

F.Y.B.COM

Semester –I

Business Economics-Paper- I, Course Code- UCM1BE1

Module-I: - Introduction: 10 L

Scope and importance of business economics- Basic tools, opportunity cost principle- 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 demand and supply curves and equilibrium.

Module-II: - Demand Analysis: 15L

Demand function: Nature of Demand curve under different markets. Meaning, significance and types of elasticity of demand -Price elasticity of demand, income elasticity of demand, cross elasticity of demand and promotional elasticity of demand.

Demand estimation and forecasting- meaning and significance- methods of demand estimation- survey and statistical methods (numerical illustrations on trend analysis).

Module-III: - Supply and Production Decisions: 10L

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.

Module-IV: - Cost of production: 15L

Cost concepts: accounting and economic costs, explicit and implicit costs, Social and private costs, fixed and variable costs- total, average and marginal costs- cost-output relationship in short and long run (hypothetical numerical problems to be discussed)

Extension of cost analysis: cost reduction through experience, LAC and learning curve- Break even analysis (with business applications)

**F.Y.B.COM –
Semester –II**

Business Economics-II - Course Code- UCM2BE2

Module-I: - Market structure: Perfect competition and Monopoly: 10L

Perfect competition and monopoly: Perfect competition and monopoly models are two extreme cases- 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.

Module-II: - Pricing and output decisions under imperfect competition: 15L

Monopolistic competition market: Competitive and monopolistic elements of monopolistic competition- equilibrium of a firm under monopolistic competition- monopolistic completion 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- price rigidity, collusive and non- collusive oligopoly market-price leadership models (with practical examples)

Module-III: -Pricing practices: 10L

Cost oriented pricing methods: cost-plus (full cost) pricing, marginal cost pricing, mark up pricing, multiple product pricing- discriminating pricing- transfer pricing. (Case studies on how pricing methods are used in business world)

Module-IV: - Evaluating capital projects: 10L

Meaning and importance of capital budgeting, steps in capital budgeting- Techniques of investment appraisal: Payback period method, net present value method, internal rate of return method (with numerical examples) S.Y.B.COM Semester –III

Business Economics- Paper- III- Course Code- UCM3BE3

Introduction to Macroeconomics

Module-I: Introduction: 10L

- **Macroeconomics:** Meaning, Scope and Importance.
- **Circular flow of aggregate income and expenditure** and its Importance- closed and open economy models
- **Green GNP and NNP concepts-** Importance and Measurement
- **Trade Cycles:** Features and Phases
- **Classical Macro economics: Say's law of Markets** - Features, Implications and Criticism

Module-II: - Basic Concepts of Keynesian Economics: 15L

- **The Principle of Effective Demand:** Aggregate Demand and Aggregate Supply
- **Consumption Function:** Properties, Assumptions and Implications
- **Investment function and Marginal Efficiency of capital**
- **Investment Multiplier effect on Income and Output:** Assumptions, Working, Leakages, Criticism and Importance - paradox of thrift
- **Relevance of Keynesian theory tools to the developing countries**

Module-III: POST Keynesian Developments In Macro Economics: 10L

- **The IS-LM model** of integration of commodity and money markets
- **Inflation and unemployment:** Philips curve
- **Stagflation:** meaning, causes, and consequences
- **Supply side economics:** Basic propositions and critical appraisal

Module-IV - Money, Prices and Inflation- 10L

- **Money Supply:** Determinants of Money Supply - Factors influencing Velocity of Circulation of Money
- **Demand for Money:** Classical and Keynesian approaches and Keynes' liquidity preference theory of interest - Friedman's restatement of Demand for money
- **Inflation:** Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy - policy measures to curb inflation- monetary policy and inflation targeting

S.Y.B.COM, Semester –IV Business Economics – IV

Public Finance Paper-IV, Course Code- UCM4BE4

Model No. I - The Role of Government in an Economy: 10L

- **Meaning and Scope of Public finance.**
- **Major fiscal functions:** allocation function, distribution function & stabilization function
- **Principle of Maximum Social Advantage:** Dalton and Musgrave Views - the Principle in Practice, Limitations.
- **Relation between Efficiency, Markets and Governments**
- **The concept of Public Goods and the role of Government**

Module-II- Public Revenue: 15

- **Sources of Public Revenue:** tax and non-tax revenues
- **Objectives of taxation** - Canons of taxation
- **Direct taxes-** Merits and demerits- Indirect taxes- Merits and demerits
- **Shifting of tax burden:** Impact and incidence of taxation - Processes- factors influencing incidence of taxation
- **Economic Effects of taxation:** on Income and Wealth, Consumption, Savings, Investments and Production.
- **Redistributive and Anti – Inflationary nature of taxation** and their implications

Module –III- Public Expenditure and Public Debt: 10L

- **Public Expenditure:** Canons - classification - economic effects of public spending - on production, consumption, distribution, employment and stabilization - Theories of Public Expenditure: Wagner's Hypothesis and Wiseman Peacock Hypothesis - Causes for Public Expenditure Growth - Significance of Public Expenditure: Low Income Support and Social Insurance Programmes.
- **Public Debt:** Classification - Burden of Debt Finance: Internal and External- Public Debt and Fiscal Solvency

Module- IV- Fiscal Policy and Management: 10L

- **Fiscal Policy:** Meaning, Objectives, constituents and Limitations.
- **Budget-** Meaning objectives and types - Structure of Union budget - Deficit concepts
- **Study of current year budget**
- **Intergovernmental Fiscal Relations:** fiscal federalism and fiscal decentralization - central-state financial relations

T Y B Com Semester -V

Business Economics Paper-V Course Code-UCM5BE5

1. Macro Economic Overview of India

- **Overview of New Economic Policy 1991:** Role of Social Infrastructure with reference to Education, Health and Family Welfare.
- **Sustainable Development Goals and Policy Measures:** Make in India, Invest in India, and Skill Development and Training Programmes.
- **Foreign Investment Policy Measures in India:** Foreign Investment Promotion Board, FDI, MNCs and their role.

