SIES (Nerul) College of Arts, Science and Commerce (Autonomous)

BOARD OF STUDIES (ECONOMICS)
SYLLABUS FOR
Bachelor of Commerce
in Accounting and Finance (BAF), Financial Markets (BFM), Banking and Insurance (BBI), Management Studies (BMS)

(WITH EFFECT FROM THE ACADEMIC YEAR 2023-2024)

Business Economics- I

COURSE CODE: U24BE1E02   **COURSE CREDIT: 02**

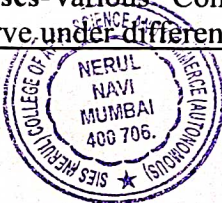**1 credit - 15 lectures**

1 lecture is 60 minutes

Course Objectives:
- To examine the basic principles of Business Economics and their applications in business decisions
- To orient students with cost, output and pricing decisions based on different market structures.

Course Outcomes:
- Students will be able to explain basic principles of Business Economics and its applications in the real world.
- Students will be able to classify market structures with respect to various economic variables.

Sr. No	Syllabus	No. of lectures
01	**Module -1: Fundamental Concepts and Business Decision Principles** • **Scope and Importance** of Business Economics, basic tools of Economic Analyses. • **Demand and Supply Analyses**-Various Concepts of Demand, Law of Demand, Nature of Demand Curve under different markets, Law of Supply.	15

	• **The basics of market demand**, market supply and equilibrium price- shifts in the demand and supply curves and equilibrium. • **Elasticity of Demand-** significance, types and measurement of elasticity of demand (Price, income cross and promotional) • **Demand estimation and forecasting:** Meaning and significance - methods of demand estimation : survey and statistical methods *(numerical illustrations, Case Study)*	
02	**Module-2: Production Function, Cost concepts and Market structure** • **Production function:** Meaning, Types of Production Function, Law of Variable Proportions, Concept of isoquants, Theories of Production – Short Run Production Function-Law of Variable Proportions, Long run production function and Laws of Returns to Scale, Least Cost Factor Combination for a given output. • **Economies and diseconomies of Scale**. • **Cost concepts:** Accounting cost and economic cost, implicit and explicit cost, Opportunity Cost, fixed and variable cost - total, average and marginal cost –Behavior of Cost and Cost Output Relationship in the Short Run and Long Run *(hypothetical numerical problems)*, LAC and Learning curve • **Break even analysis** *(with business applications- case Studies)* • **Market structure: Perfect Competition** –Features, Short run and long run equilibrium of a firm and of industry. • **Monopoly** – Features, Short run and long- run equilibrium of a firm under Monopoly, Price Discrimination under Monopoly. • **Monopolistic competition:** Features, Equilibrium of a firm under monopolistic competition, Product differentiation. • **Oligopolistic markets:** key attributes of oligopoly - Collusive and non-collusive oligopoly market - Price rigidity - Cartels and price leadership models.	15

REFERENCES:

• Mehta, P.L.: Managerial Economics – Analysis, Problem and Cases (S. Chand & Sons, N. Delhi, 2000)
• Hirchey .M., Managerial Economics, Thomson South western (2003)
• Salvatore, D.: Managerial Economics in a global economy (Thomson South Western Singapore, 2001)
• Frank Robert. H, Bernanke. Ben S., Principles of Economics (Tata McGraw Hill (ed.3)
• Gregory Mankiw., Principles of Economics, Thomson Southwestern (2002 reprint)
• Samuelson & Nordhaus.: Economics (Tata McGraw Hills, New Delhi, 2002)
• Pal Sumitra, Managerial Economics cases and concepts (Macmillan, New Delhi,2004

SCHEME OF EXAMINATION

The scheme of examination shall be divided into two parts:

- Internal assessment 40% i.e. 20 marks

- Semester end examination 60% i.e. 30 marks

(A) Internal Assessment 20 marks

Description	Marks
Internal tests of 10 marks each Q.1. Multiple choice Questions/True or False - 5 Marks Q.2. Attempt 1 question out of 3 questions (5 marks each)- 5 Marks	10
One Project and Viva voce/Presentation/Case studies/Assignments	5
Attendance and Class behavior	5
Total	20

B) Semester end examination 30 marks

PAPER PATTERN

Duration : 1 hour	
Total Marks: 30	
Q.1 10 marks OR 10 marks	10
Q.2 10 marks OR 10 marks	10
Q.3 10 marks OR 10 marks Two short notes out of four for 5 marks each/ numerical/ case study	10
Total	30
Note: Q.1, 2 - 10 marks question may be divided into sub questions if required. Q.3 May include theory (short notes) / Numerical/ case study in one of the options.	

Passing criteria: Minimum 40% in Internal (8 out of 20) and
40% (12 out of 30) in semester end examination.