

22BA103:BUSINESSENVIRONMENT

Course Code	22BA103	Course Delivery Method	Class Room / Blended Mode
Credits	4	CIA Marks	30
No. of Lecture Hours / Week	5	Semester End Exam Marks	70
Total Number of Lecture Hours	75	Total Marks	100
Year of Introduction : 2022	Year of Offering: 2022	Year of Revision: --	Percentage of Revision:---

CourseDescriptionandPurpose:

Business Environment requires a rigorous examination of the external and internal environment affecting the contemporary business scenario. A thriving manager needs to be aware of the dynamic environment, related issues, and sensitivity towards societal needs. Managers, regardless of industry or company size, must approach their operating strategies, from a global perspective. The course also provides an understanding and analysis of business laws and their impact on businesses. This will help the practitioners and budding scholars of management to make the best decisions.

Course Outcomes:

By the end of the course, students will be able to

- CO-1 Understand the challenges and complexities faced by businesses and their leaders as they endeavour to maximize returns while responsibly managing their duties to all stakeholders of the business.
- CO-2 Understand the rationale for government interventions in market systems and know various public policies and their impact.
- CO-3 Understand the concepts of Liberalization, Privatization and Globalization and their impact on the Indian Business environment and also be aware of the trends concerning economic indicators such as GDP, Exchange Rates, Interest Rates and inflation Rates, etc.,
- CO-4 Understand the changing nature of the Socio-Cultural, Demographic, and Technological Environment and its influence on the corporate sector.
- CO-5 Understand the concepts of Business Ethics, Corporate Governance, and Corporate Social Responsibility and know the models and best practices that are in vogue concerning these in the corporate sector.

Course Content

UNIT-1

Understanding Business Environment: Meaning, Nature & Scope of Business Environment; Types of Business Environment - Internal & External Environment, Micro & Macro Environment; Types of Business – Private, Public, Micro, Small, Medium and Large Enterprises; Relationship among Business, Government and Society (BGS) – Importance of Business, Government and Society to Managers - Dynamic Forces Impacting Business Environment. **(16 Hours)**

UNIT- II

Business Environment: Environmental Scanning, PESTEL, SWOT Analysis; Nature & Structure of Indian Economy; Role of Public Policies in Governing Business; Classification and Levels of Public Policy, Economic Policies: Trade Policy, Monetary Policy, Fiscal Policy, and Industrial Policy; **(14 Hours)**

Unit III

Economic Environment of Business: Liberalization, Privatization, & Globalization – Impact on Business Environment; Economic Conditions of India and World: Trends of Inflation, Interest and Exchange rates; India's Competitiveness in the World Economy: World's Competitiveness Index, India's Performance in Ease of Doing Business. **(14 Hours)**

UNIT-IV

Socio-Cultural, Demographic, and Technological Environment: Socio-Cultural Factors impacting Business: Culture, Sub-culture, Societal norms, social classes, gender issues, Changing lifestyles, education, religion, beliefs, values, Nature and impact of culture on business, culture and globalization;
Demographics: Demographic environment, population size, migration and ethnic aspects, birth rate, death rate and age structure;

Technological Environment: Impact of Technology, Technology and Society, Trends in Technology Management, Issues & Challenges. **(16 Hours)**

UNIT-V

Business Ethics, Corporate Governance and Corporate Social Responsibility: Business Ethics: Concept and Definition of Business Ethics - Importance of Ethics, Values and Morals for Business Success, Ethical Dilemmas and Decision Making, Building Ethical Organizations;

Corporate Governance: Definition and Significance of Corporate Governance, Historical Perspective of Corporate Governance, International Perspective on Corporate Governance, Elements of Governance in Organizations, Obligation to Stakeholders of Business, Major Corporate Governance Failures in India;

Corporate Social Responsibility: Importance of CSR in present day business context -Types

and Nature of Social Responsibilities - Arguments for and Against CSR - CSR Principles and Strategies - Models of CSR - Best Practices of CSR. (16 Hours)

PRACTICAL COMPONENTS:

- ✓ Students are expected to report on how the economic environment has affected the performance of any five large Indian Business Houses.
- ✓ Students are expected to analyze the economic and financial indicators such as GDP, Inflation, CPI, BSE-Sensex, NSE-Nifty50, Currency Exchange rates, Gold Prices, Crude Oil Prices etc., for a particular period and submit the report on the same.
- ✓ Students collect, analyze and discuss the Annual Reports of a listed company.
- ✓ Students produce a report on the working of a reputed agency, including its formation, nature of relations with the outside world and other issues of relevance.
- ✓ Students are expected to study any five CSR initiatives by Indian organizations and submit a report.
- ✓ Case studies/Role plays related to ethical issues in business concerning the Indian context.