2. Agriculture During Post Reform Period

- **National Agriculture Policy 2000:** Objectives, Features and Implications.
- **Agricultural Pricing and Agricultural Finance**
- **Agricultural Marketing Development:** Agricultural Market Infrastructure – Market Information – Marketing Training – Enabling Environments – Recent Developments.

3. The Industry and Service Sector during Post-reform Period

- **Policy Measures:** Competition Act, 2003, Disinvestment Policy, Micro, Small and Medium Enterprises [MSME Sector] since 2007.
- **Industrial Pollution in India:** Meaning, Type, Effects and Control.
- **Service Sector:** Recent Trends, Role and Growth in Healthcare and Tourism Industry.

4. Banking and Financial Market

- **Banking Sector:** Recent Trends, Issues and Challenges in Banking and Insurance Industry.
- **Money Market:** Structure, Limitations and Reforms.
- **Capital Market:** Structure, Growth and Reforms.

T Y B Com Semester- VI
Business Economics Paper-VI, Course Code-UCM6BE6

1. Introduction to International Trade

- **Theories of International Trade** – Ricardo’s Theory of Comparative Costs and the Heckscher – Ohlin Theory.
- **Terms of Trade** – Types and Limitations.
- **Gains from International Trade** – Offer Curves and Reciprocal Demand.

2. Commercial Policy

- **Commercial Trade Policy** – Free Trade and Protection – Pros and Cons.
- **Tariff and Non-Tariff Barriers:** Meaning, Types and Effects.
- **International Economic Integration** – Types and Objectives: EU and Brexit, ASAEN

3. Balance of Payments and International Economic Organization

- **Balance of Payment:** Meaning, Structure, Types of Disequilibrium.
- **Causes and Measures to correct the disequilibrium in Balance of Payments.**
- **WTO – Recent Developments in TRIPS, TRIMS and GATS.**

4. Foreign Exchange Market

- **Foreign Exchange Market:** Meaning, Functions, Determination of Equilibrium Rate of Exchange.
- **Purchasing Power Parity Theory, Spot and Forward Rates, Arbitrage.**
- **Role of Central Bank in Foreign exchange rate management, Managed Flexible exchange rate system of India.**

M.Com. Part I Semester I- Business Economics-I , Course Code- PCM1BE1
“Economics for Business Decisions”

1. Basic Principles in Business Economics- 15L

Meaning and Scope of Business Economics – twin principles of scarcity- Meaning and Scope or and efficiency, incremental and Marginal principle; profit maximization principle; market economy and invisible hand; production possibility frontier; Opportunity cost – accounting profit and economic profit; market failure, externality, public goods and economic role of government

2. Demand and Supply Analysis- 15L

Determinants of demand – market demand function – theory of attributes, snob appeal, band wagon and Veblen effect and demand function.

Applications of elasticity of demand and supply to economic issues: Paradox of bumper harvest- tax on price and quantity – minimum floor and maximum ceilings: minimum wages controversy- Effects of elasticity of demand and supply on incidence of tax.

The theory of consumer choice – Consumer preference and budget constraint – equilibrium position of tangency with the help of Indifference analysis – effect of changes in price and Income on consumer –equilibrium

3. Production Decisions and Cost Analysis- 15L

Production function – short run and long run – Law of variable proportion, returns to scale, scale economies, scope economies- least cost factor combination for a given output- Expansion path and Multi product firm cost reduction through experience – learning curve

Economic analysis of Cost: Classification of costs, short run and long run cost functions. Break even analysis.

4. Market Structure Analysis -15L

Difference between perfectly and imperfectly competitive markets- Perfect competition and Monopoly as limiting cases of market imperfections – Sources of market power – profit maximization of simple and discriminating monopolist – methods of measuring monopoly power and discriminating monopolist – Public policy towards monopoly power.

Different forms of imperfect competition – Monopolistic competition and Oligopoly – Strategic decision making in oligopoly markets- collusive and non-collusive oligopoly- collusive oligopoly models of price leadership and cartel – basic concepts of game theory – Using Game theory to analyse strategic decisions – application of model of prisoner’s dilemma in market decisions. Advanced Nash equation.

M.Com. Part I, Semester II, Business Economics-II, Course Code- PCM2BE2
“Macro Economics: Concepts and Applications”

1. Aggregate income and its Dimensions- 15L

Aggregate Income and its dimensions: National income aggregates – and measurement; - GNP, GDP, NDP, Real and nominal income concepts, measures of inflation and price indices – GDP deflator – Nominal and real Interest rates -PPP Income and HDI , National income as a measure of economic welfare.

2. Keynesian Concepts of Aggregate Demand (ADF), Aggregate Supply (ASF)- 15L

Keynesian concepts of Aggregate Demand (ADF), Aggregate Supply (ASF), Interaction of ADF and ASF and determination of real Income. Marginal efficiency of capital, Inflationary gap.

