Revised Syllabus of Courses of B.Com. Programme at Semester I with Effect from the Academic Year 2016-2017

Elective Courses (EC)-
Discipline Related Elective (DRE) Courses

3.Business Economics I

Modules at a Glance

Sr. No.	Modules	No. of Lectures
1	Introduction	10
2	Demand Analysis	15
3	Supply and Production Decisions	10
4	Cost of Production	10
	Total	45

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Sr. No.	Modules / Units
1	**Introduction**
	Scope and Importance of Business Economics - basic tools- Opportunity Cost principle- Incremental and Marginal Concepts. Basic economic relations - functional relations: equations- Total, Average and Marginal relations- use of Marginal analysis in decision making, The basics of market demand, market supply and equilibrium price- shifts in the demand and supply curves and equilibrium
2	**Demand Analysis**
	Demand Function - nature of demand curve under different markets Meaning, significance, types and measurement of elasticity of demand (Price, income cross and promotional)- relationship between elasticity of demand and revenue concepts **Demand estimation and forecasting:** Meaning and significance - methods of demand estimation : survey and statistical methods (numerical illustrations on trend analysis and simple linear regression)
3	**Supply and Production Decisions**
	Production function: short run analysis with Law of Variable Proportions-Production function with two variable inputs- isoquants, ridge lines and least cost combination of inputs- Long run production function and Laws of Returns to Scale - expansion path - Economies and diseconomies of Scale and economies of scope
4	**Cost of Production**
	Cost concepts: Accounting cost and economic cost, implicit and explicit cost, social and private cost, historical cost and replacement cost, sunk cost and incremental cost -fixed and variable cost - total, average and marginal cost - Cost Output Relationship in the Short Run and Long Run (hypothetical numerical problems to be discussed) **Extensions of cost analysis:** cost reduction through experience - LAC and Learning curve - Break even analysis (with business applications)

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Elective Courses (EC)-
Discipline Related Elective(DRE) Courses

3. Business Economics II

Modules at a Glance

Sr. No.	Modules	No. of Lectures
1	Market structure: Perfect competition and Monopoly	10
2	Pricing and Output Decisions under Imperfect Competition	15
3	Pricing Practices	10
4	Evaluating Capital Projects	10
	Total	**45**

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Sr. No.	Modules / Units
1	**Market structure: Perfect competition and Monopoly**
	Perfect competition and Monopoly models as two extreme cases - profit maximisation and the competitive firm's supply curve - Short run and long run equilibrium of a firm and of industry - monopoly - Sources of monopoly power – short run and long- run equilibrium of a firm under Monopoly
2	**Pricing and Output Decisions under Imperfect Competition**
	Monopolistic competition: competitive and monopolistic elements of monopolistic competition - equilibrium of a firm under monopolistic competition, monopolistic competition verses perfect competition- excess capacity and inefficiency - debate over role of advertising (topics to be taught using case studies from real life examples) **Oligopolistic markets:** key attributes of oligopoly - Collusive and non collusive oligopoly market - Price rigidity - Cartels and price leadership models (with practical examples)
3	**Pricing Practices**
	Cost oriented pricing methods: cost – plus (full cost) pricing, marginal cost pricing, Mark up pricing, discriminating pricing, multiple – product pricing - transfer pricing (case studies on how pricing methods are used in business world)
4	**Evaluating Capital Projects**
	Meaning and importance of capital budgeting- steps in capital budgeting - +Techniques of Investment appraisal: Payback Period Method, Net Present Value Method, and Internal Rate of Return Method (with numerical examples)

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