Syllabus Structure (up to sixth semester)

Semester	Sr No.	Course Code	Course Title	Credit	Teaching per week
			Course and allocation of Credits		
I	1	EC 101	Micro Economics-I	3	3L
	2	EC 103	Introduction to Economic Thought	02	2L
II	3	EC:102	Macro Economics-I	3	3L
III	4	EC 201	Micro Economics-II	3	3L
	5	EC 312	Mathematical Methods in Economics	3	3L
IV	6	EC 202	Macro Economics-II	3	3L
		EC 401	Theories of Economic Growth	3	3L
V	7	EC 301	Indian Economy-I	4	3L +1 T
	8	EC 302	Quantitative Economics	4	3L +1 T
	9	EC 303	Indian Economy-II	4	3L +1 T
	10	EC 304	Public Finance & Policy	4	3L +1 T
	11	EC 305	International Trade	4	3L +1 T
VI	12	EC 306	Development Economics	4	3L +1 T
	13	EC 307	Introductory Econometrics	4	3L +1 T
	14	EC 308	Monetary System	4	3L +1 T
	15	EC 309	Financial Economics	4	3L +1 T
	16	EC 310	Basics of Accounting	4	3L +1 T
	17	EC 311	Project Work	4	

L- No of Lectures in a week
T- No of Tutorial

Detailed Syllabus for Each Course

Semester I

Course Code: EC 101   Microeconomic Theory - I   Credit 3

General Concept
The Economic Problem- Scarcity and Choice; the Basic Market Model; Interfering with the market versus working through the Market
Distinction between Microeconomics and Macroeconomics – concept of different Microeconomic units - commodity, consumer, firm, industry, market – concepts of equilibrium, - statics, dynamics, comparative statics and stability of equilibrium.

Consumer Behaviour and Demand
Utility: Cardinal versus Ordinal; Indifference Curve - Assumptions and Properties; Consumer's Equilibrium; Price Effect-Income Effect, Substitution Effect; Engel's Curve Derivation of the Demand Curve; Giffen Paradox; Merits and Limitations of Indifference Curve Analysis; Labour Leisure Choice, Consumer's Surplus and Applications and Limitations of the Concept.

The Revealed Preference approach, derivation of demand functions from Revealed Preference approach. Elasticities of demand – price, income and cross elasticities, relation between price elasticity of demand, price and marginal revenue, relation between price elasticity and total expenditure.

Theory of Production and Cost

Organisation of Production; Production Function and its related concepts; Total, Average and Marginal Products and the Law of Variable Proportions; Production with two variable inputs-Isoquants; Factor Elasticity of Substitution; Returns to Scale; Least cost input combination; Expansion Path; Contract Curve and the derivation of Production Possibility Curve; equilibrium of the producer - constrained output maximization and constrained cost minimization, output and substitution effects – elasticity of substitution – expansion path, returns to scale - homogeneous and homothetic production function, the Cobb Douglas and CES production function

Cost function: different concepts of costs, short run cost analysis and long run cost Analysis-relation between the expansion path and cost function – total, average and Marginal cost curves – long run cost curves as envelope of short run cost curves. Optimum Size of Firm

Theory of Perfect Competition

Perfect competition and pure competition—Short run and long run equilibrium of a competitive firm- Short run and long run supply curves—Long run equilibrium of the competitive industry-price determination in a competitive industry- existence, uniqueness and static stability of equilibrium –long run supply curves of the industry- effects of external economies and diseconomies – effect of change in cost – effect of imposition of tax- effect of price control.

Basic Readings

1. <u>Koutsoyiannis A</u> Modern Microeconomics 2nd Revised edition Macmillan (2008)
2. Robert Pindyck and Daniel Rubinfield, Micro Economics, edtion 7, Prentice Hall

Recommended Readings:

1. Karl E. Case, Ray C. Fair, Principles of Economics, Pearson Education Asia
2. Dominick Salvatore, Micro Economics- Theory and Applications, Oxford University Press
3. Sampat Mukherjee, Modern Economic Theory, New Age International Publishers
4. Rahul A. Shastri, Micro Economic Theory, University Press (India) Limited
5. D. N. Dwivedi , Micro Economic Theory and Applications, Pearson Education
6. G S Maddala and Ellen Miller, Micro Economic Theory and Application, Tata MacGraw Hill
7. Paul A Samuelson William Nordhaus: Economics 17th Edition, MacGrawhill

8. <u>Hal R. Varian</u> Intermediate Microeconomics: A Modern Approach (Eighth Edition) 2009, W. W. Norton & Company
9. James Mitchell Henderson, Richard E. Quandt, Microeconomic Theory,edition 3, McGraw-Hill, 1980
10. *N.Y Mellivra H A. Book Co. 3. Koutsoyiannis, A., Modern Microeconomics*, *London*, Macmillan, (Latest. Edition).