Policy trade – off between Inflation and unemployment - Phillips’ curve – short run and long run.

3. Economic Policy Implications in the IS-LM Framework- 15L

The IS-LM mode: Equilibrium in goods and money market; Monetary and real influences on IS-LM curves, Economic fluctuations and Stabilization policies in IS-LM framework Transmission mechanism and the crowding out effect; composition of output and policy mix, IS-LM in India

4. International Aspects of Macroeconomic Policy- 15L

International aspects of Macroeconomic policy: Balance of payments disequilibrium of an open economy – corrective policy measures – Expenditure changing policies and Expenditure switching policies BOP adjustments through monetary and fiscal policies – The Mundell–Fleming model. Devaluation, revaluation as expenditure switching policies effectiveness of devaluation and J curve effect

F.Y.B.COM (Accounting and Finance) Semester-I Business Economics-

Paper-I, Course Code- UAF1BE1

Module I- Introduction: 10L

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.

Module II-Demand Analysis:- 10L

Demand Function - nature of demand curve under different markets

Meaning, significance, types and measurement of elasticity of demand (Price, income cross and promotional)

The basics of Market Demand & Supply and Equilibrium Price – shifts in the demand and supply curves and equilibrium

Demand Estimation and forecasting: Meaning and significance-methods of demand estimation :survey and statistical methods

(numerical illustrations on trend analysis and simple linear regression)

Module III- Production function: 15L

Short run analysis with Law of Variable proportion-isoquants, ridgelines, and least cost combination of inputs-Long run production function and Law of return to Scale-Expansion path

Cost Concepts: Accounting cost and economic cost, implicit and explicit 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) Break even analysis (with business applications)

Module IV-Market Structure: 15L

Perfect competition and monopoly and pricing and output decisions under imperfect competition :- Short run and long run equilibrium of a competitive firm and of industry-Monopoly- Short run and long run equilibrium of a firm under monopoly.

Monopolistic Competition: Equilibrium of a firm under monopolistic competition.

Oligopolistic markets: Key attributes of oligopoly –price rigidity

Module V -Pricing Practices:- 10L

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)

**S. Y. B. COM. (Accounting and Finance) Semester-IV,
Business Economics - Paper –II, Course code- UAF4BE2**

2. Introduction to Macroeconomic Data and Theory - 15L

Macroeconomics: Meaning, Scope and Importance.

Circular flow of aggregate income and expenditure: closed and open economy models

The Measurement of national product: Meaning and Importance - conventional and Green GNP and NNP concepts

Short run economic fluctuations : Features and Phases of Trade Cycles

The Keynesian Principle of Effective Demand: Aggregate Demand and Aggregate Supply

- Consumption Function - Investment function - effects of Investment Multiplier on Changes in Income and Output.

Introduction to the Great Depression and Euro Zone Crisis – Brexit

3. Money, Inflation and Monetary Policy - 15L

Money Supply: Determinants of Money Supply - Factors influencing Velocity of Circulation of Money

Demand for Money : Classical and Keynesian approaches and Keynes' liquidity preference theory of interest

Money and prices : Quantity theory of money - Fisher's equation of exchange -Cambridge cash balance approach

Inflation: Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy.

Monetary policy :Meaning, objectives and instruments, inflation targeting

4. Constituents of Fiscal Policy - 15L

Role of a Government to provide Public goods- Principles of Sound and Functional Finance

Fiscal Policy: Meaning and Objectives

Instruments of Fiscal policy : Canons of taxation - Factors influencing incidence of taxation - Effects of taxation Significance of Public Expenditure - Social security contributions- Low Income Support and Social Insurance Programmes - Public Debt - Types, Public Debt and Fiscal Solvency, Burden of debt finance

Union budget -Structure- Deficit concepts-Fiscal Responsibility and Budget Management Act.

5. Open Economy : Theory and Issues of International Trade - 15L

The basis of international trade :Ricardo's Theory of comparative cost advantage - The Heckscher – Ohlin theory of factor endowments- terms of trade - meaning and types

Factors determining terms of trade - Gains from trade - Free trade versus protection

Foreign Investment : Foreign Portfolio investment- Benefits of Portfolio capital flows- Foreign Direct Investment - Merits of Foreign Direct Investment - Role of Multinational corporations

Balance of Payments: Structure -Types of Disequilibrium - Measures to correct disequilibrium in BOP.

Foreign Exchange and foreign exchange market : Spot and Forward rate of Exchange - Hedging, Speculation and Arbitrage -Fixed and Flexible exchange rates- Managed flexibility

T Y B Com (Accounting and Finance)	
Economics Paper – III Course Code- UAF6BE3 (Indian Economy)	
Sr. No.	Modules / Units
1	Introduction Agricultural Sector
	Introduction Demographic features- Poverty, Income inequality and Unemployment Urbanization and its effects Agricultural Sector Institutional Structure- Land reforms in India Technological changes in agriculture Agricultural pricing and agricultural finance Agricultural marketing National agricultural policy
2	Industrial Sector
	Growth and pattern of industrialization Industrial Policy of 1991. Public sector enterprises and disinvestment policy Small scale sector- problems and prospects
3	Service Sector and External Sector
	Service Sector Nature and scope of service industry Recent trends in Banking industry, Insurance Industry, Healthcare Industry and Tourism Industry External Sector Structure and directions of foreign trade India's Balance of payments since 1991 FDI, foreign capital and transnational companies in India. Role and impact of SAARC, ASEAN and WTO
4	Money and Banking
	Money market and its features Monetary policy of RBI Progress of commercial banking in India Development of capital markets SEBI and its functions

F Y B M S- Semester-I

Business Economics- Paper-I, Course Code- UMS1BE1

Module I- Introduction: 10L

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.

