

AC –11-3-2025

Item No. –04

Approved by the BoS in Business Economics on 04-03-2025 Item No. 07

As Per NEP 2020
Tolani College of Commerce
(Autonomous)



Title of the Course: Business Economics
Introduction to Microeconomics II

(Semester II)

Programme: Bachelor of Commerce (B.Com.)

Revised Syllabus for 2 credit Course from the Academic Year 2025-2026

**Name of the Course: Business Economics
(Introduction to Microeconomics - II)**

Sr. No.	Heading	Particulars
1)	Description the course	This course aims to develop students' understanding of microeconomic concepts, focusing market structures, and decision-making. It explores principles of business economics and competitive and non-competitive market scenarios to enhance analytical skills for managerial decision-making and foster insights into the role of economic theories in real-world business applications.
2)	Programme	B.Com.
3)	Semester	II
4)	Course/ Subject	Business Economics: II
5)	A.Y.	2025-2026
6)	Vertical:	Minor
7)	Type:	Theory
8)	Credits:	02
9)	Hours Allotted:	30
10)	Marks Allotted:	Total Marks: 50 Continuous Evaluation Marks: 20 Semester End Examination Marks: 30
<p>Course Objectives: By end of this course student should be able to-</p> <ol style="list-style-type: none"> 1) Evaluate market structures and the implications of competitive and non-competitive markets on business strategies. 2) Analyse the impact of market power on pricing, competition, and consumer welfare in various market scenarios. 		
<p>Course Outcomes: Upon completion of this course students will be able to:</p> <ol style="list-style-type: none"> 1) Critically assess the role of elasticity, pricing strategies, and market power in shaping managerial decisions. 2) Formulate competitive and strategic decisions based on insights into market behaviour and structures. 		

BUSINESS ECONOMICS MINOR SEMESTER II

2 CREDITS WEF AY 2025-2026

Module	Topics	Subtopics
Module I: Business Decisions in Competitive Markets	A) Market Structure and Competition	<ul style="list-style-type: none"> ● Market Structure and Degree of Competition ● Concepts of Revenue ● Meaning, Features, and Importance of Perfect Competition ● Demand Facing a Price-Taking Firm
	B) Profit Maximisation in Competitive Markets	<ul style="list-style-type: none"> ● Profit Maximisation in the Short-Run: Earning Positive Profit and the Shut-Down Point ● Long-Run Analysis of a Perfectly Competitive Firm ● Is Competition Always Good?
Module II: Business Decisions for Firms with Market Power	A) Understanding Market Power	<ul style="list-style-type: none"> ● Meaning of Market Power ● The Lerner Index ● Measurement of Market Power: Market Concentration Ratios, Herfindahl-Hirschman Index (HHI), and Cross-Price Elasticity of Demand. ● Barriers to Entry: Barriers Created by Government, Economies of Scale, Essential Input Barriers, Brand Loyalties, Consumer Lock-in, Network Effects and Sunk Cost
	B) Market Power in Different Structures	<ul style="list-style-type: none"> ● Monopoly: Meaning, Features, and Causes (Monopoly Resources, Government-Created Monopolies, and Natural Monopolies) ● Welfare Costs of Monopolies ● Monopolistic Competition: Meaning, Features, Welfare Impacts, and the Role of Advertising ● Oligopoly: Meaning, Features and the role of strategic decision making.

References:

- 1) Christopher Thomas and Charles Maurice: Managerial Economics-Foundations of Business Analysis and Strategy, 12th Edition, McGraw Hill, 2020, New Delhi.
- 2) Dominick Salvatore and Siddhartha Rastogi: *Managerial Economics-Principles and Worldwide Applications*, Oxford University Press, 8th Edition, 2017, New Delhi.
- 3) H L Ahuja: Business Economics-Microeconomic Analysis, 13th Edition, S. Chand, 2016, New Delhi.
- 4) Ivan Png: Managerial Economics, 5th Edition, Routledge, 2016, New Delhi.
- 5) Michael R. Bye: Managerial Economics and Business Strategy, 4th edition, McGraw Hill, 2003.
- 6) N. Gregory Mankiw: Principles of Economics Cengage, 6th edition, 2017, New Delhi.
- 7) N. Gregory Mankiw, Mark P. Taylor, and Andrew Ashwin: *Business Economics, 1st Edition, 2013, Cengage Learning*.
- 8) R. Panneerselvam, P. Sivasankaran and P. Senthilkumar: Managerial Economics, 1st Edition, Cengage, 2018, New Delhi.
- 9) Robert Pindyck and Daniel Rubinfeld: Microeconomics, 8th Edition, Pearson, 2018, New Delhi
- 10) Suma Damodaran: Managerial Economics, Oxford University Press, 2nd edition, 2010, New Delhi.

Continuous Evaluation through: (20 marks)		
Sub-components		
Written assignment of 500 words involving analysis of events related to the course taken from a newspaper, magazine, journal etc.		
Book review. The book selected must be approved by the teacher. A report of 500 words must be submitted.		
MCQ Based Test		

**SEMESTER END QUESTION PAPER PATTERN
SEMESTER II
B.Com. Programme WEF AY 2025-2026**

Max. Marks: 30

Max. Duration: 1 hour

			MAX. MARKS
Q. 1	a)		(5)
	b)		(5)
	c)		(5)
Q. 2	a)		(5)
	b)		(5)
	c)		(5)

Notes sub-questions a, b and c can be on the following:

- i) Definitions
- ii) Short-answers
- iii) Explanatory notes
- iv) Caselets and/or numerical problems requiring use of quantitative and/or qualitative methodology to find solutions.

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