Course Code: EC-103 Introduction to Economic Thought
Credits-02

Unit I

1. Genesis of Economics and Early Schools of Thought –

    1.1 Mercantilism – Traders and trade policy, surplus, role of government

    1.2 Physiocracy – Agriculture, land and surplus, taxation

    1.3 Classical – Economic growth, Laissez Faire & Stationery state-

    Adam Smith – Wealth of nations, Division of labour & specialization, Theory of Invisible hand and Self-interest.

    David Ricardo – Theory of distribution & Diminishing returns.

    R.T. Malthus – Population theory

Unit II

2. Genesis of Indian Economic Thought and Leading Early Thinkers –

    2.1 Kautilya – Role of state, Taxation, Foreign trade, Good governance.

    2.2 D.B. Nairoji – Economic nationalism, Brain drain, Poverty.

    2.3 B.R Ambedkar – Caste system in India & Division of Labourers, Golden   path of development – Balance between Public and Private sectors.

    2.4 M.K. Gandhi – Environmentalism, Self-reliance, Distinction between 'Standard of living' and 'Standard of life', Rural development.

References:

1. Haney H. – History of Economic Thought
2. Eric Roll – History of Economic Thought
3. Bhatia H.L.– History of Economic Thought
4. Gide and Rist –History of Economic Doctrine
5. Sinha V.C. – Aarthik Vicharon Ka Itihaas
6. Ganguly B.N. – Indian Economic Thought

Semester II

   Course Code: EC 101   Macro Economics-I   Credit 3

Basic Variables

Real and nominal; Induced and autonomous Model and Equations; stock and flow; Static, Comparative Static and dynamic analysis; Equilibrium and disequilibrium.

Introduction to National Income

Concepts of national income, Circular flow of income in two, three and four sectors, real flow and money flow, measurement of gross domestic product; income, expenditure & output method, Difficulties in measurement of national income, nominal and real GDP, GDP and welfare, GDP deflator, the inter-relation of income and product aggregates. Inter temporal and international comparisons of National income; National income estimation in India.

Determination of Income and Employment

Essential features and implications of Classical theory, self adjustment mechanism in classical theory, Say's law in barter economy and money economy, Keynes' objections to classical theory, Theory of Effective Demand; Simple Keynesian model of Income Determination for a closed economy, Fiscal Policy and Government Budget, paradox of thrift.

Consumption function

Keynesian consumption function, Features of consumption function, Shifts/Drifts in the consumption function, Discrepancy between shortrun and longrun consumption-income Relationship, Overview of Life Cycle Hypothesis, Permanent Income Hypothesis and Relative Income hypothesis and the economic Implications.

Basic Text:

1. Dornbusch, Fischer and Startz, Macroeconomics, McGraw Hill, 11th edition, 2010
2   N. Gregory Mankiw. Macroeconomics, Worth Publishers, 7th edition, 2010

Recommended Readings:

1. Shapiro, E.: Macroeconomic Analysis.
2. Suraj B.Gupta : Monetary Economics, S.Chand and Company Ltd.
3. Olivier Blanchard, Macroeconomics, Pearson Education, Inc., 5th edition, 2009.
4. Errol D'Souza, Macroeconomics, Pearson Education, 2009.
5. Andrew B. Abel and Ben S. Bernanke, Macroeconomics, Pearson Education, Inc

Semester III

Course Code: EC 201   Microeconomic Theory - II   Credit 3

Imperfect Competition

Theory of monopoly: Characteristics- AR and MR curves under monopoly-Relation among AR , MR and Elasticity of demand- Equilibrium under monopoly- major features of monopoly- index of monopoly power- price discrimination –when possible?- when desirable? – Degree of price discrimination- equilibrium under price discrimination- Social welfare under price discrimination, Equilibrium under multi-plant monopoly- Monopsony - Equilibrium under bilateral monopoly

Monopolistic competition: Short run and long run equilibrium- excess capacity.

Theory of oligopoly

Characteristics of oligopoly-Oligopolistic indeterminacy non-collusive oligopoly models of Cournot and Stackelberg – collusive oligopoly – price leadership – market sharing model- price rigidity under oligopoly.