Module II-Demand Analysis:- 10L

Demand Function - nature of demand curve under different markets

Meaning, significance, types and measurement of elasticity of demand (Price, income cross and promotional)

The basics of Market Demand & Supply and Equilibrium Price – shifts in the demand and supply curves and equilibrium

Demand Estimation and forecasting: Meaning and significance-methods of demand estimation

:survey and statistical methods

(numerical illustrations on trend analysis and simple linear regression)

Module III- Production function: 15L

Short run analysis with Law of Variable proportion-isoquants, ridgelines, and least cost combination of inputs-Long run production function and Law of return to Scale-Expansion path

Cost Concepts: Accounting cost and economic cost, implicit and explicit 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) Break even analysis (with business applications)

Module IV-Market Structure: 15L

Perfect competition and monopoly and pricing and output decisions under imperfect competition:- Short run and long run equilibrium of a competitive firm and of industry-Monopoly- Short run and long run equilibrium of a firm under monopoly.

Monopolistic Competition: Equilibrium of a firm under monopolistic competition.

Oligopolistic markets: Key attributes of oligopoly –price rigidity

Module V -Pricing Practices:- 10L

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)

**SY BMS Semester-IV, Business Economics - Paper –II, Course
code- UMS4BE2**

1. Introduction to Macroeconomic Data and Theory - 15L

Macroeconomics: Meaning, Scope and Importance.

Circular flow of aggregate income and expenditure: closed and open economy models

The Measurement of national product: Meaning and Importance - conventional and Green GNP and NNP concepts

Short run economic fluctuations : Features and Phases of Trade Cycles

The Keynesian Principle of Effective Demand: Aggregate Demand and Aggregate Supply

- Consumption Function - Investment function - effects of Investment Multiplier on Changes in Income and Output. Introduction to the Great Depression and Euro Zone Crisis – Brexit

2. Money, Inflation and Monetary Policy - 15L

Money Supply: Determinants of Money Supply - Factors influencing Velocity of Circulation of Money

Demand for Money : Classical and Keynesian approaches and Keynes' liquidity preference theory of interest

Money and prices : Quantity theory of money - Fisher's equation of exchange -Cambridge cash balance approach

Inflation: Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy.

Monetary policy :Meaning, objectives and instruments, inflation targeting

3. Constituents of Fiscal Policy - 15L

Role of a Government to provide Public goods- Principles of Sound and Functional Finance

Fiscal Policy: Meaning and Objectives

Instruments of Fiscal policy : Canons of taxation - Factors influencing incidence of taxation - Effects of taxation Significance of Public Expenditure - Social security contributions- Low Income Support and Social Insurance Programmes - Public Debt - Types, Public Debt and Fiscal Solvency, Burden of debt finance

Union budget -Structure- Deficit concepts-Fiscal Responsibility and Budget Management Act.

4. Open Economy : Theory and Issues of International Trade - 15L

The basis of international trade :Ricardo's Theory of comparative cost advantage - The Heckscher – Ohlin theory of factor endowments- terms of trade - meaning and types, Factors determining terms of trade - Gains from trade - Free trade versus protection

Foreign Investment : Foreign Portfolio investment- Benefits of Portfolio capital flows- Foreign Direct Investment - Merits of Foreign Direct Investment - Role of Multinational corporations

Balance of Payments: Structure -Types of Disequilibrium - Measures to correct disequilibrium in BOP.

Foreign Exchange and foreign exchange market : Spot and Forward rate of Exchange - Hedging, Speculation and Arbitrage -Fixed and Flexible exchange rates- Managed flexibility

Head

Department of Business Economics



Janardan Bhagat Shikshan Prasarak Sanstha's
CHANGU KANA THAKUR
ARTS, COMMERCE & SCIENCE COLLEGE, NEW
PANVEL (AUTONOMOUS)

Re-accredited 'A+' Grade by NAAC
'College with Potential for Excellence' Status Awarded by UGC
'Best College Award' by University of Mumbai

Program: B. Com. with A/F

Revised Syllabus SYBAF of Business Economics II
Choice Based Credit & Grading System (60:40)
w.e.f. Academic Year 2020-21

Sr. No.	Heading	Particulars
1	Title of Course	Business Economics - II
2	Eligibility for Admission	Passing of First year of BAF
3	Passing marks	40%
4	Ordinances/Regulations (if any)	
5	No. of Semesters	One
6	Level	U.G.
7	Pattern	Semester (60:40)
8	Status	Revised
9	To be implemented from Academic year	2020-21

Preamble of the Syllabus:

This course is designed to introduce the students to the basic study of macro-economics, international economics and public finance. Business Economics is the application of economic theory and methodology to business. In the syllabus of business economics, students will study the basic tools of macro-economics, international economics and public finance to understand the overall functioning of the economy. This course is also important for the students to understand the economic environment at macro level. The subject matter helps in dealing with the economic aspects of managerial decisions.

