Teacher's Sign/Remarks

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FUNDAMENTALS OF BUSINESS ECONOMICS

Introduction:

Business:- An economic activity that transforms inputs into outputs to create value, with the goal of optimizing Sacare reasources.

In Bussiness Economics

Relatively Scarcity:- where human wants and needs are Unlimited and reasources are limited. (Business Economices is this not abolut Scarcity)

Absolute Scarcity:- Reasources that are permanetly limited in physical Supply and can'nt be increased. no matter the demand or technological advancements. The Supply is Completely fixed.

Economices:- The term Economices is derived from greek word "Oikonomia" which means "HouseHold Management" Till '19th century Economics was Known 'Political Economy' and later Adam Smith become "father of Economics"

Bussiness Economices:- Using economic principles to solve real world bussiness in involves applying ideas like Supply and demand, Cost, profit and market behavior. to achieve its goals such as profit

characteristices of wants (human):-

1. Wants are Unlimited:- human wants are Unlimited but reasources are limited if want is satisfied anthor want a raised.

2. A particular want is Satisble:- A man can't Satisfies all his wants but he can statisfies a particular wants Completely.

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3 Wants are Compelive: Wants are Unlimited and reasources to them are limited

4. Wants are Substitutable: most of Our wants can be statisfied by using alternative goods.

5. Wants are Complementary: To statisfie a particular want we need a group of commodities.

6. Wants to Vary with time, place, and person: Wants are not always Same. They may have dymic nature. and they change with time, place and person.

7 Some wants to recur: Some of wants appear again and again it we can't Satisfie them Completly.

8. Wants are created by advertisements: Creating wants by advertisements through TV, Radio and etc.

9. Want differe in Urgency: Our Some wants are not equaly important or Urgent.

10. Wants Become Habits: Some of Our wants may turn into habits. when a particular want is Satisfied regulary.

Goods and Services:

There are 2 things which Satisfy human want. they are goods and Services.

goods: goods include tangible things.

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Services: Services includ

Types of goods:

1. Free good: The good
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2. Economics good: An
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3. Consumer goods: t
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These are divided

* Perishable goods:

* Durable goods: T
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4. Producer (or) Co

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* Single use Co

* Durable Con

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Economic goods have 3 important characteristics :-

1) Utility :- This Utility means which statisfie human wants

2) Scarcity :- Scarecity means goods are less but human wants are more.

3) Transferability :- Transfer of goods value from one place to other.

Services :- Services include intangible things.

Types of goods :-

1. Free good :- The goods which are freely ... whose supply is more than demand. Eg :- Sunlight, air etc.

2. Economics good :- An economic good is a natural or manmade whose demand is more than supply and having price.

3. Consumer goods :- the goods which satisfies human want directly are known as consumer goods. Eg :- books, pen etc.

These are divided into 2 types :-

* Perishable goods :- The goods which are used by consumer only once are known as perishable goods :- Eg :- chocolates, biscate and etc.

* Durable goods :- The goods which are used by consumers over a long a period of time. are know as Durable goods :- Eg :- TV, cycle etc.

4. Producer (or) capital goods :- The goods used in the production of other commodities and satisfy human want indirectly

These are goods are divided into 2 types :-

* Single use consumers goods :- The goods which are used only once in the production process is called single use producer goods. Eg :- Coal, Electricity .. etc.

* Durable consumer goods :- The goods which can be used for long period of time. Eg :- Machinees, buidling etc.

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5. Intermediate goods÷ The goods which are unfinished and semifinished are under the process of manufacturing are known as Intermediate. Eg÷ Steel made from iron ore.

[Remaing are there in material]

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