



First Semester 2015-2016

Course Handout Part II

Date: 03/08/2015

In addition to Part-I (General Handout for all courses appended to the timetable), this portion gives further specific details regarding the course.

Course No. : ECON F214 / FIN F214
Course Title : Economic Environment of Business
Instructor-in-charge : A K GIRI

1. Scope and Objective:

Business enterprises are micro units within an economic environment that represents the macro. The economic environment is essentially the “given” within which firms and their managements must operate. The objective of this course is to unravel all those economic factors which are external to and beyond the control of individual business enterprises and their managements, with particular focus on the Indian context. Thus, the course aims to (1) Create familiarity with economic environment concepts and indicators, economic policies and economic regulation (2) Evolve an ability to analyze and anticipate changes in economic environment and, (3) Enable students to take more effective business decisions by being responsive to the external economic environment.

2. Text Book:

Saleem, Shaikh., Business Environment, Pearson Publishers, India, 2nd Edition 2010.

3. Reference Books:

1. Pailwar, Veena Keshav, Business Environment, PHI Learning Private Limited, 2014
2. Justin Paul: “*Business Environment*”, Tata McGraw Hill, New Delhi, 2006.
3. Fernando, A.C., Business Environment, Pearson Publishers, India, 2011.
4. Cherunilam, Francis., Business Environment, Himalaya Publishing House, 19th Edition, 2009.

3. Course Plan:

No. of Lectures	Objectives	Chapter Title	Reference (TB)
2	Business Environment and its constituents	Business Environment	Ch 1
3	Economic system: Planning and the market	Planning in India	Ch. 2
2	Concept of level value and various types of growth rates: PoP, AG, YoY and AAG	Calculation of various growth rates	Notes
4	National income: concept and measurement	National income	Ch. 8 and notes
2	Concept of business fluctuations and cycles, approaches to business cycle analysis	Business Cycles and Fluctuations	R1 Ch 4





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2	Economic structure: Its determinants, Constituents and Structural shift in India	Economic structure and stages of development	R1 Ch 3
4	Inflation, Measures, Causes , Types and Calculation	Inflation	Ch. 13
8	India's fiscal policy and its various techniques, monetary policy: measures of money stock, instruments of it	India's Monetary policy and Fiscal policy	Ch. 5
3	Industry: Classification of industry, factors affecting location of industries, Industrial policy	Industrial Structure, Policy and Business environment	R1 Ch 11
4	Meaning of BOP, items of BOP and the role of Foreign Trade Policy	Foreign trade policy and Balance of Payments	Ch. 10.
2	Meaning of FDI and MNC's, Advantages and disadvantages of it	Foreign Investment, Multinational Corporations	Ch. 25 and 26
2	India's other trade environment related issues	India's export-import policies and SEZ	Ch. 27 and 28
2	Knowing about organizations like GATT, GATS, IMF, World Bank, WTO, ADB, UNCTAD	International Business Organization and World Trade Organization	Ch. 29 and 30

4. Evaluation scheme:

Component	Duration	Weight age (%)	Date and Time	Remarks
Midterm Test	90 mints	30	6/10 8:00 - 9:30 AM	CB
Continuous Evaluation		25		
Comprehensive Examination	3 hrs	45	3/12 FN	Partly OB

5. Chamber Consolation Hour: To be announced in the class

6. Notices: Notices, if any, would be put on Economics and Finance Group Notice Board

7. Make-up Policy: Make-up will be granted only on genuine grounds and if prior permission is taken. No application will be accepted in the Exam Hall.

Instructor-in-Charge

ECON F214 / FIN F214



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