Objectives for new Curriculum

Sr.No	Objectives
01	To help the students to understand the concepts related to Macro Economics
02	To integrate the concepts of economics in order to analyze and make optimal business decisions.
03	Learners will understand the basic economic theories

Course Outcome: By the end of the course, a student should develop the Ability:

Sr.No	Outcomes
01	Learners will understand the concepts related to Macro economics and its applications.
02	Help the learners to understand the fundamentals of National Income.
03	Learners will gain the knowledge about various Monetary Policies
04	It will help the learners to understand various components of public finance and Union Budget
05	To acquaint the learners with various International Trade theories and foreign exchange

SY B. Com. (Accounting and Finance) Business Economics -II

For the subject of Business Economics there will be one paper of 60 lectures comprising of four units.

Semester-IV

Sr. No.	Modules	No. of Lectures
1	Introduction to Macroeconomic Data and Theory	15
2	Money, Inflation and Monetary Policy	15
3	Constituents of Fiscal Policy	15
4	Open Economy : Theory and Issues of International Trade	15
Total		60

Scheme of Examination for Semester IV: For SY B.Com (Accounting and Finance)

Internal Evaluation: 40(20 marks internal test, 15 marks for project work and viva and 05 marks for active participation and overall conduct)

External Evaluation: Semester End Examination: 60 Marks will be as follows:
All the questions are compulsory.

Question No	Particular	Marks
Q-1	Objective Questions . Questions to be asked 08 and to be answered any 06 Questions to be asked 08 and to be answered any 06 (*Multiple choice / True or False / Match the columns/Fill in the blanks)	12
Q-2	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12
Q-3	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12
Q-4	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12
Q-5	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12

**Choice Based Credit Grading and Semester System (CBCGS)
SY.B. Com. Accounting and Finance Business Economics Syllabus
To be implemented from the Academic Year 2020-2021
Semester- IV- Paper No. II**

Course Code	Unit	Topics/ Modules	Credits	L / Week
UAF4BE2	I	Introduction to Macroeconomic Data and Theory	3	15
	II	Money, Inflation and Monetary Policy		15
	III	Constituents of Fiscal Policy		15
	IV	Open Economy : Theory and Issues of International Trade		15

S. Y. B. COM. (Accounting and Finance)

Semester-IV, Paper -II

Sr. No.	Modules / Units
1	Introduction to Macroeconomic Data and Theory - 15L
	<p>Macroeconomics: Meaning, Scope and Importance.</p> <p>Circular flow of aggregate income and expenditure: closed and open economy models</p> <p>The Measurement of national product: Meaning and Importance - conventional and Green GNP and NNP concepts</p> <p>Short run economic fluctuations : Features and Phases of Trade Cycles</p> <p>The Keynesian Principle of Effective Demand: Aggregate Demand and Aggregate Supply - Consumption Function - Investment function - effects of Investment Multiplier on Changes in Income and Output</p> <p>Introduction to The Great Depression and Euro Zone Crisis - Brexit</p>
2	Money, Inflation and Monetary Policy - 15L
	<p>Money Supply: Determinants of Money Supply - Factors influencing Velocity of Circulation of Money</p> <p>Demand for Money : Classical and Keynesian approaches and Keynes' liquidity preference theory of interest</p> <p>Money and prices : Quantity theory of money - Fisher's equation of exchange - Cambridge cash balance approach</p> <p>Inflation: Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy.</p> <p>Monetary policy : Meaning, objectives and instruments, inflation targeting</p>
3	Constituents of Fiscal Policy - 15L
	<p>Role of a Government to provide Public goods- Principles of Sound and Functional Finance</p> <p>Fiscal Policy: Meaning and Objectives</p> <p>Instruments of Fiscal policy : Canons of taxation - Factors influencing incidence of</p>

	<p>taxation - Effects of taxation Significance of Public Expenditure - Social security contributions- Low Income Support and Social Insurance Programmes - Public Debt - Types, Public Debt and Fiscal Solvency, Burden of debt finance</p> <p>Union budget -Structure- Deficit concepts-Fiscal Responsibility and Budget Management Act.</p>
4	Open Economy : Theory and Issues of International Trade - 15L
	<p>The basis of international trade :Ricardo’s Theory of comparative cost advantage - The Heckscher – Ohlin theory of factor endowments- terms of trade - meaning and types</p> <p>Factors determining terms of trade - Gains from trade - Free trade versus protection</p> <p>Foreign Investment : Foreign Portfolio investment- Benefits of Portfolio capital flows- Foreign Direct Investment - Merits of Foreign Direct Investment - Role of Multinational corporations</p> <p>Balance of Payments: Structure -Types of Disequilibrium - Measures to correct disequilibrium in BOP.</p> <p>Foreign Exchange and foreign exchange market : Spot and Forward rate of Exchange - Hedging, Speculation and Arbitrage -Fixed and Flexible exchange rates- Managed flexibility</p>

Reference Books of S Y B.Com Accounting and Finance

References:

1. Principles of Macro Economics, by Case & Fair, Pearson Publication
2. Principles of Macro Economics, by Gregory Mankiw
3. A 100 Small Steps, by Raghuram Rajan
4. Essentials of Business Economics, D.N.Dwivedi, Pearson 2010
5. Business Economics, H L Ahuja, Mc Graw Hill, 2001
6. Business Economics, Shiv Kumar Agarwal, Pooja Law, 1996
7. Managerial Economics, Pandya, Pearson, 1994



Janardan Bhagat Shikshan Prasarak Sanstha's

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Program: B. Com.

