



Gyanmanjari
Innovative University

Syllabus
Gyanmanjari Institute of Management studies
Semester-IB.COM

Subject: Business Economics - BCO2XX11304

Type of course: Multidisciplinary

Prerequisite:

Basic knowledge of economic concepts, simple mathematics, and logical reasoning is essential to understand business decision-making using economic principles.

Rationale:

This course develops students' ability to apply economic concepts and analytical tools to solve business problems and make informed managerial decisions in dynamic business environments.

Teaching and Examination Scheme:

Teaching Scheme			Credits	Examination Marks		Total Marks
CI	T	P	C	SEE	CCE	
4	0	0	4	100	100	200

Legends: CI-Classroom Instructions; T – Tutorial; P - Practical; C – Credit; ESE - End Semester Examination; V – Viva; CA - Continuous Assessment; ALA- Active Learning Activities.

Course Content:

Sr. No	Course Content	Hrs.	% Weight age
1	Theory Topics Basics of Business Economics - Utility, Goods and Services, Money and Wealth, Value and Price - Wealth and Welfare, Real Income and Monetary Income - Micro Economics and Macro Economics - Positive Economics and Normative Economics, Consumer Surplus - Scarcity of Resources and Problems of Choice, Economic Policy - Economic Regulation and Economic Law - Prof. Marshall and Prof. Samuelsons' Definitions of Economics - Demand Function, Law of Demand, Determinants of Demand, Derivation of Demand through Indifference Curve	06 T 06 P	20



Elasticity of Demand and its Types - Methods for Calculating Elasticity of Demand Practical 1: Economic Concepts Identification Activity Students identify examples of Utility, Goods and Services, Money and Wealth, Value and Price, and Real Income and Monetary Income from their daily life. They classify these concepts with suitable business examples and discuss their relevance in business decision-making. Practical 2: Demand Observation and Consumer Behaviour Study Students observe the demand pattern of any consumer product available in the local market. They identify the determinants affecting demand and explain the Law of Demand using real market observations. Practical 3: Elasticity of Demand Numerical Exercise Students solve numerical problems on Price Elasticity of Demand using appropriate methods prescribed in the syllabus and interpret the results for managerial decision-making. Practical 4: Consumer Choice and Indifference Curve Activity Students prepare Indifference Curves and Budget Lines for a hypothetical consumer and demonstrate consumer equilibrium by explaining the relationship between demand, utility, and consumer satisfaction. Examination Style:			
Sr. No	Evaluation Methods	SEE	CCE
1	ALA 1 Economic Concepts in Everyday Business Students will prepare a document in Google Docs or MS Word explaining any ten economic concepts (Utility, Wealth, Value, Price, Consumer Surplus, Opportunity Cost, etc.) with suitable business or day-to-day examples. They will submit the report as a PDF on the GMIU Web Portal.		10
2	ALA 2 Demand and Elasticity Analysis Presentation Students will select any consumer product and prepare a PowerPoint Presentation explaining the Demand Function, Law of Demand, Determinants of Demand, and Price Elasticity of Demand using market data, graphs, and numerical illustrations. The presentation shall be submitted on the GMIU Web Portal before the practical examination.		10



	Scarcity, Choice and Consumer Surplus Decision Challenge A) Faculty will provide a resource-constrained business or consumer case; students will identify the scarcity problem, compare available alternatives and their opportunity costs, analyze consumer surplus, select and justify the most appropriate decision, and present their findings through a one-page decision sheet or infographic for evaluation. <table><tr><th>Component</th><th>Marks</th></tr><tr><td>Identification of Scarcity & Economic Problem</td><td>4</td></tr><tr><td>Alternatives & Opportunity Cost Analysis</td><td>4</td></tr><tr><td>Consumer Surplus Analysis</td><td>4</td></tr><tr><td>Decision & Economic Justification</td><td>5</td></tr><tr><td>Presentation & Clarity</td><td>3</td></tr><tr><td>Total</td><td>20</td></tr></table>	Component	Marks	Identification of Scarcity & Economic Problem	4	Alternatives & Opportunity Cost Analysis	4	Consumer Surplus Analysis	4	Decision & Economic Justification	5	Presentation & Clarity	3	Total	20	20		
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2	Theory Topics: Demand Analysis and Consumer Behaviour • Types of Demand • Individual Demand and Market Demand • Industry Demand and Firm Demand • Demand for Consumers Goods and Demand for Producers Goods • Rational Demand, Demand for Durable and Demand for Perishable Goods Estimation of Demand only on the basis of Price and Income • Basic Survey and Statistical Methods for Demand Forecasting. Practical 1: Demand Classification and Market Observation Activity	05 T 07 P		20														



