies are found among steel manufacturers, oil companies, railroads, airlines and pharmaceuticals. Companies choose to obtain benefits of collaboration than competing by setting prices together.

Oligopolies have few advantages such as:
- low level of competition
- a great demand for products & services
- price stability within the market
- better customer support

It has few disadvantages like :
- limited customer choice
- high barriers to entry
- companies are not interested in innovations since level of competition is low.

There are different types of oligopoly:-
1) perfect oligopoly - companies offer homogenous products (eg: steel & aluminium industry)
2) imperfect oligopoly - firms manufacture differentiated products
3) collusive oligopoly - requires companies to cooperate in setting price and output
4) non-collusive oligopoly - when firms compete with each other.

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• 4 companies of US Airline industry:

1) American Airlines, Inc. (AA or AAL) is a major US-based Airline headquatered in Fort Worth, Texas. It is the world's largest airline when measured by fleet size, scheduled passengers carried and revenue passenger mile. It operates an extensive international and domestic network with almost 6800 flights per day to nearly 350 destinations in more than 50 countries. It was founded on April 15, 1926. As of 2019, the company employs nearly 1,30,000 people. The Airlines flies to 28 domestic destinations and 81 international destinations in 58 countries in 5 continents. It comprises of 862 aircrafts from both Boeing and Airbus.

2) Delta Air Lines typically referred to as Delta, is one of the major airlines of the US. One of the world's oldest airlines in operation, it is headquatered in Atlanta, Georgia. It operates over 5400 flights daily and serves 325 destinations in 52 countries on six continents. It was founded on March 2, 1925. The company slogan is "Keep Climbing". It is ranked second among the world's largest airlines by no. of scheduled passengers carried, revenue passenger kms flown and fleet size. It is the only U.S carrier that flies to Dakar and Copenhagen. Delta operates a fleet of 750 flights manufactured by Airbus and Boeing.

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3) Southwest Airlines (LUV) Co. typically referred to as Southwest, is one of the major airlines of the US and the world's largest low-cost carrier. It is headquatered in Dallas, Texas and has scheduled service to 121 destinations in US and 10 other countries. It was founded on March 15 1967. It has over 54,448 employees. It was estabalished by Herb Kelleher and Rollin King. It exclusively uses Boeing 737 jets in its fleet. It operates about 4000 departures a day during peak travel season. Using single basic aircraft type allows Southwest pilots and flight attendants to crew any aircraft in the fleet without restrictions. Southwest solely offers economy class seats.

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4) United Airlines Holdings Inc. (UAL) is publicly traded airline holding company headquatered in Willis Tower in Chicago. UAH owns and operates United Airlines, Inc. It was founded on December 30, 1968. It has over 93000 employees. United Airlines operates 835 mainline aircraft and 522 regional aircraft. It operates more than 4500 flights a day to 339 destinations. It has a net income of US $ 3.009 billion as in 2019.

Scott Kirby is the CEO.

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• Features of Oligopoly & US Airline industry:

1) Interdependence:
The foremost characteristic of oligopoly is interdependence of various firms in the decision making. If a small number of sizeable firms constitute an industry and one of these firms starts advertising campaign on a big scale or designs new model of the product which immediately captures the market, it will surely provoke countermoves on part of rival firms in the industry. The US Airline industry is an oligopoly with 4 major companies ruling the market. Thus any small move by 1 of them immediately affects the other. Thus firms are closely interdependent.

2) Advertising – is a powerful instrument in the hands of an oligopolist. A firm under oligopoly can start an aggressive advertising campaign with the intention of capturing large part of the market. Other firms (including airline companies in this case) resist with defensive advertising. According to Prof. Baumol, "under oligopoly, advertising can become a life-and-death matter where a firm which fails to keep up with the advertising budget of its competitors may find its customers drifting off to rival products."

3) Competition – there is presence of competition ~~to some~~ extent. Since no. of ~~fews~~ firms is few there is at times low level of competition. Apart from the 4 airline companies, there are

very few companies resulting in very little ~~or no~~ competition. But cut throat competition also exists to increase the market share.

4) Barriers to entry - Barriers to entry are significant enough to discourage potential competitors. In the US Airline industry, barriers to entry include high start up costs, infrastructure constraints limiting the availability of take off and landing slots, etc.

Barriers to entry are caused by factors such as

1) economies of scale enjoyed by a few large firms.
2) control over essential and specialized inputs.
3) High capital requirements
4) exclusive patents and licenses.

5) Few firms or sellers & many buyers. under oligopoly market there are few firms or sellers. These few firms dominate the market and enjoy a considerable control over price of product. The US Airline industry consists of 4 companies the dominate the market. Buyers are many.