Revised Syllabus S. Y. B. Com. Business Economics III and IV

Choice Based Credit & Grading System (75:25)

w. e. f. Academic Year 2020-21

Sr. No.	Heading	Particulars
1	Title of Course	Business Economics – III and IV
2	Eligibility for Admission	Passing of First year B. Com.
3	Passing marks	40%
4	Ordinances/Regulations (if any)	
5	No. of Semesters	Two
6	Level	U.G.
7	Pattern	Semester (75:25)
8	Status	Revised
9	To be implemented from Academic year	2020-21

Preamble of the Syllabus:

An overall approach to macroeconomics is to examine the economy as a whole. This course is an introduction to the basic analytical tools of macro economics and public finance to evaluate macro economic conditions such as inflation, unemployment and growth. It is designed to make system of overall economy understandable and relevant. The aim is to provide a clear explanation of many aspects of aggregate economic variables to inspire a consistent way of thinking about key macroeconomic phenomena and public finance. It intends to familiarize the commerce learners with certain common features of economic occurrence in the real world.

Objectives for new Curriculum:

1. To help the learners to understand the concepts related to Macro Economics and Public finance
2. To familiarize the commerce learners with certain common features of economic occurrence in the real world.
3. To integrate the concepts of macroeconomics in order to analyze and understand the policies of the state.
4. To study the concepts of macroeconomics in order to analyze and understand the functioning of the economy.
5. To study the role of state in an economy.
6. To study the fiscal policy of the state.
7. To study the fiscal federalism in India

Course Outcome: By the end of the course, a learner should develop the Ability:

1. To understand the basic concepts of Macro Economics and Public finance.
2. To understand certain common features of economic occurrence in the real world.
3. To integrate the concepts of macroeconomics in order to analyze and understand the policies of the state.
4. To integrate the concepts of macroeconomics in order to analyze and understand the functioning of the economy.
5. To understand the role of state in an economy.
6. To know the fiscal policy of the state.
7. To understand the structure of fiscal federalism in India.

SY B Com. Business Economics –III and IV

For the subject of Business Economics there shall be two papers of 45 lectures each comprising of four units each.

Semester- III- Paper No. III

Sr. No.	Units	No. of Lectures
1	Introduction	10
2	Basic Concepts ff Keynesian Economics	15
3	Post Keynesian Developments In Macro Economics	10
4	Money, Prices and Inflation	10

Semester-IV, Paper-IV

Sr. No.	Units	No. of Lectures
1	The Role of Government in an Economy	10
2	Public Revenue	15
3	Public Expenditure and Public Debt	10
4	Evaluating capital projects	10

Scheme of Examination for Each Semester: For F. Y. /S. Y. / T.Y. B. Com Semester I, II, III, IV, V and VI

Internal Evaluation: 25 (20 marks internal test and 05 marks for active participation and overall conduct)

External evaluation: Semester End Examination: 75 Marks will be as follows -:

Question. No	Particular	Marks
Q-1	Write Short Notes on any two of the following A), B), C) and D)	15
Q-2	Any 2 out of 3 1. Full Length Question 2. Full Length Question 3. Full Length Question	15
Q-3	Any 2 out of 3 1. Full Length Question 2. Full Length Question 3. Full Length Question	15
Q-4	Any 2 out of 3 1. Full Length Question 2. Full Length Question 3. Full Length Question	15
Q-5	Any 2 out of 3 1. Full Length Question 2. Full Length Question 3. Full Length Question	15

Choice Based Credit Grading and Semester System (CBCGS)

S.Y.B. Com. Business Economics Syllabus

To be implemented from the Academic Year 2019-2020

Semester- III - Paper No. - III

Course Code	Unit	Topics/ Modules	Credits	L / Week
UCM3B E3	I	Introduction	3	10
	II	Basic Concepts Of Keynesian Economics		15
	III	POST Keynesian Developments In Macro Economics		10
	IV	Money, Prices and Inflation		10

Choice Based Credit Grading and Semester System (CBCGS)

S.Y.B. Com. Business Economics Syllabus

To be implemented from the Academic Year 2019-2020

Semester-IV- Paper No. IV

Course Code	Unit	Topics/ Modules	Credits	L / Week
UCM4B E4	I	The Role of Government in an Economy	3	10
	II	Public Revenue		15
	III	Public Expenditure and Public Debt		10
	IV	Fiscal Policy and Management		10

S.Y.B.COM Semester –III

Business Economics- Paper- III- Introduction to Macroeconomics

Module-I: Introduction: 10L

- **Macroeconomics:** Meaning, Scope and Importance.
- **Circular flow of aggregate income and expenditure** and its Importance- closed and open economy models
- **Green GNP and NNP concepts-** Importance and Measurement
- **Trade Cycles:** Features and Phases
- **Classical Macro economics: Say's law of Markets** - Features, Implications and Criticism

Module-II: - Basic Concepts of Keynesian Economics: 15L

- **The Principle of Effective Demand:** Aggregate Demand and Aggregate Supply
- **Consumption Function:** Properties, Assumptions and Implications
- **Investment function and Marginal Efficiency of capital**
- **Investment Multiplier effect on Income and Output:** Assumptions, Working, Leakages, Criticism and Importance - paradox of thrift
- **Relevance of Keynesian theory tools to the developing countries**

Module-III: POST Keynesian Developments In Macro Economics: 10L

- **The IS-LM model** of integration of commodity and money markets
- **Inflation and unemployment:** Philips curve
- **Stagflation:** meaning, causes, and consequences
- **Supply side economics:** Basic propositions and critical appraisal

