

## Revised syllabi (2019 Pattern) for Three Years B. Com. Degree course (CBCS)

### First Year B. Com Semester-II Course Code - 123

### Business Economics (Micro) - II

#### Objectives:

1. To understand the basic concepts of micro economics.
2. To understand the tools and theories of economics for solving the problem of decision making by consumers and producers.
3. To understand the problem of scarcity and choices.

Depth of the program – Fundamental Knowledge

#### Objectives of the Program

1. To impart knowledge of business economics
2. To clarify micro economic concepts
3. To analyze and interpret charts and graphs
4. To understand basic theories, concepts of micro economics and their application

Unit No.	Unit Title	Contents	Purpose skills to be developed
1	<b>Cost and Revenue</b>	1.1 Concepts and Types of Cost- Economic Cost and Accounting Cost, Private Cost and Social Cost, Actual Cost and Opportunity Cost, Explicit Cost and Implicit Cost, Incremental Cost and Sunk Cost, Fixed Cost and Variable Cost 1.2 Relation between Total Cost, Average Cost and Marginal Cost 1.3 Cost Curves in Short run and Long run 1.4 Concept of Total Revenue, Average Revenue and Marginal Revenue	<ul style="list-style-type: none"><li>• To understand the concept and types of cost</li><li>• To make the students know about short run and long run cost concepts</li><li>• To impart knowledge about types of revenue</li></ul> Skills: Interpretation of cost curves, integrate cost and revenue concepts, draw inferences

2	<b>Pricing Under Perfect Market Conditions</b>	<p>2.1 Pure Competition: Meaning and Features</p> <p>2.2 Features of Perfect Competition</p> <p>2.3 Price Determination in Perfect Competition</p> <p>2.4 Equilibrium of Firm and Industry in Short Run and Long Run</p>	<ul style="list-style-type: none"> <li>• To help the students understand the concept of pure and perfect competition</li> <li>• To impart knowledge about equilibrium of firm and industry in short and long run.</li> </ul> <p>Skills: Understanding, writing skills, critical thinking</p>
3.	<b>Pricing Under Imperfect Market Conditions</b>	<p>1.1 Meaning of Imperfect Competition</p> <p>1.2 Monopoly: Features and Equilibrium, Price Discrimination</p> <p>3.3 Monopolistic Competition- Features and Equilibrium.</p> <p>3.4 Oligopoly: Concept and Features</p> <p>3.5 Duopoly: Concept and Features</p> <p>3.6 Comparison of Perfect and Imperfect Competition</p>	<ul style="list-style-type: none"> <li>• To develop ability to understand the market structures under imperfect competition</li> <li>• Ability to compare perfect and imperfect competition</li> </ul> <p>Skills: Understand complex relations, problem solving skill, analytical skill</p>
4	<b>Factor Pricing</b>	<p>4.1 Marginal Productivity Theory of Distribution</p> <p>4.2 Rent- Meaning, Ricardian Theory of Rent, Modern Theory of Rent, Concept of Quasi Rent</p> <p>4.3 Wages-</p> <p>4.3.1 Meaning and Types of Wages-</p> <p>a) Minimum Wages b) Money Wages c) Real Wages d) Subsistence Wages e) Fair Wages</p> <p>4.3.2 Backward Bending Supply Curve of Labour</p>	<ul style="list-style-type: none"> <li>• To understand the theory of marginal productivity</li> <li>• To understand the concept and theories in factor pricing</li> </ul> <p>Skills: Critical thinking, logical thinking, apply information processing skills</p>

		<p>4.3.3 Role of Collective Bargaining in Wage Determination</p> <p>4.4 Interest-Meaning, Loanable Fund Theory, Liquidity Preference Theory</p> <p>4.5 Profit- Meaning, Risk and Uncertainty Theory of Profit, Dynamic Theory of Profit, Innovation Theory of Profit</p>	
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### Teaching methodology

Topic No.	Total Lectures	Innovative methods to be used	Film shows and AV Applications	Project	Expected Outcome
1	8	<ul style="list-style-type: none"> <li>• Open book discussion,</li> <li>• Case studies</li> </ul>	<ul style="list-style-type: none"> <li>• You tube lectures</li> <li>• Online PPTs</li> </ul>	<p>Types of cost in industries</p> <p>Comparison of cost and revenues in industries</p> <p>Trends of cost and revenue in industries</p>	<ul style="list-style-type: none"> <li>• Will understand the concept and types of cost</li> <li>• Students will know about short run and long run cost concepts</li> <li>• Students will have knowledge about types of revenue</li> </ul>
2	8	<p>Digital lectures</p> <p>Interactive lectures</p>	<ul style="list-style-type: none"> <li>• You tube lectures</li> <li>• Online PPTs</li> </ul>	<p>Application of perfect competition markets in the markets like that of agricultural products, dairy products etc</p>	<ul style="list-style-type: none"> <li>• Students will understand the concept of pure and perfect competition</li> <li>• Students will know about the equilibrium of firm and industry in short and long run.</li> </ul>

3	14	<ul style="list-style-type: none"> <li>• Game oriented classes</li> <li>• Dramatization</li> <li>• Group discussion</li> </ul>	<ul style="list-style-type: none"> <li>• You tube lectures</li> <li>• Online PPTs</li> </ul>	<ul style="list-style-type: none"> <li>• Study of price and output trends in oligopoly markets</li> <li>• Price and non price competition in monopolistic competition</li> </ul>	<ul style="list-style-type: none"> <li>• Will develop ability to understand the market structures under imperfect competition</li> <li>• Will be able to compare perfect and imperfect competition</li> </ul>
4	18	<ul style="list-style-type: none"> <li>• Group discussion</li> <li>• Teacher driven power point presentation</li> </ul>	<ul style="list-style-type: none"> <li>• You tube lectures</li> <li>• Online PPTs</li> </ul>	<ul style="list-style-type: none"> <li>• Application of backward bending supply curve of labor in the market</li> <li>• Study of application of theories of factor pricing</li> </ul>	<ul style="list-style-type: none"> <li>• Will understand the theory of marginal productivity.</li> <li>• Will understand the concept and theories in factor pricing</li> </ul>

## References

Sr. No.	Title of the Book	Author/s	Publication	Place
1.	Advanced Economic Theory, Microeconomic Analysis	Ahuja H.L	S.Chand and Company	New Delhi
2.	Price Theory and Applications	Jack Hirshlifer	Prentice Hall of India, Pvt. Ltd	New Delhi
3.	Microeconomics,	Paul A. Samuelson and William D. Nordhaus	McGrawhill International Ed	New York
4.	First Principles of Economics,	Richard G. Lipsey, Colin Harbury:	George Weidenfeld and Nicolon Ltd,	London
5.	Consumer Behaviour and Managerial Decision Making,	Frank R. Kardes: Pearson,	Prentice Hall,	New Delhi
6.	, Microeconomics	R. Glenn Hubbard, Anthony Patrick O.	Pearson, Prentice Hall,	New Delhi