



**PARVATHANENI BRAHMAYYA  
SIDDHARTHA COLLEGE OF ARTS & SCIENCE**

*Autonomous*

Siddhartha Nagar, Vijayawada-520010

*Re-accruited at 'A+' by the NAAC*

**23ECMAL123: Business Economics**

**Offered to:** B.B.A. Honours (Business Administration)

**Course Type:** Major 4 (Core -TH)

**Year of Introduction:** 2023-24

**Year of offering:** 2023 - 2024

**Semester:** II

75 Hrs.

**Credits:** 4

**After completion of the course student will be able to**

.Understanding the concept of economics and its relevance to business.

- Comprehend the concept of Demand analysis for making important business decisions
- Learn to apply the concepts of cost and Break-even analysis and learn various theories on production.
- Understand concepts of perfect competition and monopoly for fixation of prices.
- Understand the international business scenario and concepts of BOP.

Course Outcome NO	Outcome	Mapping to
CO1	Comprehend the concept of Demand analysis for making important business decision	
CO2	Learn to apply the concept of cost and Break-even analysis and learn various theories on production.	
CO3	Understand the concept of economics and its relevance to business.	
CO4	Understand concepts of perfect competition and monopoly for fixation of prices.	
CO5	Understand the international business scenario and concepts of BOP	

CO-PO MATRIX							
COURSE CODE	CO-PO	PO1	PO2	PO3	PO4	PO5	PO6
23ECMAL123	CO1	0	1	0	0	0	0
	CO2	0	1	0	0	0	0
	CO3	0	1	0	0	0	0
	CO4	0	1	0	0	0	0
	CO5	0	2	0	0	0	0

#### **Unit-I: INTRODUCTION**

Meaning and Definitions of Business Economics - Nature and Scope of Business Economics -Micro and Macro Economics and their Interface Differences between Micro and Macro Economics.

#### **UNIT-II:DEMAND ANALYSIS**

Meaning and Definition of Demand, Determinants to Demand. Demand Function, Law of Demand, Demand Curve, Exceptions to Law of Demand.Elasticity of Demand,Measurement of Price Elasticity of Demand Demand Fore casting.

#### **UNIT-III:PRODUCTION, COST AND REVENUE ANALYSIS**

Concept of Production Function, Law of Variable Proportion, Law of Returns to Scale. Concept of Total Revenue, Average Revenue and Marginal Revenue. Classification of Costs and relationship between different short run cost curves,Break -Even Analysis, applications of Break- Even analysis.

#### **UNIT-IV:MARKET STRUCTURES**

Concept of Market – Classification of Markets. Perfect Competition–Characteristics, Equilibrium Price, Monopoly – Characteristics, Equilibrium under Monopoly-Monopolistic competition.

Oligopoly-Kinky Demand curve analysis

#### **UNIT-V:NATIONAL INCOME AND STRUCTURAL REFORMS**

Concepts of National Income- Definition,Measurement of National Income. Trade cycles – Meaning, Phases. Benefits of International Trade, Balance of Trade, Balance of Payments.

Concepts of Economic liberalization,Privatization,Globalization.WTO-Objectives,Functions.

#### **Reference Books:**

1. AryasriandMurthy- BusinessEconomics-Tata McGrawHill.
2. H.LAhuja- Business Economics-Sultan Chand &Sons.
3. Deepasree-BusinessEconomics -HimalayaPublishing House.



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## **23ECMAL123: Business Economics**

**Offered to:** B.B.A. Honours (Business Administration)

**Course Type:** Major 4 (Core -TH)

Max.Marks : 70

**Semester:** II

Max.Time : 3 hrs

Section A

**Answer the following**

**5X4=20M**

- 1) (a) Define Business Economics L1CO1  
OR  
(b) Interdependence of Macro and Micro Economics L2CO1
- 2) (a) Exceptions to the Law of Demand L2CO2  
OR  
(b) What is elasticity of demand L2CO2
- 3) (a) What is Production function L3CO3  
OR  
(b) Break Even Point L3CO3
- 4) (a) Classification of Markets L1CO4  
OR  
(b) Oligopoly Market L1CO4
- 5) (a) phases of trade cycles L2CO5  
OR  
(b) What are the benefits of International Trade. L2CO5

### **SECTION – B**

**Answer the following**

**5X10=50M**

- 6) a) Define Business Economics and Explain the Nature and Scope of Business Economics.L1CO1  
OR  
b) Distinguish between Micro and Macro Economics. L1CO1
- 7) a) Explain the various types of Price Elasticity of Demand L1CO2  
OR  
b) Discuss the various Methods to Measure Price Elasticity of Demand. L1CO2
- 8) a) Explain the law of Variable Proportions L1CO3  
OR  
b) Explain the **Break Even Point** with the help of diagram L1CO3
- 9) a) Explain the price determination under perfect competition market L3CO4  
OR  
b) Analyse the Kinkey Demand Curve L3CO4
- 10) a) Define National Income. Explain various concepts of National IncomeL2CO5  
OR  
b) Briefly explain Objectives and Functions of WTO. L2CO5