Module-IV - Money, Prices and Inflation- 10L

- **Money Supply:** Determinants of Money Supply - Factors influencing Velocity of Circulation of Money
- **Demand for Money:** Classical and Keynesian approaches and Keynes' liquidity preference theory of interest - Friedman's restatement of Demand for money
- **Inflation:** Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy - policy measures to curb inflation- monetary policy and inflation targeting

Reference Books of S Y B Com. Business Economics Paper-III

1. Ackley.G (1976), Macro Economic Theory and Policy, Macmillan Publishing Co. New York
2. Ahuja. H.L.(2015), Modern Economics - S.Chand Company Ltd. New Delhi.
3. Blanchard Olivier (2000), Macro Economics, Englewood Elitt, Prentice Hall
4. Bouman John, Principles of Macro Economics
5. Dornbush , Rudiger, Fisher Stanley and Startz, Richards Macroeconomics, Nineth edition
2004 Tata-Mac Graw Hill, New Delhi.
6. Dwivedi, D.N. (2001), Macro Economics: Theory and Policy, Tata-Mac Graw Hill, New Delhi.
7. Friedman Hilton (1953) Essays in Positive Economics, University of Chicago Press, London.
8. Gregory .N. Mankiw, Macroeconomics, Fifth Edition (2002) New York:Worth Publishers
9. Jhingan, M.L., Principles of Economics — Vrinda Publications (P) Ltd.
10. Shapiro, E (1996), Macro-Economic Analysis , Galgotia Publication, New Delhi.

S.Y.B.COM Business Economics

Public Finance Paper-IV, Semester –IV

Model No. I - The Role of Government in an Economy: 10L

- **Meaning and Scope of Public finance.**
- **Major fiscal functions:** allocation function, distribution function & stabilization function
- **Principle of Maximum Social Advantage:** Dalton and Musgrave Views - the Principle in Practice, Limitations.
- **Relation between Efficiency, Markets and Governments**
- **The concept of Public Goods and the role of Government**

Module-II- Public Revenue: 15

- **Sources of Public Revenue:** tax and non-tax revenues
- **Objectives of taxation** - Canons of taxation
- **Direct taxes-** Merits and demerits- **Indirect taxes-** Merits and demerits
- **Shifting of tax burden:** Impact and incidence of taxation - Processes- factors influencing incidence of taxation
- **Economic Effects of taxation:** on Income and Wealth, Consumption, Savings, Investments and Production.
- **Redistributive and Anti – Inflationary nature of taxation** and their implications

Module –III- Public Expenditure and Public Debt: 10L

- **Public Expenditure:** Canons - classification - economic effects of public spending - on production, consumption, distribution, employment and stabilization
- Theories of Public Expenditure: Wagner’s Hypothesis and Wiseman Peacock

Hypothesis - Causes for Public Expenditure Growth - Significance of Public Expenditure: Low Income Support and Social Insurance Programmes.

• **Public Debt:** Classification - Burden of Debt Finance: Internal and External- Public Debt and Fiscal Solvency

Module- IV- Fiscal Policy and Management: 10L

• **Fiscal Policy:** Meaning, Objectives, constituents and Limitations.

• **Budget-** Meaning objectives and types - Structure of Union budget - Deficit concepts

• **Study of current year budget**

• **Intergovernmental Fiscal Relations:** fiscal federalism and fiscal decentralization - central-state financial relations

Reference Books of S Y B Com. Business Economics Paper-IV

1. Bhatia H.L.: Public Finance. Vikas Publishing House Pvt. Ltd.
2. David N. Hyman : Public Finance A Contemporary Application of theory of policy, Krishna Offset, Delhi
3. Hoiughton E.W.(1998) : Public Finance, Penguin, Baltimore
4. Hajela T.N: Public Finance – Ane Books Pvt.Ltd
5. Jha, R (1998) : Modern Public Economics, Route Ledge, London
6. Musgrave, R.A and P.B. 17. Musgrave (1976) : Public Finance in Theory and Practice, Tata McGraw Hill, Kogakusha, Tokyo
7. Mithani, D.M (1998) : Modern Public Finance, Himalaya Publishing House, Mumbai
8. Singh.S.K. (2014): Public finance in Theory and Practice, S.Chand &co Pvt Ltd, New Delhi



Janardan Bhagat Shikshan Prasarak Sanstha's
CHANGU KANA THAKUR
ARTS, COMMERCE & SCIENCE COLLEGE, NEW
PANVEL (AUTONOMOUS)

Re-accredited 'A+' Grade by NAAC
'College with Potential for Excellence' Status Awarded by UGC
'Best College Award' by University of Mumbai

Program: B M S

Revised Syllabus SYBMS of Business Economics II
Choice Based Credit & Grading System (60:40)
w.e.f. Academic Year 2020-21

Sr. No.	Heading	Particulars
1	Title of Course	Business Economics - II
2	Eligibility for Admission	Passing of First year of BMS
3	Passing marks	40%
4	Ordinances/Regulations (if any)	
5	No. of Semesters	One
6	Level	U.G.
7	Pattern	Semester (60:40)
8	Status	Revised
9	To be implemented from Academic year	2020-21

Preamble of the Syllabus:

This course is designed to introduce the students to the basic study of macro-economics, international economics and public finance. Business Economics is the application of economic theory and methodology to business. In the syllabus of business economics, students will study the basic tools of macro-economics, international economics and public finance to understand the overall functioning of the economy. This course is also important for the students to understand the economic environment at macro level. The subject matter helps in dealing with the economic aspects of managerial decisions.

