

COURSE TITLE	BUSINESS ECONOMICS
COURSE CODE	04BC0204
COURSE CREDITS	4

Course Outcomes: After completion of this course, student will be able to:

- 1 Understand the concept of microeconomics and macroeconomics with the basics of national income accounting.
- 2 Comprehend the concepts of demand and supply analysis in business applications.
- 3 Analyze the production and cost & its significance for short run and long run survival of the organization in various market structure.
- 4 Evaluate the important concepts in Money Supply, Business Cycle & Inflation and their significance in day-to-day life.
- 5 Develop the learning about the open macroeconomic models and exchange rate determination.

Pre-requisite of course:NA

Teaching and Examination Scheme

Theory Hours	Tutorial Hours	Practical Hours	ESE	IA	CSE	Viva	Term Work
4	0	0	50	30	20	0	0

Contents : Unit	Topics	Contact Hours
1	Introduction to Business Economics: Concept: Microeconomics and Macroeconomics, Nature and scope, Difference, Central economic problems of society, Utility analysis: Cardinal and Ordinal utility, LDMU, IC analysis, Consumer's Equilibrium; , National Income Accounting: Circular Flow of Income, 2 Sector and 3 Sector Economy, Concepts of GDP, NDP, GNP, NNP, Personal Income and Personal Disposable Income, Measurement of National Income, Difficulties in measuring National Income	12
2	Demand and Supply analysis Demand: Concept, Determinants, Law of demand, Exceptions to law of demand; , Elasticity of demand: Price, Income and Cross elasticity; Supply: Concept, Law of Supply, Factors affecting supply	8

Contents : Unit	Topics	Contact Hours
3	Production, Cost and Market Morphology: Production: Concept, Production function, Short run and long run, Returns to scale, Isoquant and Producer's Equilibrium; , Cost: Cost function, Classification of costs – Fixed and Variable cost, Direct costs and indirect costs, Opportunity costs, Sunk costs, Controllable and Uncontrollable costs, Relation between Short run cost curves, Planning curve and envelope curve, Economics of scale;, Market: Perfect competition, monopoly, monopolistic competition, discriminating monopoly, oligopolistic behavior(Concepts only)	14
4	Money Supply, Business Cycle & Inflation: Money: Concept, Definition, Functions, Quantity Theory of Money- Fisher's Equation of Exchange & Cambridge Theory, Supply, RBI's Approach-M1, M2, M3, M4, , Business Cycle: Concepts, Phases of Business Cycle, Causes, Features Inflation: Meaning, Types – Demand pull and Cost push, Consequence, Controlling measures	14
5	Open Economy Macroeconomics Balance of Payments: Meaning and assessment, Features, Importance, Components, Difference between BOP and BOT,, Disequilibrium of BOP - Its causes and remedies, India's scenario; Open-Economy: Concept, Foreign Exchange Rates , Fixed & Flexible, Exchange rate determination- Real and Nominal	12
Total Hours		60

Textbook :

- 1 Macro Economics, H.L.Ahuja, S Chand Publishing, 2019
- 2 Macro Economics, Worth Publisher, N. Gregory Mankiw, 2017
- 3 Macroeconomics, Dornbusch, Fisher, Startz, Tata McGraw Hill, 2012
- 4 Principle of Microeconomics, H.L. Ahuja, S Chand Publishing, 2021
- 5 Microeconomics, Pindyck, R. S., & Rubinfeld, D. L, Pearson Education, USA, 2017
- 6 Modern Microeconomics, Koutsoyiannis, Macmillan Education, 2023

References:

- 1 Principle of Microeconomics, Principle of Microeconomics, N. Gregory Mankiw, Cengage Learning Custom Publishing, 2020
- 2 Managerial Economics, Managerial Economics, D N Dwivedi, Vikas Publishing House, 2021
- 3 Managerial Economics, Managerial Economics, Managerial Economics, Oxford, 2020
- 4 Managerial Economics, Managerial Economics, Keat Paul, K Young Philip, Tata McGraw Hill, 2017

Suggested Theory Distribution:

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation

Remember / Knowledge	Understand	Apply	Analyze	Evaluate	Higher order Thinking / Creative
20.00	30.00	25.00	15.00	10.00	0.00

Instructional Method:

- 1 NA

Supplementary Resources:

- 1 NA
- 2 <https://jollygreengeneral.typepad.com/files/n.-gregory-mankiw-macroeconomics-7th-edition-2009.pdf>
- 3 https://d3bxy9euw4e147.cloudfront.net/oscms-qa/media/documents/Macroeconomics2e-OP_08uAIKN.pdf
- 4 <https://egyankosh.ac.in/bitstream/123456789/13510/1/Unit-17.pdf>
- 5 https://d3bxy9euw4e147.cloudfront.net/oscms-qa/media/documents/Macroeconomics2e-OP_08uAIKN.pdf
- 6 https://www.brown.edu/Departments/Economics/Faculty/Allan_Feldman/AMF%20Significant%20Published%20Papers/Welfare%20Economics%201987.pdf