

B.Com. I Year

1308

BUSINESS ECONOMICS

UNIT – I

Meaning of Business Economics, Nature, Uses and Scope of Economics, Micro and Macro Economics – Concept, Types, Difference, Interdependence of Micro and Macro Economics, General Theory of Price equilibrium, General and Partial Equilibrium, Static and Dynamic Economics, Production Possibility Curve.

UNIT – II

Utility Analysis, ordinal and cardinal measures of utility, Law of Diminishing Marginal Utility, Law of Equi-Marginal Utility, Demand and Law of Demand, Elasticity of Demand – Concept, Degree and Methods of Measuring the Elasticity of Demand, Indifference Curve Analysis Concept, Properties and Consumer Equilibrium, Income, Price and Substitution Effect, Revealed Preference Theory.

UNIT – III

Production Function, laws of Production: Law of Returns and Returns to Scale, Increasing, Constant and Diminishing, ISO Quants and ISO Cost Curves, Cost and Revenue Analysis – Concept, Types and Their Diagrammatic Presentation, Economics of Scale. Concept of Consumer Surplus and Producer Surplus.

UNIT – IV

Market and its Classification, Price and Output Determination of the Firm under Perfect, Imperfect and Monopoly Competitions and Price Discrimination, Price and Output under Oligopoly, Kinked Demand Curve, Collusive and Non- Collusive style Price Leadership, Price Discrimination, Role of Time Element in Price Determination of the Commodity.

UNIT – V

Marginal Productivity Theory, Ricardian and Modern Theory of Rent, Wages – Concept and Modern Theory, Interest – Concept, Liquidity Preference Theory and Modern Theory of Interest, Profit – Concept, Risk, Innovation and Modern Theory of Profit, National Income Analysis – Concept, Importance, Methods, Macro economic Variables GNP, NNP, NI, PI, DPI and Per Capita Income, Difficulties in the Measurement of National Income.

Suggested Readings :

1. Ahuja, H.L.: Business Economics, S. Chand & Co., New Delhi
2. Browning Edger K. and Browning Jacquenlence M. : Microeconomic Theory and Applications Kalyani, New Delhi.
3. Ferguson P.R. and Rothschild R. and Ferguson G.J.: Business Economics, Macmillan, Hampshire.
4. John P. Gould, Jr and Edward P.Lazear: Micro – Economics Theory, All India Traveller, Delhi.
5. Koutsoyianni, A.: Modern Microeconomic, Macmillan, New Delhi
6. Mithani, D.M., Business Economics, Himalaya Publishing House,