

SEMESTER II

I. MAJOR PAPER 2 –MJ 2:

(L+T = 4 Credits)

Marks: 25 (5 Attd. + 20 SIE: 1Hr) + 75 (ESE: 3Hrs) = 100

Pass Marks = 40

Instruction to Question Setter for

Semester Internal Examination (SIE 20+5=25 marks):

There will be **two** group of questions. **Question No.1** will be **very short answer type in Group A** consisting of five questions of 1 mark each. **Question No.2** will be **short answer type** of 5 marks. **Group B** will contain **descriptive type** two questions of ten marks each, out of which any one to answer.

The Semester Internal Examination shall have two components. (a) One Semester Internal Assessment Test (SIA) of 10 Marks, (b) Class Attendance Score (CAS) of 5 marks. Conversion of Attendance into score may be as follows: (Attendance Upto 45%, 1mark; 45<Attd.<55, 2 marks; 55<Attd.<65, 3 marks; 65<Attd.<75, 4 marks; 75<Attd, 5 marks)

End Semester Examination (ESE 75 marks):

There will be **two** groups of questions. **Group A is compulsory** which will contain three questions. **Question No.1** will be **very short answer type** consisting of five questions of 1 marks each. **Question No.2 & 3** will be **shortanswer type** of 5 marks. **Group B** will contain **descriptive type** six questions of fifteen marks each, out of which any four are to answer.

Note: There may be subdivisions in each question asked in Theory Examinations.

INTRODUCTION TO MICROECONOMICS – II

(L+T= 60 Lectures)

Course Objectives:

1. This course aims to familiarize students with the applications of micro economic theory.
2. It will enable them to understand real world economic issues & problems related to markets, distribution and measurement of welfare.

Course Learning Outcomes:

1. The student will be able to understand the applications of micro economic theory.
2. They will be able to understand the economic operation of perfect and imperfect markets, how factor payments are distributed and the concept and measurement of welfare.

Course Content:

UNIT- I Market Forms and Equilibrium (20 Lectures)

1. Types of Markets - Perfect and Imperfect; Revenue Curves in different forms of Markets
2. Perfect Competition- Characteristics; Equilibrium of Firms in short run and long run; Equilibrium of Industry in short run and long run
3. Monopoly- Characteristics; Equilibrium of Firm in short run and long run; Degrees of Price Discrimination
4. Oligopoly- Characteristics; Collusive and Non-Collusive Oligopoly; Kinked Demand curve
5. Monopolistic Competition- Meaning; Characteristics; Examples from the Real world

UNIT- II Theories of Distribution (25 Lectures)

1. Marginal Productivity Theory of Distribution
2. Rent- Ricardian Theory; Classical Theory; Modern Theory
3. Interest- Classical Theory; Keynesian Theory; IS-LM Theory
4. Wages- Classical Theory; Marginal Productivity Theory of Distribution
5. Profit- Innovation Theory; Risk Bearing Theory; Uncertainty Theory

UNIT- III Welfare Economics (15 Lectures)

1. Meaning of Welfare, Economic Welfare, Individual Welfare and Social Welfare
2. Classical Welfare Economics
3. Pareto Optimality; Pareto Optimality in Production, Consumption and Exchange
4. Compensation Criteria (Kaldor & Hicks)
5. Problems in measuring welfare

References:

1. Varian, Hal R., Intermediate Microeconomics, 8th Edition, Affiliated East-West Press.
 2. Stonier, Alfred W. & Hague, Douglas C., A Textbook of Economic Theory, 5TH Edition, Pearson.
 3. Koutsoyiannis, A., Modern Microeconomics, 2ND Edition, Palgrave Macmillan.
 4. Pindyck, Robert & Rubinfeld, Daniel, Microeconomics, 8th Edition, Pearson
 5. Ahuja, H.L., Advanced Economic Theory.
 6. Samuelson and Nordhaus, Economics, Irwin McGraw Hill
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SEMESTER II**I. MAJOR PAPER 3 –MJ 3:****(L+T = 4 Credits)****Marks: 25 (5 Attd. + 20 SIE: 1Hr) + 75 (ESE: 3Hrs) = 100****Pass Marks = 40*****Instruction to Question Setter for******Semester Internal Examination (SIE 20+5=25 marks):***

