

Contents

			PAGE	
Aboi	<i>I-5</i>			
Prefe	Preface			
		CHAPTER 1		
		INTRODUCTION TO BUSINESS		
1.1	Econo	omic and Non-Economic Activities	1	
	1.1.1	Economic Activities	1	
	1.1.2	Non-Economic Activities	3	
1.2	Natur	e of business, profession and employment	4	
	1.2.1	Meaning and Nature of Business	4	
	1.2.2	Meaning and Nature of Profession	5	
	1.2.3	Meaning and Nature of Employment	6	
	1.2.4	Distinction between Business, Profession and Employment	7	
1.3	Object	tives of Business	7	
	1.3.1	Economic Objectives	8	
	1.3.2	Social Objectives	8	
	1.3.3	Human Objectives	9	
	1.3.4	National Objectives	10	
	1.3.5	Role of Profit in Business	11	
	1.3.6	Objections Against Profit Maximisation	12	
1.4	Forms	s of Business Organizations	12	
	1.4.1	Sole Proprietorship	13	
	1.4.2	Joint Hindu Family Business	14	
	1.4.3	Partnership	15	
	1.4.4	Joint Stock Company	18	
	1.4.5	Cooperative Society	22	
TEST	QUES'	TIONS	24	
		CHAPTER 2		
		BUSINESS ENVIRONMENT		
2.1	Meani	ing of Business Environment	28	
2.2	Natur	e (Characteristics) of Business Environment	28	
2.3	Signif	icance of Business Environment	29	

	CONTENTS	I-10
		PAGE
2.4	Meaning and Elements of Micro Environment	30
2.5	Meaning and Elements of Macro Environment	32
TEST	QUESTIONS	35
	CHAPTER 3	
	BUSINESS ORGANIZATIONS	
3.1	Overview of Indian Companies	37
3.2	An overview of Selected Global Companies	46
TEST	QUESTIONS	49
	CHAPTER 4	
	GOVERNMENT POLICIES FOR BUSINESS	
4.1	Meaning of Liberalization	51
4.2	Liberalization in India -Trends and Issues	51
4.3	Impact of Liberalization of Indian Economy	52
4.4	Meaning of Privatization	53
4.5	Trends and Issues - Privatization in India	53
4.6	Impact of Privatization on Indian Economy	53
4.7	Meaning of Globalization	53
4.8	Globalization in India - Trends and issues	54
4.9	Impact of Globalization of Indian Economy	54
4.10	Foreign Direct Investment (FDI)	54
	4.10.1 Meaning of FDI	54
	4.10.2 Advantages of Foreign Direct Investment	55
	4.10.3 Disadvantages of Foreign Direct Investment	55
	4.10.4 Determinants of Foreign Direct Investment	56
TEST	QUESTIONS	57
	CHAPTER 5	
	ORGANIZATIONS FACILITATING BUSINESS	
5.1	Indian Regulatory bodies	58
	5.1.1 Securities and Exchange Board of India (SEBI)	58
	5.1.2 Reserve Bank of India (RBI)	59
	5.1.3 Insurance Regulatory and Development Authority (IRDA)	63
	5.1.4 Competition Commission of India (CCI)	63
5.2	Indian Development Banks	66
	5.2.1 Industrial Finance Corporation of India (IFCI)	67
	5.2.2 Industrial Development Bank of India (now IDBI Ltd.)	68
	5.2.3 Small Industries Development Bank of India (SIDBI)	69
	5.2.4 Export-Import (EXIM) Bank of India	70
	5.2.5 National Bank for Agriculture and Rural Development (NABARD)	72
TEST	QUESTIONS	72

I-11 CONTENTS

		PAGE
	CHAPTER 6	
	COMMON BUSINESS TERMINOLOGIES	
6.1	Finance, Stock and Commodity Markets Terminology	74
6.2	Marketing Terminology	80
6.3	Banking Terminology	83
6.4	Other Business Terminology	86
TEST	QUESTIONS	87