

BUSINESS ENVIRONMENT

Second Edition



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BUSINESS ENVIRONMENT

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Ansari Road, Darya Ganj, New Delhi-110 002.



Asian Books Private Limited

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New Delhi - 110 002.

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2nd Edition 2005

ISBN 81-86299-75-0

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Published by Kamal Jagasia for Asian Books Pvt. Ltd., 7/28, Mahavir Lane, Vardan House, Darya Ganj, New Delhi - 110 002.

Typeset at ADD Computers, Delhi

Printed at Gopaljee Enterprises

Dedicated to my teachers

PREFACE

The present book is the product of my teaching experience of this subject in the MBA programme. The work incorporates various perceptible aspects of business environment which comprises of economic, social, political and legal matters. Though this book is written according to syllabus of MBA programme, but business managers and other students with interest in Indian economy will also be benefitted.

A sincere attempt has been made to throw light on various determinants of business and economic environment in India. The rapidly changing profile of the economy, particularly changes in the philosophy of planning, government's action and policies towards business following wide scale economic reforms, the global aspects of business environment, the behaviour pattern of business community, consumer's attitudes, the new institution which have been established to promote and regulate business have been documented as far as possible. What is more penetrating that this book gives an account of latest trends with current database. The aspects of management theories and their relevance has been presented in many places. A chapter has been given in a nutshell incorporating the techniques of strategic management, which are relevant for business.

In writing this book I have taken help from the works of numerous authors and their works which have been acknowledged in the respective places. I am grateful to those authors and publishers. I thank Dr. Alok Sen, and my other colleagues at EILM for their encouragement in doing this work. I also thank my students Ms. Nidhi Shrivastava and Ms. Sharmily Mukhopadhyay for their unstinting cooperation. I am grateful to Asian Books particularly to Ms. Purobi Biswas whose unflagging zeal, active interest and constant support made this book possible. Last but not least, the cooperation I have received from my wife Sushmita and my son Suman contributed significantly in writing the book. Ultimately it is the blessings of Almighty which was instrumental to see the book the light of the day.

Dr. Saroj Upadhyay

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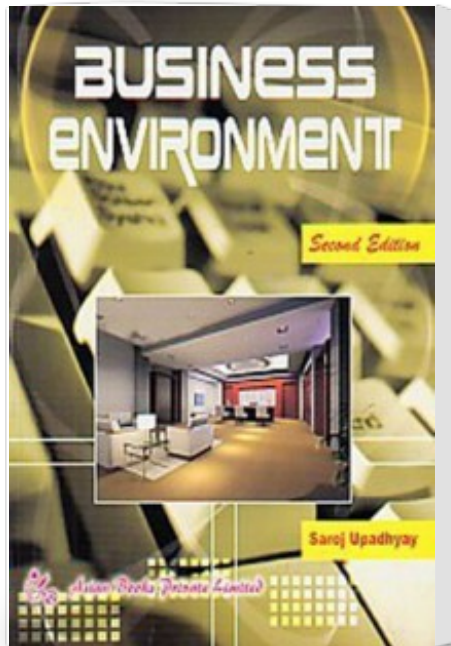
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Business Environment eBook



Publisher : **ASIAN**

ISBN : 8186299750

Author : **Dr. Saroj Upadhyay**

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1.2. business environment: emerging order. Internationalization or globalization of business has become a subject of very serious discussion in the national economic policies and corporate board room. International trade is growing faster than world output and international investment is growing much faster than global trade. What are the sectors of the business environment, and how do changes in them influence business decisions? Businesses do not operate in a vacuum but rather in a dynamic environment that has a direct influence on how they operate and whether they will achieve their objectives.