Students identify different products and classify them into Individual Demand, Market Demand, Industry Demand, Firm Demand, Consumer Goods Demand, Producer Goods Demand, Durable Goods Demand, and Perishable Goods Demand using examples from the local market. Practical 2: Consumer Demand Survey Students conduct a basic market survey (offline or Google Forms) to collect data on consumer preferences, income, and price sensitivity for a selected product. The collected data is used to understand factors affecting demand and consumer behaviour. Practical 3: Demand Forecasting Exercise Students estimate the demand for a selected product using price and income data by applying basic survey and statistical methods. They perform the required mathematical calculations and interpret the forecasting results. Practical 4: Mathematical Problems on Demand Analysis Students solve numerical problems related to demand estimation and demand forecasting using the mathematical approach prescribed in the syllabus. The activity develops quantitative and analytical skills required for managerial decision-making. Examination Style:					
	Sr. No	Evaluation Methods	SEE	CCE	
	1	ALA 3 Demand Classification and Consumer Survey Students will conduct a survey on a selected consumer product and prepare a PowerPoint Presentation classifying different types of demand and explaining the factors influencing consumer demand using the collected data. The presentation shall be submitted on the GMIU Web Portal.		10	
	2	ALA 4 Demand Forecasting using Price and Income Analysis Students will estimate demand for a selected product using price and income data by applying basic survey and statistical methods. They will prepare a report with mathematical calculations and managerial interpretations and submit it on the GMIU Web Portal.		10	

	3	Demand Forecasting Report using Mathematical Approach Students will analyze historical price and income data of a selected product and estimate future demand using appropriate forecasting techniques prescribed in the syllabus. They will interpret the findings and provide suitable business recommendations.	10			
	4	Consumer Behaviour and Demand Analysis Case Study Students will analyze a real-life business case to identify different types of demand, consumer buying behaviour, and demand forecasting methods. Appropriate mathematical calculations shall be included wherever applicable.	10			
	Total		20	20		
3	Theory Topics • Production and Short run and long run Production Function Transformation Curve (Production Possibility Curve) Iso-quants and Iso-cost and equilibrium of firm • Basic Concepts of Economies and Diseconomies of Scale, Cost analysis Total Fixed Cost, Total Variable Cost, Total Cost, Average Fixed Cost, Average Variable Cost, Average Cost and Marginal Cost • Relationship between Average Cost and Marginal Cost, Real cost, Sunk Cost, Opportunity Cost, Implicit Cost, Accounting cost, Money cost, Explicit cost, • Basic concepts of Revenues i.e. Total Revenue, Marginal Revenue Average Revenue-Relationship between Average Revenue and Marginal Revenue. Practical 1: Production Function and Production Possibility Curve Activity Students prepare production schedules for short-run and long-run production functions and draw a Production Possibility Curve				06 T 06 P	20



(Transformation Curve) using hypothetical production data. The activity helps them understand production efficiency and resource allocation. Practical 2: Isoquant and Iso-cost Analysis Students draw Isoquant and Iso-cost curves for different combinations of labour and capital and identify the equilibrium point of a firm. This activity helps them understand optimum resource utilization in production. Practical 3: Cost Analysis and Numerical Exercise Students solve numerical problems on Total Fixed Cost, Total Variable Cost, Total Cost, Average Fixed Cost, Average Variable Cost, Average Cost, and Marginal Cost. They also analyze the relationship between Average Cost and Marginal Cost using tables and graphs. Practical 4: Revenue Analysis and Cost Classification Students calculate Total Revenue, Average Revenue, and Marginal Revenue from given business data and classify different business expenses into Real Cost, Sunk Cost, Opportunity Cost, Implicit Cost, Accounting Cost, Money Cost, and Explicit Cost. They interpret the results for managerial decision-making. Examination Style:					
Sr. No	Evaluation Methods	SEE	CCE		
1	ALA 5 My Mini Business – Production & Cost Decision Challenge Each student will select a simple small-scale business and prepare an individual production and cost analysis using given or reasonable assumptions. The student will identify inputs, prepare a production decision and provide a brief managerial justification.		10		
2	ALA 6 Cost and Revenue Analysis Report Students will prepare a report by solving numerical problems on Cost and Revenue concepts including TFC, TVC, TC, AFC, AVC, AC, MC, TR, AR, and MR. The report should include graphical representation and managerial interpretation and be submitted on the GMIU Web Portal.		10		
3	Production Cost Optimization Case Study Students will analyze the production and cost structure of a manufacturing or service	10			