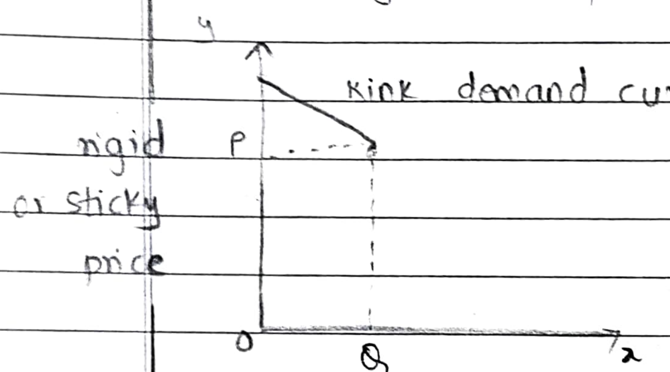
6) Lack of uniformity - there is lack of uniformity in size of firms. Firms differ considerably in size. Some may be small, others very large. Such a situation is asymmetrical. It is very common in the American economy.

7) Uncertainity - There is a considerable element of uncertainity in this market due to different behaviour patterns. Rivals may join hands and cooperate or may fight each other. Motivated by profit maximisation, each

seller wishes to cooperate with his rivals to reduce or eliminate the element of uncertainity. Most of the times firms cooperate but they may at times fight each other. They at times form mergers. Acquisitions also take place.

8) Products are homogenous or heterogenous. In case of airline industry it is homogenous. as same service is provided. Product differentiation is present. Every airline company has its own features.

9) Demand curve is kink as firms have ~~price~~ power to change the price and are interdependent.



The standard measure of oligopoly market power is the industry concentration ratio. This ratio relates the market share of largest firms in the industry to the size of entire market. The 4 major airlines had almost 70% market share of U.S. Passengers leaving very little of domestic passengers among remaining small carriers. Hence the US Airline industry is an oligopoly.

INTERNATIONAL RELATIONS ASSIGNMENTS

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ASSIGNMENT-1

WHY DIDN'T INDIA JOIN RCEP?WHAT CAN BE THE POSSIBLE REPERCUSSIONS?

What Is RCEP?

The Regional Comprehensive Economic Partnership (RCEP) is a proposed agreement between the member states of the Association of Southeast Asian Nations and its free trade agreement (FTA) partners. The pact aims to cover trade in goods and services, intellectual property.

The Regional Comprehensive Economic Partnership was introduced during the 19th ASEAN meet held in November 2011. The RCEP negotiations were kick-started during the 21st ASEAN Summit in Cambodia in November 2012. Now, all participating countries aim to finalise and sign a deal by November 2019. Member states of ASEAN and their FTA partners are Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam, China, Japan, India, South Korea, Australia and New Zealand.

The 16 countries negotiating the RCEP together account for a third of the world Gross domestic product (GDP) and almost half the world's population, with the combined GDPs of China and India alone making up more than half of that.

WHY DIDN'T INDIA JOIN RCEP?

The RCEP aims to remove trade barriers, including tariffs and duties, among its 16 members for a seamless flow of goods and services. However, at a time when India is going through an economic slowdown, the signing of the pact could have put further strain on an already struggling economy.

India's potential signing of the agreement had raised much consternation domestically. The manufacturing and farming industries had raised concerns about lack of trade protection when cheap imports from China would have flown into the country with even fewer barriers. India already runs a $50 billion trade deficit with China and RCEP would have stretched the chasm even wide. The reasons are as follows-

* The RCEP failed to address some of the core concerns raised by India, such as the threat of circumvention of Rules of Origin due to tariff differential, inclusion of fair agreement to address the issues of trade deficits and opening of services.

* Indian negotiators had also questioned the design of the trade agreement, which will see elimination of import duties on 80-90% of goods, along with easier services and investment rules. For India, the big concern was goods trade as domestic industry fears that lower customs duty will see a flood of imports, especially from China, with which India has a massive trade deficit.

* In its negotiations, the government had also raised the issue of unavailability of MFN (Most Favoured Nation)
* India had raised a red flag over the move to use 2014 as the base year for tariff reduction. While RCEP negotiators wanted to sign the deal in 2020, the new tariff regime will kick in from 2022 and will see duties go back to 2014 levels.

* RCEP also does not address satisfactorily India's outstanding issues and concerns.

*Farmers, traders, professionals and industries have stakes in such decisions. Equally important are the workers and consumers, who make India a huge market and the third biggest economy in terms of purchasing power parity. When we measure the RCEP Agreement with respect to the interests of all Indians, we do not get a positive answer.

The decision to not go ahead (by signing the agreement) will boost Make in India, which has been a flagship scheme of the government to give a fillip to production as well as employment.