There will be two group of questions. Question No.1 will be very short answer type in Group A consisting of five questions of 1 mark each. Question No.2 will be short answer type of 5 marks. Group B will contain descriptive type two questions of ten marks each, out of which any one to answer.

The Semester Internal Examination shall have two components. (a) One Semester Internal Assessment Test (SIA) of 10 Marks, (b) Class Attendance Score (CAS) of 5 marks. Conversion of Attendance into score may be as follows: (Attendance Upto 45%, 1mark; 45<Attd.<55, 2 marks; 55<Attd.<65, 3 marks; 65<Attd.<75, 4 marks; 75<Attd, 5 marks)

End Semester Examination (ESE 75 marks):

There will be two groups of questions. Group A is compulsory which will contain three questions. Question No.1 will be very short answer type consisting of five questions of 1 marks each. Question No.2 & 3 will be short answer type of 5 marks. Group B will contain descriptive type six questions of fifteen marks each, out of which any four are to answer.

Note: There may be subdivisions in each question asked in Theory Examinations.

INTRODUCTION TO MACROECONOMICS – I**(L+T= 60 Lectures)****Course Objectives:**

1. The course aims to introduce the students to the basic concepts of Macro Economics.
2. To empower the students to be able to recognize the macroeconomic movements in an economy.

Course Learning Outcomes:

1. After completing this course, the students will be able to explain the basic concepts of GDP, National Income, Money, Inflation, Functions of Central bank, Credit Creation and Credit Control.
2. Additionally, the students shall be able to explain real life changes in interest rates, prices, growth rates of a nation etc.

Course Content:

UNIT- I Introduction to Macroeconomics

(20 lectures)

1. Macroeconomics, Meaning and Scope;
2. Concept and Measurement of GDP, GNP, NDP and NNP at market price and factor cost;
3. Methods of measuring National Income (Product Method, Expenditure, Income Method);
4. Circular Flow of Income in a Two Sector, Three Sector and Four Sector Model; Real and Nominal GDP.
5. Balance of payment

UNIT- II Money

(25 lectures)

1. Functions of money.
2. Determinants of Demand for and Supply of Money.
3. Quantity Theory of Money – Cash Transaction and Cash Balance Approach; Keynesian Approach
4. Inflation and its Types; Demand Pull and Cost Push Inflation; causes and effects of Inflation on different sectors of the economy
5. Measures to control inflation- Fiscal and Monetary policy
6. Classical, Neo-Classical, Keynesian and Post Keynesian Theories of Interest
7. Phillips Curve

UNIT- III: Banking

(15 lectures)

1. Objectives, Functions of Central bank and Commercial banks
2. Credit creation by Commercial banks and its limitations
3. Methods of Credit Control by Central bank – Quantitative and Qualitative methods;
4. 3 Monetary Policy- objectives and instruments

References:

1. Dornbusch, Fischer, Startz, Macro Economics, Mc Graw Hill.
 2. N. Gregory Mankiw, Macro Economics, Worth Publishers.
 3. Seth, M.L., Macro Economics, Laxmi Narayan Publications.
 4. Ahuja, H.L., Advanced Macro Economics, S.Chand Publications.
 5. Vaish, M.C. Macroeconomic Theory, Vikas Publishing House
 6. Ackley, G. Macroeconomics: Theory and Policy, Macmillan, New York.
 7. Gupta, Suraj B. Monetary Planning for India, Oxford University Press.
 8. Harris, Monetary Theory, McGraw Hill Publications
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