		organization by identifying economies of scale, cost behaviour, and revenue relationships. Based on their analysis, they will recommend suitable managerial decisions for improving operational efficiency.				
	4	Cost and Revenue Analysis using Spreadsheet Students will prepare an Excel worksheet to calculate various cost and revenue measures from a given dataset. They will analyze the relationship between Average Cost and Marginal Cost, and Average Revenue and Marginal Revenue, and interpret the findings for business decision-making.	10			
		Total	20	20		
4	Theory Topics: Theory of Markets - Imperfect competition, Product Pricing & Factor Pricing Concept of Perfect Competition, Monopoly and Control of Monopoly - Price Discrimination and Dumping, - Monopolistic Competitions Price Determination in Monopolistic Competition - Selling cost and its Impacts, - Concepts of Duopoly and Oligopoly- Collusive Oligopoly, -Price Leadership Model and Kinked Demand Curve, two persons zero sum Game Theory -Theory of Rent (Ricardian and Modern) – Rent and Quasi Rent- Profit Innovations and Risk and Uncertainty theories of Profit. Practical 1: Market Structure Identification Study Students identify businesses operating under Perfect Competition, Monopoly, Monopolistic Competition, Duopoly, and Oligopoly by collecting examples from different industries. They analyze the characteristics of each market structure and justify their classification.				05 T 07 P	20
	Practical 2: Pricing Strategy Case Analysis Students study the pricing strategies of selected companies to identify examples of Price Discrimination, Selling Cost, Dumping, and Price Leadership. They prepare a short report explaining how these pricing strategies influence market competition and consumer behaviour.					
	Practical 3: Game Theory and Market Behaviour Simulation					



Students participate in a classroom simulation demonstrating the Two Persons Zero Sum Game Theory and analyze strategic decision-making under Duopoly and Oligopoly market conditions. The activity develops strategic thinking and competitive analysis skills. Practical 4: Factor Pricing and Profit Theory Analysis Students compare the Ricardian and Modern Theories of Rent and analyze real business situations illustrating Rent, Quasi Rent, Innovation Theory of Profit, and Risk and Uncertainty Theory of Profit. They present their findings through examples from business organizations. Examination Style:					
Sr. No	Evaluation Methods	SEE	CCE		
1	ALA 7 Market Structure and Pricing Strategy Report Students will select a real business organization and prepare a PDF report analyzing its market structure, pricing strategy, and competitive behaviour. The report should explain whether the firm operates under Perfect Competition, Monopoly, Monopolistic Competition, Duopoly, or Oligopoly, supported with suitable justification. The report shall be uploaded on the GMIU Web Portal.		10		
2	Pricing Strategy Presentation Students will prepare a PowerPoint Presentation explaining Price Discrimination, Selling Cost, Dumping, Price Leadership Model, and Kinked Demand Curve using real-life business examples. The presentation shall be submitted on the GMIU Web Portal before the practical examination.		10		
3	Game Theory and Market Competition Analysis Students will analyze a business case involving Duopoly or Oligopoly using the Two Persons Zero Sum Game Theory. They will evaluate strategic decisions and recommend suitable competitive strategies based on the analysis.	10			
4	Factor Pricing and Profit Theory Case Study Students will analyze a real-life business organization by applying the Ricardian and	10			



		Modern Theories of Rent along with Innovation and Risk and Uncertainty Theories of Profit. They will prepare a report explaining how these theories influence managerial decision-making.				
		Total	20	20		
5		Theory Topics Macroeconomic Fundamentals • National Income Accounting and Measurement • Business Cycles • Theories of Inflation • Depression • Recession • Basics of Capital Budgeting • Break-Even Analysis Practical 1: National Income Data Analysis Students collect the latest National Income statistics (GDP, GNP, NNP, National Income, Per Capita Income) from official government sources such as the Ministry of Statistics and Programme Implementation (MoSPI) or RBI. They prepare a comparative report showing trends and discuss their significance for business decision-making. Practical 2: Business Cycle Case Study Students select an industry or business organization and identify the impact of different phases of the business cycle (Expansion, Boom, Recession, and Depression) on its operations. They prepare a case study explaining how businesses respond during each phase of the business cycle. Practical 3: Capital Budgeting Exercise Students analyze a simple investment proposal by comparing the estimated cost and expected returns of two alternative projects. Based on the analysis, they recommend the most suitable investment option for the business. Practical 4: Break-Even Analysis using Spreadsheet Students prepare a Break-Even Analysis using MS Excel for a selected product by calculating Fixed Cost, Variable Cost, Selling Price, Contribution, and Break-Even Point. They interpret the results for business planning and profit decision-making. Examination Style:			06 T 06 P	20
	Sr. No	Evaluation Methods	SEE	CCE		