Objectives for new Curriculum

Sr.No	Objectives
01	To help the students to understand the concepts related to Macro Economics
02	To integrate the concepts of economics in order to analyze and make optimal business decisions.
03	Learners will understand the basic economic theories

Course Outcome: By the end of the course, a student should develop the Ability:

Sr.No	Outcomes
01	Learners will understand the concepts related to Macro economics and its applications.
02	Help the learners to understand the fundamentals of National Income.
03	Learners will gain the knowledge about various Monetary Policies
04	It will help the learners to understand various components of public finance and Union Budget
05	To acquaint the learners with various International Trade theories and foreign exchange

SY B M S Business Economics -II

For the subject of Business Economics there will be one paper of 60 lectures comprising of four units.

Semester-IV

Sr. No.	Modules	No. of Lectures
1	Introduction to Macroeconomic Data and Theory	15
2	Money, Inflation and Monetary Policy	15
3	Constituents of Fiscal Policy	15
4	Open Economy : Theory and Issues of International Trade	15
Total		60

Scheme of Examination for Semester IV: For SY B M S

Internal Evaluation: 40 (20 marks internal test, 15 marks for project work and viva and 05 marks for active participation and overall conduct)

External Evaluation: Semester End Examination: 60 Marks will be as follows:

All the questions are compulsory.

Question No.	Particular	Marks
Q-1	Objective Questions . Questions to be asked 08 and to be answered any 06 Questions to be asked 08 and to be answered any 06 (*Multiple choice / True or False / Match the columns/Fill in the blanks)	12
Q-2	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12
Q-3	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12
Q-4	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12
Q-5	Any 2 out of 3 1.Full Length Question 2.Full Length Question 3.Full Length Question	12

Choice Based Credit Grading and Semester System (CBCGS)
S.Y.B. M. S. Business Economics Syllabus
To be implemented from the Academic Year 2020-2021
Semester - IV- Paper No. II

Course Code	Unit	Topics/ Modules	Credits	L / Week
UMS4BE2	I	Introduction to Macroeconomic Data and Theory	3	15
	II	Money, Inflation and Monetary Policy		15
	III	Constituents of Fiscal Policy		15
	IV	Open Economy : Theory and Issues of International Trade		15

S. Y. B. M. S.

Business Economics Semester-IV, Paper -II

Sr. No.	Modules / Units
1	Introduction to Macroeconomic Data and Theory - 15L
	<p>Macroeconomics: Meaning, Scope and Importance.</p> <p>Circular flow of aggregate income and expenditure: closed and open economy models</p> <p>The Measurement of national product: Meaning and Importance - conventional and Green GNP and NNP concepts</p> <p>Short run economic fluctuations : Features and Phases of Trade Cycles</p> <p>The Keynesian Principle of Effective Demand: Aggregate Demand and Aggregate Supply - Consumption Function - Investment function - effects of Investment Multiplier on Changes in Income and Output</p> <p>Introduction to The Great Depression and Euro Zone Crisis - Brexit</p>
2	Money, Inflation and Monetary Policy - 15L
	<p>Money Supply: Determinants of Money Supply - Factors influencing Velocity of Circulation of Money</p> <p>Demand for Money : Classical and Keynesian approaches and Keynes' liquidity preference theory of interest</p> <p>Money and prices : Quantity theory of money - Fisher's equation of exchange - Cambridge cash balance approach</p> <p>Inflation: Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy.</p> <p>Monetary policy : Meaning, objectives and instruments, inflation targeting</p>
3	Constituents of Fiscal Policy - 15L
	<p>Role of a Government to provide Public goods- Principles of Sound and Functional Finance</p> <p>Fiscal Policy: Meaning and Objectives</p> <p>Instruments of Fiscal policy : Canons of taxation - Factors influencing incidence of</p>

	<p>taxation - Effects of taxation Significance of Public Expenditure - Social security contributions- Low Income Support and Social Insurance Programmes - Public Debt - Types, Public Debt and Fiscal Solvency, Burden of debt finance</p> <p>Union budget -Structure- Deficit concepts-Fiscal Responsibility and Budget Management Act.</p>
4	Open Economy : Theory and Issues of International Trade - 15L
	<p>The basis of international trade :Ricardo’s Theory of comparative cost advantage - The Heckscher – Ohlin theory of factor endowments- terms of trade - meaning and types</p> <p>Factors determining terms of trade - Gains from trade - Free trade versus protection</p> <p>Foreign Investment : Foreign Portfolio investment- Benefits of Portfolio capital flows- Foreign Direct Investment - Merits of Foreign Direct Investment - Role of Multinational corporations</p> <p>Balance of Payments: Structure -Types of Disequilibrium - Measures to correct disequilibrium in BOP.</p> <p>Foreign Exchange and foreign exchange market : Spot and Forward rate of Exchange - Hedging, Speculation and Arbitrage -Fixed and Flexible exchange rates- Managed flexibility</p>

Reference Books of S Y B M S Business Economics

References:

1. Principles of Macro Economics, by Case & Fair, Pearson Publication
2. Principles of Macro Economics, by Gregory Mankiw
3. A 100 Small Steps, by Raghuram Rajan
4. Essentials of Business Economics, D.N.Dwivedi, Pearson 2010
5. Business Economics, H L Ahuja, Mc Graw Hill, 2001
6. Business Economics, Shiv Kumar Agarwal, Pooja Law, 1996
7. Managerial Economics, Pandya, Pearson, 1994
