

Programme : Master of Commerce [M.Com]  
 Course Code : COM-528  
 Course Title : Business Environment and International Trade  
 Number of Credits : 04  
 Effective from AY : 2022 – 2023

**Pre-requisites for the Course:**

NIL

**Objectives of the Course:**

1. To develop the ability to understand and scan Business Environment.
2. To understand the various economic factors and policies.
3. To equip with knowledge of social and cultural factors.
4. To enable the learning of international factors.

**Course Content**

**Unit 1      Theoretical Framework of Business Environment      15 Hours**

Concept, significance, and nature of business environment; Elements of environment micro and macro; Techniques of environmental scanning and monitoring.  
 Constitution of India-Preamble, Features, Fundamental Rights, Directive Principles and Union - State Relations, Critical elements of the political environment; Government and business; Competition Act 2002, FEMA and Consumer Protection Act 1986.

**Unit 2      Economic Environment      15 Hours**

Significance and elements of economic environment; Economic system and business environment; Economic planning in India; Government policies, industrial policy, fiscal policy, monetary policy, EXIM policy. Public Sector, Private Sector, Joint Sector, and Co-operative Sector in India;  
 Balance of Payment; Special Economic Zones (SEZs); Micro, Small, and Medium Enterprises (MSMEs); Village and Cottage Industries; Parallel Economy; Privatization; Devaluation of Rupee and Disinvestments.

**Unit 3      Demographical Environment (Socio-Cultural)      15 Hours**

Nature of Indian Society and Ethos; Social Interest, Institutions and Values Vis-à-vis Industrial Development; Responsibility of Business-Rationale, Scope, Responsibility Towards Self, Owners, Creditors, Depositors and Employees, Business Ethics-Meaning, Assumptions, Features, Principles, Need and Importance; Standards, Consumerism; Social Audit-Definition, Characteristics, Importance, Scope, Audit Process and Social Audit in India

**Unit 4      International Business Environment      15 Hours**

Globalization-Concept, Merits, Demerits, and Interdependency; India's International Trade; MNCs-Meaning; Characteristics; Merits and Demerits; Multinational and Govt. Policy; Foreign Capital Inflows-Concept, Merit, Demerits, and Present Trend; Collaborations and Agreements-Bilateral, Multilateral; Memorandum of Understanding (MOUs); International Economic Institutions – GATT, WTO, UNCTAD, World Bank, IMF; Transfer of Technology; Technology Policy.  
 Factors Influencing Technological Environment. Role and Impact of Technology on Business.

**Pedagogy:**

The methodology used in the class will combine lectures and case discussions.

**Reference / Readings:**

1. Adhikary, M.: *Economic Environment of Business*; Sultan Chand & Sons, New Delhi. 6<sup>th</sup> Edition, 2012
2. Agrawal and Diwan: *Business Environment*; Excel Books. 2<sup>nd</sup> Edition, 2002
3. Ahluwalia, I. J.: *Industrial Growth in India*; Oxford University Press, New Delhi, 1985.
4. Alagh and Yoginder K.: *Indian Development Planning and Policy; An Alternative View*; Vikas Publishing House, New Delhi, 1991.
5. Aswathappa, K.: *Legal Environment of Business*; Himalaya Publishing House, Mumbai, 1992.
6. Chakravarty, S. : *Development Planning*; Oxford University Press, New Delhi, 1998.
7. Daniel, Radebaugh and Sullivan: *International Business Environment and Operations*; Pearson, Noida. 11<sup>th</sup> Edition, 2005
8. Francis, Cherunillam: *Business Environment and Government*; Himalaya Publishing House, Mumbai. 25<sup>th</sup> Edition, 2017
9. Ghosh, B.: *Economic Environment of Business*, Vikas Publishing House, New Delhi. 2<sup>nd</sup> Edition, 2018

**Online Resources:**

1. <https://examupdates.in/international-business-environment-notes/>
2. <https://www.dynamictutorialsandservices.org/2018/10/business-environment-notes-theoretical.html>
3. <https://corporatefinanceinstitute.com/resources/knowledge/economics/macro-environment/>

**Course Outcomes:**

After the completion of this course, the students will be able to:

**CO 1:** Scan the environment and its effects on business.

**CO 2:** Analyze the economic system and policies.

**CO 3:** Equip with provisions of the Government concerning the business.

**CO 4:** Be updated with the international practices in the industry.