The regulation and control of business and industry in independent India had been a dominant feature of economic nationalism. The slow economic growth and stagnancy in industrial production, however, is an indication of the inefficiency of the regulatory system. A review of experience of managing a controlled economy coupled with the increasing acceptance and popularity of the free market system worldwide led to a gradual loosening of the controls through successive policy measures initiated in January 1985. These measures are collectively referred to as the liberalisation policy.

The process of liberalisation, accelerated in 1991, rapidly changed the business environment in order to make the economy internationally competitive and globally integrative. It is widely accepted now that liberalisation is no more a political expediency but an economic reality. The main focus of liberalisation is to make the economy flexible and adaptive to meet the challenges of impending threats and avail the emerging opportunities. The strategic behaviour and response of organisations to the Government policy changes need to be studied in order to draw lessons for chief executives of Indian companies who are facing newer challenges in managing their businesses. This idea forms the basis of the present study.

This study is, in fact, an extension of the researcher's pre-doctoral (M. Phil.) work on 'Impact of Liberalisation
Measures on Selected Industries'. The study covered three industries -- automobile, fertilizer, and petrochemicals. The profile of automobile industry, prepared in the previous study, has been adapted for the purposes of present study albeit with addition of one more section. Although the basic theme of automobile industry remains intact, a major portion of the profile has been changed and data updated in order to incorporate the latest changes and developments in the industry.

This thesis is divided into nine chapters. Chapter One tries to consolidate the evaluation of regulatory regime in India and the policy environment in which business and industry operated. It later traces the origins and reasons for liberalisation of economy and industry, and extends to enumerating the liberalisation measures in the post-1984 period. The last section briefly evaluates the present scenario in the context of Governmental policy changes.

Chapter Two of the thesis consists of the details about Indian automobile industry. The industry profile has been presented primarily on the basis of six industry factors; each factor comprises of several sub-factors. The qualitative description is supplemented by quantitative data in order to facilitate understanding of the performance of industry. In order to impart completeness to the profile, the chapter begins with the historical development of the industry. The last section of the automobile industry profile evaluates the present scenario and future prospects.
Chapter Three of the study deals with the methodology of research. The review of available literature leads to the identification of research gaps and the need for study. The research problem has been formulated by conceptualising a framework for the study. Later, the scope of the study has been enumerated which is followed by defining of operational terms of the research topic. A set of research propositions, framed for the purpose of the present study, precedes research and sample designs. In the subsequent section, methods of data collection and the accompanying problems have been described. The form of analyses is accompanied by an analytical framework in the next section. The Chapter ends with the indication of the limitations of the study.

Chapters Four, Five, Six and Seven consists of profiles of the four selected private sector companies viz. Bajaj Auto Ltd, Escorts Ltd, Premier Automobiles Ltd and Tata Engineering & Locomotive Co. respectively. The six Business Policy variables, identified earlier during the formulation of research problem, forms the basis of company profiles. However, in order to present the profile in its entirety, the company profiles also describe the evolution of companies, their corporate objectives, and future plans. The various sections of company profiles are divided into related sub-sections. For a purposeful understanding of companies' performance, an attempt has been made to lace qualitative description with quantitative data. In presenting the company profiles, elements of analyses or
criticism have been avoided and all efforts have been made to report only the bare facts.

Chapter Eight analyses and interprets the impact of liberalisation on business policies of the selected companies in light of the information and data collected. Separate analyses has been done for each company which is followed by a descriptive consolidation of results and concluding comments.

Chapter Nine presents the summarised findings and conclusions of the study, on the basis of analyses and interpretation done in the preceding chapter. The researcher has also attempted to identify some directions for future research.

References made in the study are documented at the end of respective chapters. A list of books, and Government documents and publications, consulted and referred during the course of study has been compiled and appended at the end of the thesis in the form of Bibliography.

To the best of the researcher’s knowledge and belief, this study is a maiden effort in highlighting the impact of Government’s liberalisation policy on business policies of private sector companies. The evaluation of the impact of liberalisation on organisational performance may provide insights to chief executives into the policy making process, and a direction to the Government policy makers in devising future policies for the industrial sector. Indian companies
and their chief executives might find the study useful for understanding the relationship between national policies and corporate policies. Chief executives and general managers may also find the study helpful in understanding the relationship between corporate policy and functional policies and in identifying the relevant business policy variables in the context of changing Indian business environment. To many others, the study may prove of interest in knowing how different companies have responded to the new environment and what alternatives have been considered by them in the course of changing Government policies. For academicians, the study would be useful for a critical appraisal of liberalisation policy. The study shall prove helpful in providing a direction for future research in this area. To students, this research study may serve as a tool for understanding the Government's liberalisation policy and how organisational policies are shaped for achieving distinctiveness and competitive advantage in a rapidly changing environment.