

**Solapur University Solapur**

Syllabus for B.Com Part I

**BUSINESS ECONOMICS**

For Semester I and II

To be implemented from June 2013 on wards

**SEMESTER I**

Paper	Title of the Paper	Marks
I	Business Economics	50

**SEMESTER II**

Paper	Title of the Paper	Marks
I	Business Economics	50

**Solapur University Solapur**  
B.Com Par I –  
**Business Economics**  
(Revised syllabus for semester Pattern)  
(To be implemented from June 2013)  
(W. e. f. June 2013)

- 1) **Title of the paper** – Business Economics Paper I
- 2) **Introduction:** The subject economics demands a peculiar style of thinking than what we experience in other subjects. Application of Economics Laws for solving business problems derives us the use of assumption to break down complex problems in to simple analytically manageable parts. Analytical style is more demanding in Business Economics than in any other discipline. Students should note that study of Business Economics is different and requires practice. The study of Business Economics enables the commerce student to understand and solve the complex problems of today's corporate world.

**3. Objectives  
of the paper / subject**

- 1) To introduce basic concepts of Business Economics
- 2) To create awareness among commerce students about fundamental economics problems pervading in the corporate world.
- 3) To create the ability in the students to understand the cause and effect relation of consumer behavior in different market situation.
- 4) To create ability among the students to forecast future situation on the basis of present market situation and changes.

**4. Advantages  
of the subject / Paper**

1. The study of Business Economics helps the students to become a skill full financial manager in the corporate world.
2. This subject helps the students to make career in banking sector.
3. It helps the students to become a good entrepreneur.
4. It helps the students to understand dynamics of various market situations

**5) Eligibility :** - For admission in to B.com Part I,

- 1) Student has to pass H.S.C. Examination with Commerce stream or Arts stream or Science or with vocational subjects (+2) of Maharashtra State Board of Higher secondary education Board Pune.

**Or**

An examination of any other statutory university or an Examining body recognized as equivalent there to.

- 2) No candidate shall be allowed to the B.Com Part I- Semester I / Semester II examination unless he has satisfactorily kept the terms for the respective semester of the course at a college affiliated to this university.

**6) Duration:** The duration of the paper **Business Economics** for B.Com Part – I is of one year with two semesters – Semester I and Semester II having the examination of 50 marks each.

**7) Medium of Instruction –**

The medium of Instruction will be English and Marathi

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**Semester Pattern Syllabus**  
**B. Com. Part – I**  
**Business Economics**  
**(w.e.f. June 2013)**

<b>Semester – I</b>		<b>Periods</b>
<b>Unit I.</b>	<b>Business Economics</b>	15
	<ul style="list-style-type: none"> <li>A) Meaning &amp; Definition</li> <li>B) Nature of Business Economics</li> <li>C) Scope of Business Economics</li> <li>D) Subject Matter of Business Economics</li> <li>E) Features of Free Market Economy</li> <li>F) Working of Market Economy &amp; Price Mechanism</li> </ul>	
<b>Unit II.</b>	<b>The Elasticity of Demand</b>	15
	<ul style="list-style-type: none"> <li>A) Meaning and definition of elasticity of demand</li> <li>B) Types of elasticity of demand               <ul style="list-style-type: none"> <li>i) Price Elasticity of Demand</li> <li>ii) Cross Elasticity of Demand</li> <li>iii) Income Elasticity of Demand</li> <li>iv) Advertising Elasticity of Demand</li> </ul> </li> <li>C) Importance of Elasticity of Demand</li> </ul>	
<b>Unit III.</b>	<b>The Indifference Curve Approach</b>	15
	<ul style="list-style-type: none"> <li>A) Defects of Utility Analysis</li> <li>B) Meaning &amp; Properties of Indifference Curve</li> <li>C) Law of Diminishing Marginal Rate of Substitution (DMRs)</li> <li>D) Price – Income Line</li> <li>E) Consumer's Equilibrium</li> </ul>	
<b>Unit IV.</b>	<b>Demands Forecasting</b>	15
	<ul style="list-style-type: none"> <li>A) Meaning</li> <li>B) Types</li> <li>C) Forecasting Methods</li> <li>D) Importance</li> </ul>	

