



SARDAR PATEL UNIVERSITY
Vallabh Vidyanagar, Gujarat
 (Reaccredited with 'A' Grade by NAAC (CGPA 3.11))
 Syllabus as per NEP 2020 with effect from the Academic Year 2023-2024

Bachelor of Commerce (B.Com.)
Semester - I

Course Code - Inter Disciplinary	UB1IDCOM04	Title of the Course	Business Economics-I
Total Credits of the Course	04	Hours per Week	04

Course Objectives	The course intends to expose the student to the basic principles in Microeconomics Theories, illustrations and applications.
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Course Description		
Unit	Description	Weightage
1.	Introduction : <ul style="list-style-type: none"> • Robbins' and Samuelson's definition of Economics. • Nature, Scope and Subject Matter of Economics. • Basic problems of Economics. • Basic Concepts: Goods, Utility, Price & Value, Wealth & Welfare. • Consumer's Surplus. 	25%
2.	Basic Elements of Demand and Supply : <ul style="list-style-type: none"> • Demand- Meaning, Demand Schedule, Individual and Market Demand Curve, • Law of Demand, Determinants of Demand, Change in Demand. • Supply- Meaning, Supply Schedule, Individual and Market Supply Curve, Law of Supply, Determinants of Supply, Change in Supply. • Equilibrium of Demand and Supply, Determination of Equilibrium Price and Quantity, Effect of a shift in Demand and Supply. 	25%
3.	Theories of Consumer Behavior: <ul style="list-style-type: none"> • Cardinal Utility Approach-Law of Diminishing Marginal Utility Analysis. • Law of Equi-Marginal Utility; • Ordinal Utility Approach Indifference Curve Approach- Indifference Curves, • Properties of Indifference Curves. • Budget Line-Shift and Change in Budget line. • Consumer's Equilibrium. • Income effect, Price effect & Substitution effect. 	25%
4.	Factor Pricing: <ul style="list-style-type: none"> • Concepts & Types; Rent, Wage, Interest and Profit. • Theories of profit- Innovation theory, Risk bearing theory of Profit and • Uncertainty bearing theory of Profit. • Marginal Productivity Theory of Distribution under Perfect Competition 	25%

*Units will have the same Weightage in their valuation as suggested in the course outline.

Teaching-Learning Methodology	These are teacher-centered methods, learner-centered methods, content-focused methods and interactive/participative methods.
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Evaluation Pattern		
Sr. No.	Details of the Evaluation	Weightage
1.	Internal Written / Practical Examination (As per CBCS R.6.8.3)	15%
2.	Internal Continuous Assessment in the form of Practical, Viva-voce, Quizzes, Seminars, Assignments, Attendance (As per CBCS R.6.8.3)	15%
3.	University Examination	70%

Course Outcomes: Having completed this course, the learner will be able to know the following	
1.	<ul style="list-style-type: none">• Explain what economics is and explain why it is important.• Student can understand the study area of economics and what are the problems that economics has to solve.• Understand basic concepts and its meaning in economics.• Can help students understand the economic impact of prices on consumer behavior.
2.	<ul style="list-style-type: none">• Students will learn pricing and price determination, determinants of demand and its exceptions.• They will learn the determinants of supply, exceptions and graphical representation of the diagrams.• Knowledge of graphical illustration of market equilibrium, surplus and shortage.• Equilibrium price is an important part of understanding how market works and how economic decisions are made.• The learning outcomes from this topic are valuable not only for students pursuing economics, but for anyone interested in developing analytical and critical thinking skills.
3.	<ul style="list-style-type: none">• Students can know the basic principles of consumer behavior, analyzing consumer choices, identifying market trends, applying economic concepts, developing critical thinking skills and making informed decisions.• Students can develop a deeper understanding of how individuals and business make economic decisions, which can be applied in various ways on society.• Define the concept of utility and satisfaction.• Differentiate between marginal utility and total utility.• Describe and calculate the concept of marginal utility.• Explain how consumers maximize total utility within a given income using the Utility maximizing Rule.
4.	<ul style="list-style-type: none">• Students will learn about different factors of production and how their rewards are Generated.• They will also learn about the factors that affect the supply and demand for factors of production and how these factors interact to determine the equilibrium prices for each factor, understanding the relationship between factor pricing and production.• How profit plays an important role in defining the role of an entrepreneur and knowing about different theories of profit.• Factor pricing can help students develop a deeper understanding of the workings of the economy and prepare them for careers in fields such as economics, finance, business and formulating policies related to factor of production.

Suggested References:	
No.	References
1.	Advanced Economic Theory - Dr.H.L AHUJA
2.	Advanced Economic Theory - M L Jhingan
3.	Micro Economics - M L Jhingan
4.	Economic Theory - Stonier Hague
5.	Micro Economics - D. M. Mithani

On-line resources to be used if available as reference material On-line Resources:
https://epgp.inflibnet.ac.in/Home/ViewSubject?catid=JVkwqv+HM+natE9SiF7CZA==
https://www.economicdiscussion.net/
www.econlib.org