

<b>Course title:</b> Business Economics (Part -I)				
<b>Course code:</b> UBA 214		<b>No. of credits:</b> 3	<b>L-T-P:</b> 32-13-0	<b>Learning hours:</b> 45
<b>Pre-requisite course code and title (if any):</b> None				
<b>Department:</b> Policy & Management Studies				
<b>Course coordinator(s):</b> Dr. Moumita Acharyya			<b>Course instructor(s):</b> Mr. Vishal	
<b>Contact details:</b>				
<b>Course Type:</b> Core			<b>Course offered in:</b> Semester 2	
<b>Course Description</b>				
<p>The <b>Business Economics</b> course is designed to provide undergraduate students with a foundational understanding of both microeconomic principles and their practical application in the business world. The course focuses on how economic concepts such as demand and supply, elasticities of demand and supply affect the business decisions in both domestic and global markets.</p> <p>Through this course, students will learn to analyze market dynamics, evaluate business strategies, and assess the economic environment's impact on business performance. By the end of the course, students will be equipped with the analytical tools necessary to make informed business decisions and respond to economic challenges.</p>				
<b>Course objectives</b>				
<p>This course is designed for the BBA students to build a strong foundation in Business Economics. The course provides a balanced blend of theoretical knowledge and practical application equipping students with the skills needed to navigate complex economic landscapes. This course typically revolves around understanding the economic principles and their application in business decision making. The common objectives are to:</p> <p>Understand the basic economic concepts. This course aims to provide students with a solid foundation in fundamental economic theories such as demand and supply, theory of consumer and producer behaviour.</p> <p>Apply the economic principles in business. This course will help in the application of business economics concept to solve real world business problems.</p> <p>Enable students to analyze in detail the theories of consumer behaviour and producer behaviour to formulate effective business strategies.</p> <p>The overall goal is to provide students with the tools to analyse individual and firm behaviour in markets and understand price mechanism.</p>				
<b>Course content</b>				
<b>Module</b>	<b>Topic</b>	<b>L</b>	<b>T</b>	<b>P</b>
1	<b>Introduction to Business Economics</b> Meaning and relevance of economics in the business world. Philosophy of Business Economics. The economic problem – scarcity and choice; central problems of an economy; production possibility curve. Case- study.	4	2	0
2	<b>Demand Analysis</b> Meaning of Demand, law of demand, demand function, demand schedule and demand curve, Movement and shift of demand curve; Individual and market demand curve. Consumer Surplus.	6	2	0
3	<b>Elasticity of Demand and other applications</b> Meaning of Elasticity of Demand, Determinants of elasticity of Demand, Types of Elasticity of Demand, Price elasticity formula and its applications (elastic, inelastic, unitary elastic, perfectly elastic and perfectly inelastic demand); Income elasticity and its applications (normal goods, inferior goods and Giffen goods), cross- price elasticity (substitutes and complimentary goods). Elasticities in different industries with case studies.	6	2	0

4	<b>Supply Analysis</b> Meaning of supply, law of supply, supply function, supply schedule and supply curve. Movement and shift of supply curve with diagram, producer surplus; determination of market equilibrium.	4	2	0
5	<b>Elasticity of Supply and its applications</b> Elasticity of supply; meaning, importance and formula; determinants of elasticity of supply. Applications in business with case- studies.	4	2	0
6	<b>Theory of Consumer Behaviour</b> Ordinal approach; Cardinal utility approach, law of diminishing marginal utility, Utility theory, indifference curve approach- indifference curve, properties of indifference curves, budget line and consumer's equilibrium	4	2	0
7	<b>Theory of Production</b> Theory of production- factors of production, basic concepts, production function, law of variable proportion , returns to scale, producer's equilibrium	4	1	0
	<b>TOTAL</b>	<b>32</b>	<b>13</b>	
<b>Evaluation criteria:</b> The break-up of the evaluation procedure is as follows: <ul style="list-style-type: none"> <li>▪ Minor Test 1: Quizzes: 20%</li> <li>▪ Minor Test 2: Test/ Assignment: 20%</li> <li>▪ Projects: 20%</li> <li>▪ Major Exam: Written Examination: 40%</li> </ul>				
<b>Learning outcomes:</b> After successful completion of the course, students will be able to: <ul style="list-style-type: none"> <li>▪ <b>Understand</b> and explain core economic concepts, including market mechanisms, price determination, and macroeconomic indicators.</li> <li>▪ <b>Apply</b> economic principles to analyze business problems, forecast trends, and assess market behaviour.</li> <li>▪ <b>Evaluate</b> the impact of government policies, inflation, and unemployment on business environments.</li> <li>▪ <b>Develop</b> strategies for business decisions based on economic trends and global market conditions.</li> </ul>				
<b>Pedagogical approach</b> The course will be delivered through lectures and tutorials.				
<b>References:</b> <ul style="list-style-type: none"> <li>• Mankiw, N. G. (2021). <i>Principles of economics</i>. Cengage Learning.</li> <li>• Mohana, K. R., &amp; Patro, C.S. (2023). <i>Managerial Economics</i>. IK International Pvt. Ltd.</li> </ul>				
<b>Additional Readings</b> <ul style="list-style-type: none"> <li>• Ahuja, H. L. (2017). <i>Advanced economic theory</i>. S. Chand Publishing</li> <li>• Salvatore, D. (2019). <i>International economics</i>. John Wiley &amp; Sons</li> </ul>				
<b>Additional information (If any):</b> None				
<b>Students Responsibilities:</b> Class attendance, timely submission of assignments and other projects.				

**Prepared by:** Dr. Parul Behl

**Course Reviewers:**

1. Dr. Anish Gupta, Associate Professor, Delhi School of Economics, University of Delhi.
2. Dr. Ganita Bhupal, Associate Professor, Rajdhani College, University of Delhi.