

Course title: Business Economics			
Course code: UBA 308	No. of credits: 3	L-T-P: 40-5-00	Learning hours: 45
Pre-requisite course code and title (if any): None			
Department: Policy & Management Studies			
Course coordinator(s): Dr. Moumita Acharyya		Course instructor(s): Mr. Vishal	
Contact details:			
Course Type: Core		Course offered in:	
Course Description			
<p>The Business Economics Part 2 is an extension to Business Economics Part- 1. This course is further designed to provide the undergraduate students with a foundational understanding of various cost concepts and market structures in economics. This course will further enlighten students regarding the basic understanding of cost estimation in various kinds of market structures and their relevance in the real- world.</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>			
Course objectives			
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<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 costs and their application in business decision making. The common objectives are to:</p> <ol style="list-style-type: none"> 1. Understand the basic economic costs. This course aims to provide students with a solid foundation in cost analysis in business and economics. 2. Apply the economic principles in business. This course will help in the application of the theory of costs to solve the real-world business problem such as price and output decisions in various kinds of market structures. 3. Enable students to analyze market conditions, competition, and consumer behaviour to formulate effective business strategies. <p>The overall goal is to provide students with the tools to analyse firm behaviour in different markets and understand price mechanism.</p>			
Course content			
Module	Topic	L	T
		P	

1	Cost Concepts in Business Economics Introduction to costs in business economics, importance of cost analysis in business and economics, explicit vs implicit costs; economic cost vs accounting costs with relevant examples.	6	0	0
2	Categories of Costs Basic concepts, opportunity and sunk cost; cost-curves (fixed and variable) , shape and behaviour of cost curves , short-run average and marginal cost curves, short run vs long run cost curves, long run cost curve as envelope of short run cost curves, relationship between marginal cost and average cost	6	1	0
3	Analysis of markets Basic concepts of revenue, revenue curves, relationship between average and marginal curves, concept of market and main forms of market	6	1	0
4	Cost in different market structure Cost behaviour in perfect competition, monopoly, monopolistic competition and oligopoly, role of costs in pricing and output decision, application of cost analysis.	6	1	0
5	Equilibrium price and output determination under perfect competition Equilibrium of the firm, total revenue- total cost approach, marginal revenue- marginal cost approach, price and output determination under perfect competition. Short-run and long- run equilibrium.	6	1	0
6	Equilibrium price and output determination under imperfect competition Price and output determination under monopoly, monopolistic competition, and oligopoly. Short-run and long- run equilibrium.	6	1	
7	Case- studies of different kinds of market structures	4	0	
	TOTAL	40	5	45

Evaluation criteria:

The break-up of the evaluation procedure is as follows:

- Minor Test 1: Quizzes/short tests - 20%
- Test 2 : Assignment/ projects - 20%
- Test 3 : Presentations - 20%
- Major Exam: Written Examination - 40%

Learning outcomes:

After successful completion of the course, students will be able to:

- **Understand** and explain core economic concepts, including market mechanisms, price determination.
- **Apply** economic principles to analyze business problems, forecast trends, and assess market behavior.
- **Analyze** different market structures and identify optimal pricing and output strategies for firms.

- **Develop** strategies for business decisions based on economic trends and global market conditions.

Pedagogical approach

The course will be delivered through lectures and tutorials.

References:

Textbooks:

- Principles of Economics by N. Gregory Mankiw
- Business Economics by H.L. Ahuja
- Managerial Economics: Theory and Practice by Thomas & Maurice

Additional Readings

- Ahuja, H. L. (2017). *Advanced economic theory*. S. Chand Publishing.
- Salvatore, D. (2019). *International economics*. John Wiley & Sons.

Additional information (If any): None

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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