



II Vidya Vinayena Shobhate II
Janardan Bhagat Shikshan Prasarak Sanstha's
Changu Kana Thakur

Arts, Commerce and Science College, New Panvel (Autonomous)
Re-accredited 'A+' Grade by NAAC (Third Cycle - 3.61 CGPA)
'College with Potential for Excellence' Status Awarded by University Grants Commission
'Best College Award' by University of Mumbai

Department of Business Economics

Syllabus of Under Graduate Programmes

A) Bachelor of Commerce (Traditional)

1. F Y B Com.- Semester – I, Business Economics, Paper Number-I

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)

2. F Y B Com. - Semester – II, Business Economics, Paper Number-II

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)

Reference Books

B.Com. Semester I and Semester II

- *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 South western (2002reprint)*
- *Samuelson &Nordhas.: Economics (Tata McGraw Hills, New Delhi,2002)*
- *Pal Sumitra, Managerial Economics cases and concepts (Macmillan, NewDelhi,2004)*
- *Koutsiyiannis, A., Modern Microeconomics, Macmillan Press Ltd (1998 Reprint).*
- *Varian, Micro-Economic Analysis (ed. 3), Norton, 1992.*
- *Dean, Joel: Managerial Economics (Prentice Hall of India, N. Delhi, 2002)*
- *Gupta, G.S.: Managerial Economics (Tata McGraw Hill, N. Delhi, 1997)*

3. 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.

4. 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

5. S.Y.B.COM : - Semester V

Business Economics-V (Macroeconomic Aspects of India)

Module-I: - Macro Economic Overview of India: 15 L

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

Module-II: - Agriculture During Post Reform Period: 10L

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

Module-III: - The Industry and Service Sector during Post-reform Period: 10L

Policy Measures: Competition Act, 2003, Disinvestment Policy, Micro, Small and Medium Enterprises [MSME Sector] since 2007.

Global Environmental Initiatives: Paris Agreement. Role of National Green Tribunal

Service Sector: Recent Trends, Role and Growth in Healthcare and Tourism Industry

Module-IV: - Banking and Financial Market: 10L

Banking Sector: Recent Trends, Issues and Challenges in Banking and Insurance Industry

Money Market: Structure, Limitations and Reforms

Capital Market: Structure, Growth and Reforms

Reference Books

1. Agarwal A.N Indian Economy: Problems of Development and Planning, Wishwa Prakashan, New Delhi.
2. Dutt Ruddar and Sundaram K.P.M Indian Economy, S.Chand and Co New Delhi.
3. Misra S.K and V.K Puri Indian Economy, Himalaya Publishing House, Mumbai.
4. Romesh Singh Indian Economy, McGraw Hill Education, New Delhi.
5. Dandekar V.M The Indian Economy 1947-1992, Vol-I Agriculture, Sage Publications India Pvt., Ltd, New Delhi.
6. Desai R.G Agricultural Economics, Himalaya Publishing House, Mumbai.
7. Tyagi B.P. Agricultural Economics and Rural Development, Jaiprakash Nath and Co. Meerut.
8. Karpagam M, Environmental Economics, Sterling Publishers Pvt. Ltd, New Delhi.
9. Indian Economic Survey Reports (Annual), Ministry of Finance, Government of India
10. Gaurav Datt & Ashwini Mahajan, (2021) Indian Economy by Datt and Sundaram, S.Chand and Company Pvt. Ltd., New Delhi

6. T.Y.B.COM: - Semester –VI

Business Economics-VI - International Economics

Module-I: - Introduction to International Trade: 15L

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

Module-II: - Commercial Policy: 10L

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, ASEAN

Module-III: - Balance of Payments and International Economic Organization: 10L

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

Module-IV: - Foreign Exchange Market: 10L

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

Reference Books

1. Mannur H.G International Economics, Vikas Publishing House Pvt Ltd, New Delhi
2. Mithani D.M International Economics, Himalaya Publishing House, Mumbai.
3. Salvatore Dominick International Economics, John Wiley & Sons, Inc
4. Feenstra R. C., Advanced International Trade- Theory and Evidence, Princeton University Press, Princeton, 2004
5. Bo Sodersten and Geoffrey Reed, International Economics Third Edition, Palgrave and Macmillan , London, 1994.

B) Speciality Programmes

7. F.Y.B.COM (Accounting and Finance) and F Y B M S Semester-I

Business Economics Paper-I

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)

Reference Books of B.Com (Accounting and Finance) and B.M.S

- Mehta, P.L.: Managerial Economics – Analysis, Problem and Cases (S. Chand & Sons, N. Delhi,2000)

- Hirschey .M., Managerial Economics, Thomson South western(2003)
- Salvatore, D.: Managerial Economics in a global economy (Thomson South Western Singapore,2001)
- Frank Robert, Bernanke. Ben S., Principles of Economics (Tata McGraw Hill(ed.3)
- Gregory Mankiw., Principles of Economics, Thomson South western (2002reprint)
- Samuelson & Nordhaus.: Economics (Tata McGraw Hills, New Delhi,2002)
- Pal Sumitra, Managerial Economics cases and concepts (Macmillan, NewDelhi,2004)

8. S.Y.B.COM (Accounting and Finance) – Semester-IV, and S Y B M S Semester-III

Business Economics 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 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 and S Y B M S

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

8. S.Y.B.COM (Accounting and Finance) – Semester-IV, and S Y B M S Semester-III

Business Economics Paper-III

Economics Paper – III (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

Reference Books

Economics Paper – III (Indian Economy)

- *Indian Economic Survey Reports (Annual), Ministry of Finance, Government of India*
- *Indian Economy by Misra and Puri, Himalaya Publishing House - Delhi*
- *Gaurav Dutt & Ashwini Mahajan, (2016) Indian Economy, S.Chand & company PVT LTD New Delhi*
- *A.N.Agarwal – Indian Economy problems of Development and Planning New Age International Publisher*
- *Ruddar Datt K.P.M Sundharam – Indian Economy S. Chand E-co LTD. Delhi*