

AC-2.13 01/09/2018

Item No-



**Rayat Shikshan Sanstha's  
KARMAVEER BHAURAO PATIL COLLEGE,  
VASHI. NAVI MUMBAI  
(AUTONOMOUS COLLEGE)  
Sector-15- A, Vashi, Navi Mumbai - 400 703**

**Syllabus for UG Programs under the faculty of Commerce**

**Program: B.Com.**

**COURSE: BUSINESS ECONOMICS**

**(Choice Based Credit, Grading and Semester System  
with effect from the academic year 2018-2019)**

**Business Economics Syllabus for Choice Based Credit, Grading and Semester System with effect from the academic year 2018-2019**  
**PREAMBLE**

The Board of Studies in Business Economics has designed the syllabi of F.Y.B.Com. Paper-I and II which will be made effective from the Academic Year 2018-19. This paper provides an overall introduction to economics as dealing with the problems of allocation of scarce resources in optimum manner. It aims to build a familiarity with the basic tools of consumer and producer theory, the operation of markets and optimization in an economic context. In order to explain economic issues and solutions in a practical manner, the concepts are to be discussed with case studies and numerical problems wherever applicable. The objective of the course is to familiarize the students the basic concepts of Business Economics, Economic theories and its applications in Business Economics. The syllabus is framed to understand the Economic theory and its relevance in decision making.

**Paper–I Business Economics (SEMESTER-I)**

**Course Code: UGBECO101**

<b>Course Code</b>	<b>Modul</b>	<b>TOPICS</b>	<b>Credits</b>	<b>L/Week</b>
	<b>I</b>	<b>Introduction</b>	<b>3</b>	<b>3</b>
	<b>II</b>	<b>Demand Analysis</b>		
	<b>III</b>	<b>Production Analysis</b>		
	<b>IV</b>	<b>Cost and Revenue Analysis</b>		

**Paper–II Business Economics (SEMESTER-II)**

**Course Code: UGBECO201**

<b>Course Code</b>	<b>Modul</b>	<b>TOPICS</b>	<b>Credits</b>	<b>L/Week</b>
	<b>I</b>	<b>Theory of Firm</b>	<b>3</b>	<b>3</b>
	<b>II</b>	<b>Perfect Competition and Monopoly</b>		
	<b>III</b>	<b>Monopolistic Competition and Oligopoly</b>		
	<b>IV</b>	<b>Capital Budgeting</b>		

**Paper-I Business Economics (SEMESTER-I)**

<b>MODULE:I</b>	<p><b>Introduction:</b></p> <p>1.1 Basic economic problems: scarcity and choice, opportunity cost, PPC.          1.2 Micro and macro economics.          1.3 Business economics: Meaning, scope and significance.          1.4 Partial and general Equilibrium.          1.5 Positive economics and normative economics.          1.6 Basic tools of economic analysis: equations and functions relationship, graphs and diagrams, slope and intercepts.</p>	<b>12 Lectures</b>
<b>MODULE:II</b>	<p><b>Demand Analysis :</b></p> <p>2.1 Demand function, Determinants of demand, Law of demand- individual and market demand, shifts and movement in demand curve.          2.2 Elasticity of demand: Price- Income- Cross and Promotional elasticity of demand, measurement and significance.          2.3 Demand forecasting, meaning, significance and methods.</p>	<b>10 Lectures</b>
<b>MODULE:III</b>	<p><b>Production Analysis :</b></p> <p>3.1 Concept of production function: short run and long run.          3.2 Law of variable proportion.          3.3 Isoquants - iso-cost line: meaning and features.          3.4 Producer's equilibrium.          3.5 Law of returns to scale.          3.6 Economies and diseconomies of scale – Economies of scope.</p>	<b>12 Lectures</b>
<b>MODULE:IV</b>	<p><b>Cost and Revenue Analysis :</b></p> <p>4.1 <b>Cost concepts:</b> accounting cost and economic cost, implicit and explicit cost, social and private cost, historical and replacement cost, sunk and incremental cost, total and variable cost - (TC, AC, MC, TFC, TVC, AVC, AFC) relationship between AC &amp; MC.          4.2 <b>Revenue concepts:</b> Total Revenue, Average Revenue and Marginal Revenue. .Relationship between AR &amp; MR under different market structures. Case Studies</p>	<b>11 Lectures</b>