	1	National Income and Business Cycle Analysis Students will prepare a PowerPoint Presentation explaining the trends in National Income of India and analyze the impact of business cycles on any selected industry using recent economic data. The presentation shall be uploaded on the GMIU Web Portal.		10		
	2	Capital Budgeting and Break-Even Analysis Report Students will prepare an MS Excel/Google Sheets report analyzing a simple investment proposal and perform Break-Even Analysis using hypothetical business data. They will interpret the results and submit the report on the GMIU Web Portal.		10		
	3	Business Cycle Impact Analysis Students will analyze the effect of inflation, recession, and depression on a selected business sector. They will prepare a report explaining the challenges faced by businesses and recommend suitable managerial strategies to overcome economic fluctuations.	10	-		
	4	Capital Investment Decision Case Study Students will evaluate two alternative investment projects using basic capital budgeting concepts and Break-Even Analysis. Based on their findings, they will recommend the most suitable investment decision supported by appropriate calculations and business justification.	10			
	Total		20	-		

Suggested Specification table:

Distribution of Marks (Revised Bloom's Taxonomy)						
Level	Remembrance (R)	Understanding (U)	Application (A)	Analyze (N)	Evaluate (E)	Create (C)
Weightage %	10%	20%	20%	20%	20%	10%



Note: This specification table shall be treated as a general guideline for students and teachers. The actual distribution of marks in the question paper may vary slightly from above table.

Course Outcome:

After learning the course, the students should be able to:	
CO1	Explain fundamental concepts of Business Economics and apply demand, utility, and consumer behaviour principles to business situations.
CO2	Analyze different types of demand, demand forecasting techniques, and consumer behaviour using appropriate economic tools and quantitative methods.
CO3	Apply production, cost, and revenue concepts to evaluate business efficiency and support managerial decision-making.
CO4	Evaluate pricing decisions under different market structures and analyze factor pricing theories for solving business problems.
CO5	Analyze macroeconomic indicators, business cycles, inflation, capital budgeting, and break-even analysis to support strategic business planning.

Instructional Method:

The course delivery method will depend upon the requirement of content and need of students.

A minimum of 20–30% of the course content shall be suggested to deliver through Flipped Learning, where students study digital learning resources before the classroom session. Classroom time shall be utilized for discussion, problem-solving, practical applications, and higher-order learning activities.

Students shall be encouraged to use AI-powered learning platforms, simulation software, virtual laboratories, digital libraries, research databases, online certification courses, NPTEL, SWAYAM, MOOCs, and other technology-enabled learning resources to strengthen conceptual understanding and practical competence.

Continuous assessment shall be conducted through Active Learning Assignments (ALAs), quizzes, skill demonstrations, presentations, practical exercises, projects, case studies, innovation activities, peer assessment, reflective learning, and industry-oriented tasks instead of relying primarily on conventional written assignments.

Reference Books:

1. D.N. Dwivedi. (2023). *Business Economics* (10th Edition). Vikas Publishing House.
2. H.L. Ahuja. (2022). *Business Economics* (Revised Edition). S. Chand Publishing.
3. S. Sankaran. (2021). *Business Economics*. Margham Publications.



4. P.L. Mehta. (2020). *Managerial Economics: Analysis, Problems and Cases*. Sultan Chand & Sons.
5. Dominic Salvatore. (2020). *Managerial Economics in a Global Economy* (9th Edition). Oxford University Press.

Suggested Guidelines:

SEE 1:

SEE	Criteria	Marks	Description
1	Economic Concepts & Business Application	10	Correct application of basic economic concepts with relevant business examples.
	Analytical Reasoning	10	Logical interpretation of economic situations and managerial implications.
2	Demand Analysis & Numerical Accuracy	10	Correct application of demand, elasticity, and forecasting techniques.
	Managerial Interpretation	10	Appropriate recommendations based on demand analysis.
3	Production, Cost & Revenue Calculations	10	Accurate numerical calculations and graphical presentation.
	Business Decision-Making	10	Appropriate managerial decisions using production and cost analysis.
4	Market Structure & Pricing Analysis	10	Correct identification and evaluation of pricing strategies under different market conditions.
	Strategic Interpretation	10	Practical recommendations supported by economic reasoning.
5	Macroeconomic & Financial Analysis	10	Correct analysis of national income, business cycles, inflation, capital budgeting, or break-even concepts.
	Decision Support & Presentation	10	Logical business conclusions, professional presentation, and practical applicability of findings.