REFERENCE TEXT BOOKS:

1. Douglas E. Geer, Business, Government and Society, 3rd Edition, Prentice Hall.
2. John Steiner and George Steiner, Business, Government and Society: A Managerial Perspective, TMH.
3. AC Fernando, Business Ethics: An Indian Perspective, Pearson publications, 2009.
4. Boatright, Ethics and the conduct of Business, fifth edition, Pearson publications, 2007
5. M. Friedman, The social responsibility of business is to increase its profits, New York Times Essay, Sept 13, 1970
6. K. Aswathappa, Essentials of Business Environment - Text, Cases and Exercises, Himalya Publishing House, 12th Revised Edition 2016.
7. Recent Union Budgets – Government of India
8. Recent Economic Survey Reports - Government of India
9. Mathur, Corporate Governance and Business Ethics, Macmillan India Ltd, 2005
10. Francis Cherunilam, Business Environment, Himalaya Publishing House, Revised Edition 2018.
11. Mathew M.J., Business Environment: A study of sociocultural, economic and legal environment in business, Jaipur RBSA Publishers, 2003.
12. Justin Paul, Business Environment Text and Cases, 3e, McGraw Hill Publication, 2010.

MODEL QUESTION PAPER
PARVATHANENI BRAHMAYYA SIDDHARTHA COLLEGE OF ARTS & SCIENCE
M.B.A. (REGULAR) DEGREE EXAMINATION
First Semester
20BA103: BUSINESS ENVIRONMENT
W.e.f 2022-2023

Duration: 3 hours

Maximum Marks: 70

SECTION - A

Answer ALL Questions

5×4=20 Marks

1. (A) Explain the nature of Business Environment. (CO1) (L2)

(OR)

(B) Outline the importance of Micro enterprises (CO1) (L2)

2. (A) What are the types of public policies? (CO2) (L1)

(OR)

(B) Define 'PESTEL'. (CO2) (L1)

3. (A) Summarise the trends of inflation during past one year. (CO3) (L2)

(OR)

(B) Outline the trends of exchange rates (CO3) (L2)

4. (A) What do you understand by societal norms? (CO4) (L1)

(OR)

(B) What do you know about migration? (CO4)(L1)

5. (A) List the corporate governance failures in Indian context. (CO5) (L1)

(OR)

(B) What are the CSR principles? (CO5) (L1)

SECTION – B

Answer ALL Questions 5×8=40 Marks

6. (A) Classify the structure of various business organisations with respect to nature, ownership and size. (CO1) (L2).

(OR)

(B) Outline the concept and significance of relationship among business, government and society. (CO1) (L2).

7. (A) Distinguish between various public policies and their objectives (CO2) (L4)

(OR)

(B) Analyse the present Indian business environment by using PESTEL framework. (CO2) (L4)

8. (A) Analyse the magnitude of the impact of globalisation on Indian economy. (CO3) (L4)

(OR)

(B) Examine the trends of India's competitiveness in world economy. (CO3) (L4)

9. (A) Identify the nature and impact of technology on society. (CO4) (L3)

(OR)

(B) Develop a model for business decision makers by using various demographic variables to understand the population trends. (CO4) (L3)

10. (A) Interpret the various ethical dilemmas faced by organisations. (CO5) (L2)

(OR)

(B) Summarize the developments in corporate governance in India and abroad. (CO5)(L2)

SECTION - C

(1 x 10 =10 Marks)

Case Study (Compulsory)

11. The panel of state finance ministers is likely to recommend a uniform GST levy of 28 per cent on online gaming irrespective of whether it is a game of skill or game of chance, sources said. However, it is likely to suggest a revised formula for calculating the amount on which the Goods and Services Tax (GST) would be levied. Currently, online gaming attracts 18 per cent GST. The tax is levied on gross gaming revenue, which is the fee charged by online gaming portals.

Sources said that the GoM report is almost final and would be submitted to the GST Council soon for consideration. The Group of Ministers (GoM), chaired by Meghalaya Chief Minister Conrad Sangma, had in its earlier report submitted to the Council in June suggested a 28 per cent GST on on the full value of the consideration, including contest entry fee, paid by the player, without making a distinction such as games of skill or chance. However, the Council had asked the GoM to reconsider its report. Following that the GoM took the views of the Attorney General and also met stakeholders from the online gaming industry.

Although the GoM deliberated on separate definitions for 'games of skill' and 'games of chance', it finally decided to tax both as demerit goods attracting a 28 per cent GST. The message has to be clear that online gaming is a demerit good. However, some relaxation in valuation methods could be provided, sources told PTI. The GoM report in June had suggested that the GST should be levied on the entire amount received as consideration from the participant.

Charging 28 per cent GST on the entire amount, which a player deposits for a game for both categories of online game, would reduce the prize money left for distribution and drive away players from legitimate tax deducting portals. This may also encourage online gamers towards unlawful portals that do not deduct tax, sector experts had said. Online gaming witnessed a spurt during the time of Covid lockdown with the number of users in India rising substantially. As per a KPMG report, the online gaming sector would grow to Rs 29,000 crore by 2024-25 from Rs 13,600 crore in 2021.

Questions:

- A. Analyze the various challenges in this case with respect to framing suitable tax procedures for the emerging on-line gaming business (L4)
- B. Recommend your suggestions to the committee of GOM to formulate tax policy in this industry. (L5).