**Paper–II Business Economics (SEMESTER-II)**

<b>MODULE:I</b>	<b>Theory of Firm :</b> 1.1 Objectives of firm: economic and noneconomic goals. 1.2 Conditions for equilibrium under profit maximization. 1.3 Break-Even Analysis. Case Studies	<b>12 Lectures</b>
<b>MODULE:II</b>	<b>Perfect Competition and Monopoly:</b> 2.1 <b>Perfect Competition:</b> : concept, features, equilibrium in the short-run and long-run of a firm and industry, supply curve of a firm. 2.2 <b>Monopoly:</b> meaning, features, sources, short-run and long-run equilibrium of the Monopolist .Monopoly control measures, price discrimination.	<b>10 Lectures</b>
<b>MODULE:III</b>	<b>Monopolistic Competition and Oligopoly:</b> 3.1 <b>Monopolistic Competition:</b> concept, features, equilibrium in the short-run and long-run of firm and group, wastages under Monopolistic Competition. 3.2 <b>Oligopoly:</b> meaning, features, kinky demand curve, price rigidity. 3.3 Comparison of different markets.	<b>12 Lectures</b>
<b>MODULE:IV</b>	<b>Capital Budgeting:</b> 4.1 Meaning, Importance and steps in capital budgeting. 4.2 Techniques of Investment appraisal : payback period method, net present value method, and internal rate of return method (with numerical examples)	<b>11 Lectures</b>

**REFERENCES**

1. Bradley R. Schiller, The Macro Economics Today, Tata McGraw-Hill, 2011.
2. B. Douglas Bernheim and Michael D. Whinston, Microeconomics, Tata McGraw-Hill, 2011.
3. Lipsey, R.G. and A.K. Chrystal, Economics, Oxford Univ. Press, 2007.
4. Mankiw, N.G., Economics: Principles and Applications, Cengage Learning, 2009.
5. Pindyck, R.S. and D.L. Rubinfeld, Microeconomics, Pearson Education, 2008.
6. Stiglitz, J.E. and C.E. Walsh, Principles of Economics, W.W. Norton, 2002.
7. Salvatore, D.L., Microeconomics: Theory and Applications, Oxford Univ. Press, 2008.
8. Suma Damodaran, Managerial Economics, Oxford University Press, 2006
9. Varian, H.R., Intermediate Microeconomics: A Modern Approach, W.W. Norton, 2002.
10. Sen, Anindya, Microeconomic Theory, Oxford Univ. Press, 1999.
11. Koutsoyiannis, A., Modern Microeconomics, MacMillan Press, 1979.
12. H.L. Ahuja, Business Economics, 1999.
13. H.L. Ahuja, Principles of Microeconomics

**Scheme of Examination:**

The performance of the learners shall be evaluated in to two parts. The learner's performance shall be assessed by Internal Assessment with 40% marks in the first part by conducting the Semester End Examinations with 60% marks in the second part. The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:-

**(A) Continues Internal Evaluation: 40 Marks (40%)**

Sr. No	Evaluation type	Marks
1	Test	20
2	Open book test/Online test/Project/Assignment/case studies	10
3	Viva-Voce/Presentation	10

**(B) Semester End Examination: 60 Marks (60%)****Question Paper Pattern Semester End Examination**

Max.Marks:60

Time: 2 hours

- Note: 1.All questions are **COMPULSORY**  
2. Each question carries 15 marks.  
3. Draw neat diagrams wherever necessary

- Q.1** Answer Any Two of the following [Module 1] 15  
A  
B  
C
- Q.2** Answer Any Two of the following [Module 2] 15  
A  
B  
C
- Q.3** Answer Any Two of the following [Module 3] 15  
A  
B  
C
- Q.4** Answer Any Two of the following [Module 4] 15  
A  
B  
C