

SARDAR PATEL UNIVERSITY
Programme: BCOM
Semester: V
Syllabus with effect from : JUNE 2013

Paper Code: UB05CCOM03	Total Credit: 3
Title Of Paper: Business Economics	

Unit	Description in detail	Weighting (%)
1	Nature and Scope of Business Economics Meaning and definitions, Nature and scope of business economics Steps involved in decision making and Forward planning Different objectives of a firm – profit maximization, sales maximization, revenue maximization etc.	25 %
2	Demand Analysis Distinctions- producers goods and consumer goods demand, durable and nondurable goods demand, autonomous and derived demand, demand of a firm and industry short run and long run demand, total market demand and demand by a segment of market. Price elasticity – Concept, types, methods of measurement and uses. Concept, measurement, types and uses of Income elasticity and Cross elasticity .Demand forecasting – Meaning, Scope and Methods of demand forecasting.	25 %
3	Production Function Concepts of production function Law of variable proportions Iso-cost lines Iso-quants curve – properties, Marginal rate of technical substitution Producers equilibrium Law of Returns to scale	25 %
4	Cost and revenue concept Cost Concepts – short run costs (Total cost, Fixed Cost, Variable Cost, Average cost, Marginal cost), derivation of long run average cost, Opportunity cost, economic cost, accountant cost, incremental cost, sunk cost, common production cost, replacement cost, social cost, private cost. Revenue concept – Total Revenue, Average Revenue and Marginal Revenue in perfect and imperfect markets. Break Even Analysis - Concept, Assumption, limitations and application.	25 %



