



II Vidya Vinayena Shobhate II
Janardan Bhagat Shikshan Prasarak Sanstha's

Changu Kana Thakur

Arts, Commerce and Science College, New Panvel (Autonomous)

Re-accredited 'A+' Grade by NAAC (Third Cycle - 3.61 CGPA)

'College with Potential for Excellence' Status Awarded by University Grants Commission

'Best College Award' by University of Mumbai

Department of Business Economics

Syllabus of Post Graduate Programmes

M.Com. Part I, Semester I,

Course Code: PCM1BE1

Course Title: Economics for Business Decisions

Paper: I

Course Type: Major

No. of Credits: 2

1. Basic Principles in Business Economics- 10L

Twin principles of scarcity, profit maximization principle; production possibility frontier; Accounting profit and economic profit; externality, public goods and economic role of government. Market failure: Meaning, Causes and Remedies- Marginal conditions for Pareto optimal resource allocation

2. Demand and Supply Analysis- 10L

Snob appeal, Band wagon and Veblen effect and demand function. Applications of elasticity of demand and supply to economic issues: Paradox of bumper harvest- tax on price and quantity – minimum floor and maximum ceilings: minimum wages controversy.

The theory of consumer choice – Consumer preference and budget constraint – equilibrium position of tangency with the help of Indifference analysis – effect of changes in price and income on consumer's equilibrium. How to do the survey- Methods of collection of data & small survey project to learners.

3. Production Decisions and Cost Analysis- 10L

Production function – short run and long run – Law of variable proportion, returns to scale, scale economies, scope economies- least cost factor combination for a given output- Expansion path and Multi product firm cost reduction through experience – learning curve Economic analysis of Cost: Classification of costs, short run and long run cost functions. Break even analysis.

M.Com. Part - I, Semester II

Course Code: PCM2BE2

Course Title: Macro Economics: Concepts and Applications

Course Type: Major

Paper: II

No. of Credits: 2

1. Aggregate income and its Dimensions- 10L

Aggregate Income and its dimensions: National income aggregates – and measurement; - GNP, GDP, NDP, Real and nominal income concepts, measures of inflation and price indices – GDP deflator – Nominal and real Interest rates -PPP Income and HDI , National income as a measure of economic welfare.

2. Economic Policy Implications in the IS-LM Framework- 10L

The IS-LM mode: Equilibrium in goods and money market; Monetary and real influences on IS-LM curves, Economic fluctuations and Stabilization policies in IS-LM framework Transmission mechanism and the crowding out effect; composition of output and policy mix, IS-LM in India

3. International Aspects of Macroeconomic Policy- 10L

International aspects of Macroeconomic policy: Balance of payments disequilibrium of an open economy – corrective policy measures – Expenditure changing policies and Expenditure switching policies BOP adjustments through monetary and fiscal policies – The Mundell–Fleming model. Devaluation, revaluation as expenditure switching policies effectiveness of devaluation and J curve effect.

Reference Books of Economics for Business Decisions and Macro Economics: Concepts and Applications - I & II for M. Com. Semester I & II

1. Salvatore, D.: *Managerial Economics in a global economy* (Thomson South Western Singapore, 2001)
2. Frank Robert. H, Bernanke. Ben S., *Principles of Economics* (Tata McGraw Hill (ed.3)
3. Gregory Mankiw., *Principles of Economics*, Thomson South western (2002 reprint)
4. Samuelson & Nordhas.: *Economics* (Tata McGraw Hills, New Delhi, 2002)
5. Hirschey .M., *Managerial Economics*, Thomson South western (2003)
6. Mehta, P.L.: *Managerial Economics – Analysis, Problem and Cases* (S. Chand & Sons, N. Delhi, 2000)
7. Koutsoyiannis, A., *Modern Microeconomics*, Macmillan Press Ltd (1998 Reprint).
8. Varian, *Micro-Economic Analysis* (ed. 3), Norton, 1992.
9. Dean, Joel: *Managerial Economics* (Prentice Hall of India, N. Delhi, 2002).
10. Gupta, G.S.: *Managerial Economics* (Tata McGraw Hill, N. Delhi, 1997).
11. Sen Anindya, *Micro -Economics: Theory and Applications*, Oxford University Press, New Delhi, 1999.
12. *Economic and Political Weekly*.

13. *Journal of Indian Economic Review.*
14. *Dornbusch. R, Fischer.S., Macroeconomics, Tata McGraw-Hill 9th edition.*
15. *D'Souza Errol., Macroeconomics, Pearson Education 2008.*
16. *Gupta G.S., Macroeconomics Theory and Applications, Tata McGraw-Hill, New Delhi 2001.*
17. *Dwivedi D.N., Macroeconomics theory and policy, Tata McGraw-Hill, New Delhi 2001.*
18. *Economic and Political Weekly.*
19. *Journal of Indian Economic Review.*