Sankalchand Patel University

Faculty of Commerce

First Year Bachelor of Commerce

In Effect from Academic Year 2021-22

Subject Code: 2CM1010201				**Subject Title: Business Economics - 2** **Course Type: Core Course**		
Course Objective: To provide basic knowledge regarding various aspects of business economics and its use in business.						
Teaching Scheme (Hours per week)				**Evaluation Scheme (Marks)**		
Lecture	**Tutorial**	**Practical**	**Credit**	**University Assessment**	**Institutional Assessment**	**Total**
3	-	-	3	70	30	100

Subject Contents			
Sr. No	**Topic**	**Total Hours**	**Weight (%)**
1	**Perfect Competition :** Meaning of perfect Competition Characteristics of perfect competition, revenue curves of firms under perfect competition, Short run and Long-run Supply curves. profit maximization and equilibrium of firm and industry:	9	25%
2	**Monopolistic Competition :** Meaning of monopolistic competition, characteristics of monopolistic Competition, revenue curves of firm under monopolistic competition, price and output determination under monopolistic competition, product differentiation, selling cost comparison with perfect competition, and excess capacity under monopolistic competition.	9	25%
3	**Monopoly Competition :** Meaning of monopoly Competition Characteristics of Monopoly, Revenue curves of firm under monopoly, Determination of price under monopoly, equilibrium of a firm, comparison between perfect competition and monopoly. Price discrimination-possibility & profitability, Equilibrium under discriminating monopoly.	9	25%
4	**Factor pricing :** Marginal productivity theory of Distribution, Determination of Wage rate under Perfect competition monopolistic competition and monopoly, exploitation of labor ,Ricardian and modern theories of rent, concept of quasi-rent, Classical ,modern theories of Interest, Keynes liquidity preference theory of interest, innovation risk Bearing and uncertainty Bearing theory of profit	9	25%

Reference Books:

1. Ahuja H, L: Macroeconomic theory & policy, s.chand ,& Co. Ltd. new Delhi.
2. Dewett K.K: modern Economic theory, S.chand,& Co.Ltd new Delhi.
3. Ahuja H, L: Business economics, S.chand,&Co.Ltd new Delhi.
4. Stingler G: The theory of price; prentice hall of India.
5. Nellis & Parker : The essence of business economics; prentice hall of India.
6. Richard G,lipsey : An Introduction to positive economics; ELSB Oxford
7. John P.Gould,Jr.and Edward P. lazear; Micro economic theory all India traveler, Delhi