

**BHAGWAN MAHAVIR UNIVERSITY, SURAT**  
**FY B.M.S (BACHELOR OF MANAGEMENT STUDIES)**  
**1060205105 – FUNDAMENTALS OF ECONOMICS**

First Year B.M.S

Semester – I

<b>Subject Name</b>	Fundamentals of Economics
<b>Subject Code</b>	1060205105
<b>Objectives</b>	<ul style="list-style-type: none"> <li>▪ Develop the ability to explain core economic terms, concepts, and theories.</li> <li>▪ To produce well trained professionals with inter and multi-disciplinary skills for Applied Economic analysis</li> </ul>
<b>Subject Outcome</b>	<ul style="list-style-type: none"> <li>▪ The students will get fundamental knowledge of economics.</li> <li>▪ Acquaint with conceptual knowledge of demand and supply analysis.</li> <li>▪ The students will get knowledge of cost and revenue analysis that helps to improve decision making in their profession.</li> </ul>
<b>Course Duration</b>	The course duration is of 40 sessions of 60 minutes each.
<b>Teaching Methods</b>	<p>The course will use the following pedagogical tools:</p> <ul style="list-style-type: none"> <li>▪ Lectures and discussion.</li> <li>▪ Presentation, Group Projects, Group Presentations, Debate, Audio Visual Material etc.</li> </ul>
<b>Evaluation</b>	<b>Continuous Evaluation</b>
	<p><b>Internal Assessment-(30 Marks)</b>          Internal Exam/Assignments (Unit wise one)/Practical Exam/Quiz/Class participation/Attendance/ Case Study etc.</p> <p><b>External Assessment- (70 Marks)</b></p>

**Course Contents**

<b>Unit 1</b>	<b>INTRODUCTION OF ECONOMICS</b>	<b>25%</b>
	<p>1.1 Meaning of Economic problem, Definitions of Economics (Wealth definition, Welfare definition, Scarcity definition, Growth definition, recent definition).</p> <p>1.2 Characteristics of Economics - Relationship of Economics with other Disciplines.          Micro Economics - Meaning - Advantage - Limitation - Macro Economics - Meaning - Advantage - Limitation.</p>	
<b>Unit 2</b>	<b>DEMAND ANALYSIS</b>	<b>25%</b>
	2.1 Meaning of demand - Types of demand - Price of demand - Income demand - Cross demand - Demand distinctions - Demand for consumer's goods and producer's good - Firm and Industry demand	

	<p>- Short- run and long- run demand - Individual and market demand.</p> <p>2.2 Law of demand - Demand function - Market demand schedule - Market demand schedule - Demand curve - Assumptions of the law of demand - Reasons curve slopes downward?</p> <p>2.3 Exceptions to the law of demand - Change in demand and shift in demand.</p> <p>2.4 Demand forecasting - Meaning and significance.</p>	
<b>Unit 3</b>	<b>Supply Analysis</b>	<b>25%</b>
	<p>3.1 Meaning of supply - Stock and supply</p> <p>3.2 Law of supply - Supply function- Supply schedule- Supply curve- Assumptions of the low of supply- Exceptions to the law of supply</p> <p>3.3 Determinants or factors affecting supply - Change in supply and shift in supply.</p>	
<b>Unit 4</b>	<b>Cost Analysis and Revenue Analysis</b>	<b>25%</b>
	<p>4.1 Types of costs: total cost - fixed cost - average fixed cost – variable cost - total variable cost - Average total cost – marginal cost.</p> <p>4.2 Behavior of short run average cost curves, Relationship between marginal cost and average cost</p> <p>4.3 Long run cost curve, long run total cost, long run average cost and long run marginal cost.</p>	

### **REFERENCE BOOKS**

1. Modern Microeconomics: Theory & Application-H.L. Ahuja Publisher Sultan Chand.
2. Advanced Microeconomics Theory-M. J. Kennedy, Himalaya Publishing House.
3. Principles of Economics-Prem Bhutani, Taxmann Allied Services (P) Ltd.
4. Economics-Paul Samuelson William Nordhaus, Tata MacGraw-Hill.
5. Principles of Economics – D. M. Mithani, Himalaya Publishing House.
6. Managerial Economics – Analysis, Problems and Cases – P. L. Mehta Sultan Chand & sons.
7. Business Economics – H. L. Ahuja, Sultan Chand.