AC – 20/04/2024
Item No. – 7.7 Sem. II (3b)

As Per NEP 2020

University of Mumbai

Syllabus for Basket of OE	
Board of Studies in Business Economics	
UG First Year Programme	
Semester - II	**B- Semester - II**
Title of Paper	**Credits 2/ 4**
I) Business Economics for Investment Decisions	**4**
II)	**2**
III)	**2**
From the Academic Year	**2024- 2025**

OPEN ELECTIVE – II

Programme Name: **B. Com (Business Economics)**

Course Name: **Business Economics for Investment Decisions**

Total Credit: **2**

University Assessment: **50 Marks**

Pre-Requisite: This course requires students to have a foundational understanding of basic micro-economics and basic mathematics calculations.

Course Objectives:

- To develop a sound knowledge of basic concepts of Economics and their application to investment and business decision-making, using basic concepts of Economics.
- To develop the basic knowledge of markets, cost and financial statements related to investment decisions in life.
- To apply accounting cycle concepts for analyzing financial statements.
- To Gain proficiency in financial analysis, utilizing tools and use them for capital budgeting and investment decisions

Course Outcome:

CO1: Understand and apply the basics of investment and be able to make prudent investment decisions both as an investor and entrepreneur.

CO2: Examine the correlation between economic concepts and investment decisions.

CO3: Demonstrate a deep understanding of accounting principles, including Financial, Cost, and Management Accounting, and their interrelationship.

CO4: Develop proficiency in financial analysis tools and master basics of Capital Budgeting for investment decisions.

Modules	Units	Lecture Hours
1: Fundamentals of Economics and Accounting for Investment Decision	Basic Principles in Business Economics -- opportunity sets, optimum choices, Market Failure and Role of Govt.	15
	Theory of Consumer Choice -Concept of Economic Choice -Concepts, conventions	
	The principles of accounting. Branches of Accounting Financial, Cost and Management Accounting and their interrelationship. Accounting cycle, understanding the financial statements of an organization with special reference to companies.	
2: Basics of Financial Analysis and Capital Budgeting	Financial Analysis: Concept and Objectives: Tools of financial analysis – Ratio Analysis, Trend Analysis.	15
	Common size Financial Statements. Determinants of Dividend Policy.	
	Capital Budgeting: Concept and techniques, analysis of risk and uncertainty. Concept and measurement of cost of capital of different sources of finance. Assessment of working capital requirements and lending norms. Payback Period method, Internal Rate of Return, Net Present Value Method.	

Reference Books:

1. Samuelson & Nordhas.: Economics (Tata McGraw Hills, New Delhi, 2002)
2. Hirchey .M., Managerial Economics, Thomson South western (2003)
3. Mehta, P.L.: Managerial Economics – Analysis, Problem and Cases (S. Chand & Sons, N. Delhi, 2000)
4. Sen Anindya, Micro -Economics: Theory and Applications, Oxford University Press, New Delhi, 1999
5. Koutsoyiannis A., Modern Micro Economics, Macmillan, 1979.
6. Dean, J., Managerial Economics, Prentice Hall, 1976.
7. Mote, Paul & Gupta, Managerial Economics, Tata McGraw Hill, 1977

INTERNAL CONTINUOUS ASSESSMENT: 40% (20 MARKS)

Continuous evaluation pattern		
1	Class Test based on objectives on-line/offline	10 marks
2	Assignment / Project / Presentation	10 marks
3	Book review / Newspaper review (in any language) / Case Study writing	10 marks
	Take best of TWO out of THREE from above	**20 Marks**

SEMESTER END EXAMINATION: 30 MARKS

Format of Question Paper		
Time: 1 Hour		**Marks: 30**
Note: 1. Attempt any **Two** questions out of Three. 2. Figures to the right indicate full marks.		
Q1	**Answer the following question (Any 1)**	**10 Marks**
A.		
B.		
Q2	**Answer the following question (Any 1)**	**10 Marks**
A.		
B.		
Q2	**Write Short Notes (Any 2 out of 3) (5 Marks Each)**	**10 Marks**
A.		
B.		
C.		

Sign of the
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Prof. Kavita Laghate
Faculty of Commerce & Management

Sign of the
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Dr. Ravikant Balkrishna Sangurde
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