THE POSSIBLE REPERCUSSIONS-

India was a member of the RCEP drafting committee from its inception in 2011, but in November 2019, it decided to opt out, claiming that some of its main concerns were not being addressed. This is generally considered to be both an economic and geopolitical loss for India Many analysts believe that India's decision not to join RCEP will give China complete control over the biggest trading blocks in the world and India will be isolating itself. A report by the Peterson Institute on International Trade supports the view that non-participation is a policy mistake, showing that by not joining the RCEP, India could be looking at a GDP loss of INR 450 billion, compared to a gain of INR 4,450 billion if it were an RCEP participant.

- **Relation with member nations:**
  - India's decision would impact its bilateral trade ties with RCEP member nations, as they may be more inclined to focus on bolstering economic ties within the bloc.
  - The move could potentially leave India with less scope to tap the large market that RCEP presents —the size of the deal is mammoth, as the countries involved account for over 2 billion of the world's population.
- **Other deals:**
  - Given attempts by countries like Japan to get India back into the deal, there are also worries that India's decision could impact the Australia-India-Japan network in the Indo-Pacific.
- **Missing opportunity:**
  - India's stance on the deal also comes as a result of learnings from unfavourable trade balances that it has with several RCEP members, with some of which it even has FTAs.
  - An internal assessment by the government has revealed that the growth in trade (CAGR) with partners over the last five financial years was a modest 7.1%.
  - India has trade deficits with 11 of the 15 RCEP countries, and some experts feel that India has been unable to leverage its existing bilateral free trade agreements with several RCEP members to increase exports.

ASSIGNMENT-2

“THE UNITED NATIONS SECURITY COUNCIL AND WHETHER VETO POWER SHOULD BE ABOLISHED”

The **United Nations Security Council** (**UNSC**) is one of the six principal organs of the United Nations (UN) and is charged with ensuring international peace and security, recommending the admission of new UN members to the General Assembly, approving any changes to the UN Charter. Its powers include establishing peacekeeping operations, enacting international sanctions, and authorizing military action. The UNSC is the only UN body with the authority to issue binding resolutions on member states.

Like the UN as a whole, the Security Council was created after World War II to address the failings of the League of Nations in maintaining world peace. It held its first session on 17 January 1946 but was largely paralyzed in the following decades by the Cold War between the United States and the Soviet Union (and their allies)..

The Security Council consists of fifteen members, of which five are permanent: China, France, Soviet Union, the United Kingdom, and the United States. These were the great powers that were the victors of World War II (or their successor states). Permanent members can veto (block) any substantive Security Council resolution, including those on the admission of new member states to the United Nations or nominees for the office of Secretary-General. The other ten members are elected on a regional basis for a term of two years. The body's presidency rotates monthly among its members.

The UN Charter, which authorizes the Security Council to investigate any situation threatening international peace; recommend procedures for peaceful resolution of a dispute; call upon other member nations to completely or partially interrupt economic relations as well as sea, air, postal and radio communications, or to sever diplomatic relations; and enforce its decisions militarily, or by any means necessary. The Security Council also recommends the new Secretary-General to the General Assembly and recommends new states for admission as member states of the United Nations.

MEANING OF VETO POWER?

It is the power provided to the five permanent members of the United Nations Security Council, to veto any substantive resolution. One of the major usages of the veto power can be to block the selection of a Secretary-General of the Council. if any one of the permanent members of the UN Security Council states casts a negative vote in a pending UNSC decision, the resolution cannot be approved. Russia has been the most frequent user of the veto, followed by the United States and China.

WHETHER VETO POWER SHOULD BE ABOLISHED?

Related to concerns over the voting mechanism, was the perception that a Security Council in which the five permanent major power members had veto power and that the UN would turn into an imperialistic organization in which the permanent members of the Council would run the world. The veto itself was perceived by many as undermining the democratic legitimacy of the organization, a practice that could not be defended on the basis of any principle of just governance. More importantly—and with huge practical and political implications—some argued that a system was being created in which the organization would not be able to deal with problems and/or conflicts *between* the major powers or between a major power and a smaller country.

If veto rights are abolished, members with veto power might withdraw from the UN and form their own forum. This will make the UN pointless as it will not be backed by those great powers.

The UN veto power has paralyzed the UN at a time when the multiple global crises we confront call for an effective, problem-solving organization that will enhance our capacity for international cooperation. If it is not abolished it will not only hamper the organization in its effort to remain faithful to its noble founding principles, but it will ultimately corrupt its remaining moral authority without which it cannot hope to remain relevant in an interdependent world. The veto power has been criticized for its undemocratic nature and thus I feel that veto power should be abolished to promote equality among the nations by having one country-one vote.

THANK YOU