

NORTH MAHARASHTRA UNIVERSITY, JALGAON  
NEW SYLLABUS FOR F.Y.B.COM.

SUBJECT : BUSINESS ECONOMICS  
(EFFECTIVE FROM JULY 1997)

CLASS : F.Y.B.COM : SUBJECT : BUSINESS ECONOMICS

SECTION : I ( FIRST TERM )

UNIT NO.	UNIT	PERIODS
1.0	INTRODUCTION	
1:A	Business Economics	
1:B	i)Definitions,ii)Subject matter,iii)Scope Some common Techniques & concepts.-i)Linear & Non-Linear functions, ii)Graphing the functions iii)Total(Average &)Marginal values iv) capitalist market economy, v) plant firm & Industry	2
2:0	THEORY OF DEMAND	6
2:A	Basic of consumer Demand -i) consumer preference ii) Utility maximization-marshallian approach.	
2:B	iii)consumer Demand & market Demand, iv) The price Elasticity of Demand. Demand Forecasting i) Meaning ii) Methods iii)Significance	6
3.0	THEORY OF PRODUCTION & COSTS :	3
3:A	Production Analysis - i) Production function ii)Short Run production function iii) Long Run production iv)input substitution, v)cost minimization input combination	
3:B	Cost Analysis-i)Private costs, social costs & opportunity cost. ii) cost curves of the firm, iii)Relationship between short Run & Long Run cost curves.iv)Analysis of economies of scale v) 'L' shaped cost curves.	6
4.0	THEORY OF THE FIRM - I	
4:A	Perfect competition market-i)features, ii) short Runequilibrium of the firm,iii)Short-Run Supply curve, iv) Long-Run Equilibrium of of the firm v) competitive Industry Equilibrium	
4:B	Monopoly market - i) features, ii) Demand & Marginal Revenue under monopoly iii) short Run Equilibrium of the Monopoly firm, iv) Long Run Monopoly profit maximization.	5
		3

5.0	THEORY OF THE FIRM II	
5:A	Monopolistic competition market-i)features ii) short Run profit maximization of the firm iii) Long Run Equilibrium of the firm	3
5:B	Oligopoly & Duopoly market i) features,ii)The kinked Demand curve,iii) Price -Leadership model	5
		45
6.0	THEORY OF FACTOR PRICING:	
6:A	The Link between output & input Decisions	2
6:B	The firm's & The Industry's Demand for a factor	3
6:U	Total Supply of Land,Labour & capital.	1
6:E	The Supply of a factor for a particular use & to a firm	1
6:F	Determination of factor price under perfect completion & the Monopsony factor Markets.	4
7.0	FACTOR - PRICE DIFFERENTIALS.	
7:A	Meaning & causes of factor price Differentials	1
7:B	Rent as Differential Surplus & as generalised Surplus	1
7:C	Relation between Rent & transfer Earnings	2
7:D	Nature & causes of Wage Differentials.	2
7:E	Effects of Union & collective Bargaining on Wages.	3
7:F	Concepts of Interest Rate & Interest Rate - Differentials	3
7:G	Concepts & Nature of Profits.	2
7:H	Risk & Uncertainty, Innovation & Profit.	2
8.0	ANALYSIS OF PRICING PRACTICES.	
8:A	Full Cost / Cost Plus Pricing.	3
8:B	Limit Pricing	
8:C	Price Discrimination	3
8:U	Peak Load Pricing.	
8:E	Pricing & the Product life cycle	2

Cont. 3

## Conte 3

9.0	Introduction of Non Price competition	
9:A	Economic Analysis & the Marketing Mix	2
9:B	The Product Policy-i)entry decision choice of product ii)Product mix Decision iii)Product differentiation	4
9:C	Purpose of Advertisement - Impact of Advertisement	4
Total Periods :		45

### LIST OF BASIC BOOKS

1	Economics : by Prof. Paul Samuelson &
2	An Introduction to Positive Economics. by R.G.Lipsey & K.ike chystal(8th ed) ELBS with Oxford University Press.
3	Managerial Economics.by H.C.Peterson & W.Cris Lewis (3rd ed) Prentice Hall of India Pvt.Ltd. New Delhi.
4	Microeconomics for Managerial Decision Making by Roger D. Kraft & Lawrence W. Kenry, (International student Edi.) Mc Graw Hill International Book company New Delhi.
5	Managerial Economics for Business, management & accounting by Howard Davies(2nd ed.) ELBS with Pitman (1993)
6	Managerial Economics: by D.N.Dwivedi-Vikas Publishing House pvt.Ltd New Delhi.
7	Fundamentals of Business & Managerial Economics by O.M.Nithani, Himalaya publishing House, Delhi.
8	Managerial Economics : by Joel Dean, Prentice Hall of India.
ADDITIONAL Readings.	
1	Industrial Economics by R.R.Barthwal, Wiley Eastern Lit. Delhi/Bombay.
2	Industrial Economics by P.J.Devine & N Lee & R.M. Jones & W.J. Tyson (4th Ed.)the Macmillan press Ltd.
3	Business Economics by P.R. Ferguson & G.J.Ferguson R.Rothduild, the Macmillan Press Ltd.
4	Industrial Organization:Theory Evidence & Public Policy by Kenneth W.C. & Roger L.Miller, International student Edi.
5	Microeconomic Theory by D.N.Dwivedi (2d Ed.) Vikas Publishing House pvt. Ltd.