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**Revised Semester Pattern Syllabus**

**B. Com. Part – I**

**Business Economics**  
**(w.e.f. June 2013)**

**Semester – II**

Periods

**Unit I. Cost Analysis and Production Function** 15

- A) Meaning of cost
- B) Cost concepts
  - i.) Total cost
  - ii.) Average cost
  - iii.) Marginal cost
  
- C) Meaning of production function
- D) The Law of Variable Proportions
- E) The Law of Returns To Scale
- F) Economies of Scale – Internal – External

**Unit II. Market Structures** 15

- A) Perfect Competition – Meaning, characteristics and price determination
- B) Monopoly – Characteristics and price determination
- C) Monopolistic Completion - Characteristics and price determination

**Unit III. The Theory of Distribution** 15

- A) Rent – Meaning Modern theory of rent – quasi rent
- B) Wages – Meaning – wage determination under perfect competition.
- C) Interest – Meaning – Liquidity preference theory of Interest.
- D) Profit – Meaning – Schumpeter's Innovation theory of profit

**Unit IV. Break – Even Analysis** 15

- A) Break – Even Point
- B) Determination of Break - Even point
- C) Importance of Break - Even Analysis

### List of Reference Books

- |                                      |   |   |
|--------------------------------------|---|---|
| 1) Seth M.L. ,                       | : | Micro Economics                           |
| 2) Jhingan M.L.,                     | : | Modern Micro Economics                    |
| 3) Jhingan M.L., and Stephen<br>J.K. | : | Managerial Economics                      |
| 4) Samuelson P.A.,                   | : | Economics                                 |
| 5) Ahuja H.L.                        | : | Advanced Economic Theory                  |
| 6) Ahuja H.L.                        | : | Business Economics                        |
| 7) Misra and Puri                    | : | Modern Micro Economics                    |
| 8) Lipsey Richard,                   | : | Positive Economics                        |
| 9) Browing, E.K.                     | : | Micro Economic Theory and<br>Applications |
| 10) Dwett, K.K.                      | : | Micro Economics                           |
| ११) पिंपरकर, ग.प्र.                  | : | मूल्य व वितरण- सैध्दांतिक विवेचन          |
| १२) दोशी, रविंद्र, भानुशाली, दुगल    | : | सूक्ष्मलक्षी अर्थशास्त्र                  |
| १३) खांदेवाले, श्रीनिवास             | : | मूल्य सिध्दांत                            |
| १४) ठक्कर, के.एच.                    | : | सूक्ष्मलक्षी अर्थशास्त्र                  |
| १५) भोसले, काटे, दामजी               | : | व्यवसायिक अर्थशास्त्र                     |
| १६) हुंडेकर, उत्तम, शहा प्रमोद       | : | व्यवसायिक अर्थशास्त्र                     |

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Nature of Question Paper For Semester Pattern  
**Faculty of Commerce – B.Com Part – I**  
Model Question Paper  
(w.e.f. June 2013)

Time : - 2 hrs.

Total Marks – 50

- |     |  |    |
|-----|--|----|
| Q.1 | Multiple choice questions<br>(four alternatives should be given) | 10 |
|     | 1 -----  |    |
|     | (a)          (b)          (c)          (d)                       |    |
|     | 2  |    |
|     | 3  |    |
|     | 4  |    |
|     | 5  |    |
|     | 6  |    |
|     | 7  |    |
|     | 8  |    |
|     | 9  |    |
|     | 10   |    |
| Q.2 | Answer the following<br>(Short note/Short problem/ Short answer) |    |
|     | (A)  | 05 |
|     | (B)  | 05 |
| Q.3 | Answer the following<br>(Short note/Short problem/ Short answer) |    |
|     | (A)  | 05 |
|     | (B)  | 05 |
| Q.4 | Answer any one (Long answer / Problem)                           | 10 |
|     | A)   |    |
|     | Or   |    |
|     | B)   |    |
| Q.5 | Answer any one (Long answer / Problem)                           | 10 |
|     | A)   |    |
|     | Or   |    |
|     | B)   |    |