



C.U. SHAH UNIVERSITY
VBT's Institute of Commerce
Wadhwan city
W.e.f.- June 2019

FACULTY OF: - Commerce
DEPARTMENT OF: -Master of Commerce
SEMESTER: – I
CODE: 5CO01BEC1
NAME: Business Economics

Teaching & Evaluation Scheme

Sr. No	Subject Code	Name of the Subject	Teaching Hours / Week				Credits	Evaluation Scheme								
			Th	Tu	Pr	Total		Theory				Practical				Total Marks
								Sessional Exam		University Exam		Internal		University		
								Marks	Hr/s	Marks	Hr/s	Pr / Viva	T W	Pr		
1	5CO01BEC1	Business Economics	4	--	--	4	4	30	1 ¹ / ₂	70	3	--	--	--	100	

Objective: This course develops managerial perspective to economic fundamentals as aids to decision making under given environment constraints as well as to equip and orient the students towards the concepts and practices of economics in managerial aspects.

Prerequisite: Required fundamental knowledge of business economics.

Course Outline

Sr.no.	Course Content	No. of Hours
1.	Nature and Scope of Managerial Economics: Objective of a firm, Economics theory and managerial theory, Managerial economist's role and responsibilities, Fundamental economic concepts, incremental principle, opportunity cost principle discounting principle, Equ-marginal principle.	11

2.	Demand forecasting and demand analysis: Demand estimation for major consumer durable and non-durable products, Demand forecasting techniques. Demand Analysis; - Individual and market demand function, Law of demand, Determinants of demand, Elasticity of demand- its meaning and importance, Price elasticity, Income elasticity, Supply elasticity and Cross elasticity, Using elasticity in managerial decisions..	11
3.	Production Theory: Production function-production with one and two variable inputs, Stages of production, Economies of scale, Estimation of production function, Cost theory and estimation, Economic value analysis, Short and long run cost function-their nature, shape and inter-relationship, Law of variable proportions, Law of returns to scale	13
4.	Price Determination Under Different Market Conditions & Pricing Practice:- Characteristics of different market structures, Price determination and firm's equilibrium in short-run and long-run under perfect competition, Monopoly, monopolistic competition and oligopoly. Methods of price Determination in practice, Pricing of multiple products, Price discrimination, International price discrimination and dumping of defectives per unit (c-chart), typical examples	10
Total Hours		45

Learning Outcomes:

Theoretical: Understanding of basic economic aspects like demand, supply, elasticity and market conditions.

Practical: Implementation of idea demand, supply, elasticity of demand.

Teaching & Learning Methodology: The following pedagogical tools will be used to teach this course:

- (A) Lectures
- (B) Case Discussions
- (C) Quiz/Class Participation/Assignment, etc

Books Recommended:

1. Adhikary, M: Economic Environment of Business, Sultan Chand & Sons. New Delhi.
2. Ahluwalia, I.J: Industrial Growth in India, Oxford University Press, Delhi.
3. Alagh, Y.K: Indian Development Planning and Policy, Vikas Pub, New Delhi
4. Aswathappa, K: Legal Environment of Business, Himalaya Publication, Delhi.
5. Chakravarty, S: Development Planning, Oxford University Press, Delhi.
6. Ghosh, Biswanath: Economic Environment of Business, Vikas Publication, New Delhi.
7. Govt. of India: Economic Survey, various issues.
8. Raj Agrawal and Parag Diwan, Business Environment: Excel Books, New Delhi.
9. Ramaswamy, V.S. and Nama Kumari: Strategic Planning for Corporate Success, Macmillan, New Delhi.