

MB205.1: Economic Environment and Policy

COURSE OBJECTIVES

- To enable students of business management to understand business environment its meaning, scope and importance.
- To familiarize the students with the nature and dimensions of evolving business environment in India to influence managerial decisions.
- To provide students with a background of the Indian industry and factors that have major influence on businesses and sharpen their mind to update the changes that occur constantly in this sphere

Unit – I: Business Environment and Analysis:

Nature, Composition and Scope of Business Environment. Business Environment. Analysis of Indian Economy, National Income, Saving and Investment Components, Industry, Agriculture and Tertiary Sectors, Profile of emerging industries, - IT and Biotech etc. Govt and Business – Role of Public Sector in the Economy.

Unit – II: Indian Financial System:

Evolution and Current Structure. Elements of Financial System – Markets, Institutions and Environment. R.B.I, Banking and Non-Banking Institutions, their Functions and Role in the Money Market. Components of Capital Market – Primary, Secondary, Debt and Equity Market. Problems and Prospects of Indian Capital Market. Role of SEBI. Foreign Exchange Market -FEMA.

Unit – III: Economic Policies of India:

Industrial Environment and Policy Role of SSUs, and MMCs, MRTP and Competition Law. Public Sector Reforms and Disinvestments Policy. Foreign Investment Policy, Trading environment and EXIM Policy, Recent Trends in Regulatory Frame Work in respect of Insurance, Telecom, Power Sector and Banking.

Unit – IV: Liberalisation, Privalisation and Globalisation (LPG) of Indian Economy:

Concept of LPG, Adopted Process of LPG in India. Structural Reforms, Emerging Trends and Issues of LPG in Indian Economy. Strategic Alternatives. Practices of

Adoption to Globalization– Lessons from Europe, China, South East Asia and Other Countries. Emergence and Impact of various Economic Blocks.

Unit – V: Economic Survey and Union Budget:

Taxation Environment – Direct and Indirect Taxes – MODVAT, CENVAT and Value Added Tax, Current Economic Survey and Budget as Instruments of Indicative Planning.

Suggested Books:

1. ShaikhSaleem , Business Environment, Pearson Education.
2. Justin Paul, 2016, “Business Environment”, McGraw Hill Companies.
3. Dutta&Sundaram, 2016, Indian Economy, S. Chand& Co., New Delhi.
4. Misra. S.K., &Puri V.K., 2006, Indian Economy, Himalaya Publishing House, Mumbai.
5. Khan. M.Y. 2007, Indian Financial System, 5th Edition, Tata McGraw Hill, New Delhi.

COURSE OUTCOMES: After the completion of the course the student will be able to:

- Appraise the business environment and its scope
- Familiarize with the nature and dimensions of evolving business environment
- Appraise business prospects in the context of changing business environment