

COURSE TITLE	BUSINESS ECONOMICS
COURSE CODE	10BC2201
COURSE CREDITS	4

Objective:

- 1 To provide the knowledge of fundamental concepts of Microeconomics to the students.
- 2 To develop a basic understanding of utility analysis, demand and supply application, application of elasticity to businesses, different types of markets and equilibrium under different types of markets
- 3 To help students understand how micro-economics concepts can be applied to real business world

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

- 1 Define and understand the concept of microeconomics
- 2 Demonstrate the different tendencies of consumer behavior
- 3 Relate the relationship between demand and supply
- 4 Critique the cost and production relationships
- 5 Construct fundamentals of various equilibrium firm and industry

Pre-requisite of course:N/A

Teaching and Examination Scheme

Theory Hours	Tutorial Hours	Practical Hours	ESE	IA	CSE	Viva	Term Work
3	1	0	50	30	20	0	0

Contents : Unit	Topics	Contact Hours
1	INTRODUCTION TO MICROECONOMICS Introduction to Economics, Concept of Choice, Scarcity and Opportunity Cost, Meaning and Definition of Microeconomics, Positive and Normative Economics, Nature and Scope of Microeconomics, Difference between Microeconomics and Macroeconomics, Central Economic Problems of a Society	9
2	CONSUMER BEHAVIOUR Utility Analysis: Cardinal versus Ordinal Utility, Cardinal Utility: Law of Diminishing Marginal Utility Law of Equi-Marginal Utility, Ordinal Utility: Indifference Curve, Properties of Indifference Curve Analysis, Marginal Rate of Substitution, Budget Line and Consumer's Equilibrium.	9

Contents : Unit	Topics	Contact Hours
3	DEMAND AND SUPPLY ANALYSIS Concept of Demand and its determinants, Law of Demand, Exceptions to Law of Demand, Concepts of price and income elasticity and factors affecting elasticity, Elasticity of Demand and its applications, Concept of Supply and its determinants, Law of Supply, Exceptions to law of Supply., Market Equilibrium: Interaction of Demand and Supply, Concept of Stability	9
4	PRODUCTION AND COST ANALYSIS Production Function: Short Run and Long Run Production Functions, Total, Average, and Marginal Product and their relationship, Returns to Scale and Returns to Factors., Cost Function: Classification of Costs – Opportunity Costs, Explicit versus Implicit Costs, Sunk Costs, Fixed versus Variable Costs, Short Run and Long Run Cost, Producer's Equilibrium	9
5	EQUILIBRIUM OF FIRM AND INDUSTRY Perfect Competition: Assumptions, Firm and Industry Demand Curves, Equilibrium in the market. Long run industry supply: producer and consumer surplus, Effects of Tax and Subsidies, Monopoly: Pricing with market power, Equilibrium, monopoly power, Anti-Trust laws, Government Policy on Competition Regulation Principles, Monopolistic Competition: Product Differentiation and Demand curve, Equilibrium, Aspects of Non-Price Competition, Oligopoly: Simultaneous Quantity Setting-Cournot Equilibrium, Kinked demand curve	9
Total Hours		45

Suggested List of Experiments:

Contents : Unit	Topics	Contact Hours
1	ISSUES RELATE TO BUSINESS ECONOMICS Issues related to Business Economics	15
Total Hours		15

Textbook :

- 1 Managerial Economics: Concepts And Applications (Special Indian Edition, Thomas, Tata McGraw Hill Education, 2005

References:

- 1 Principles of Microeconomics (9th ed.), Principles of Microeconomics (9th ed.), Mankiw, N. G. , Cengage, 2021

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

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

Supplementary Resources:

- 1 <https://m.economictimes.com/>,
- 2 <https://rbi.org.in/>
- 3 <https://www.indiabudget.gov.in> > economicsurvey