Theory of factor pricing

Demand for factors of production - Determinants of price elasticity of demand for a factor – marginal productivity theory and its limitations Theory of wage - Choice between work and leisure – derivation of individual labour supply curve – total labour supply curve – demand for labour – determination of equilibrium in a competitive labour market- collective bargaining and wage rate. Theory of rent - Transfer earning and economic rent – quasi rent – Rent and price Theory of profit - Gross and net profit- elements of profit- risk and uncertainty theory-Innovation theory of profit. **.**

General equilibrium and economic welfare

Partial and general equilibrium – a formal statement of general equilibrium approach- the concept of Pareto optimum- Pareto optimality in consumption-Pareto optimality in production-General Pareto optimality condition.

Basic Text:

1. <u>Koutsoyiannis A</u> Modern Microeconomics 2nd Revised edition Macmillan (2008)
2. Robert Pindyck and Daniel Rubinfield, Micro Economics, 7th edtion , Prentice Hall

Recommended Readings:

11. Paul A Samuelson William Nordhaus: Economics 17th Edition, MacGrawhill
12. <u>Hal R. Varian</u> Intermediate Microeconomics: A Modern Approach (Eighth Edition) 2009, W. W. Norton & Company
13. James Mitchell Henderson, Richard E. Quandt, Microeconomic Theory,edition 3, McGraw-Hill, 1980
14. *N.Y Melliwra H A. Book Co. 3. Koutsoyiannis, A., Modern Microeconomics*, *London*, Macmillan, (Latest. Edition).
15. G S Maddala and Ellen Miller, Micro Economic Theory and Application, Tata MacGraw Hill

Course Code: EC-312   Mathematical Methods in Economics   Credits 3

Unit 1

Introduction to Mathematical Economics; Functions, Inverse functions, Graphs of linear functions: Fitting linear functions, Slope of a demand schedule and elasticity of demand, Budget

constraints, Non-linear functions, slope of non –linear functions, functions with two independent variables, Cobb Douglas production function, summing functions horizontally.

Unit 2

Linear equations – Variables and Parameters, linear and nonlinear equations, simultaneous linear equations system and its solutions, equilibrium and comparative statics, economic application of supply and demand and other applications to different types of market.

Concepts of matrix algebra: Matrix multiplication square matrices, Matrix Rank, Eigenvalue and Eigenvectors

Unit 3

Introduction to calculus: Differentiate functions with one unknown variable, Application of differentiation to revenue and cost functions. Partial differentiation: the first-order partial derivatives of multi-variable functions. Applying the concept of partial differentiation to production functions, utility functions and the Keynesian macroeconomic model. Maxima and Minima: critical points, the second derivative, optimization.

References:
- *Basic Mathematics for Economists*, Mike Rosser,II Edition, Routledge Publications
- *Mathematics for Economists*, Carl P. Simon and Lawrence Blume,
- *Fundamental Methods of Mathematical Economics*, Alpha C Chiang and Kevin Wainwright, IV Edition, Mc Graw Hill.
- *Mathematics for Economics and Business*, Ian Jacques, V Edition, Prentice Hall
- *Mathematics and Statistics for Economics*, *Monga G S*. II Edition, Vikas Publishing House

Semester IV

Course Code: EC 202   Macro Economics-II   Credit 3

Investment Function

 Meaning and types of Investment, Marginal Efficiency of Capital, Marginal Efficiency of Investment, Relation between MEC and MEI Determination of volume of investment Accelerator Theory; Theory of Multiplier; Concept of super Multiplier. Classical and Keynesian theory of investment.

Money Demand and Supply

Concept, functions and significance, Theories of Demand for Money: Classical, Cambridge and Keynes. Theories of Rate of Interest: Classical, Loanable and liquidity preference.

Inflation

Meaning. Impact and control of inflation, demand pull and cost push inflation, inflationary and deflationary gap analysis, inflation and its social cost, inflation and underdeveloped countries, choice between inflation, deflation and stagflation, overview of inflation and unemployment trade-off.

Theories of Economic Growth

Harrod- Domer Model, Neoclassical Model, Endogenous Growth Theory

Basic Text:
2. Dornbusch, Fischer and Startz, Macroeconomics, McGraw Hill, 11th edition, 2010
3   Andrew B. Abel and Ben S. Bernanke, Macroeconomics, Pearson Education, Inc.,

Recommended Readings:

1. Shapiro, E.: Macroeconomic Analysis.
2. Suraj B.Gupta: Monetary Economics, S.Chand and Company Ltd.
3. N. Gregory Mankiw. Macroeconomics, Worth Publishers, 7th edition, 2010.
4. Olivier Blanchard, Macroeconomics, Pearson Education, Inc., 5th edition, 2009.
5. Errol D'Souza, Macroeconomics, Pearson Education, 2009.

Course Code: EC-401   **Credit 03**

Theories of Economic Growth

UNIT I

Measuring Economic Growth, Classical Theories of Growth and Stagnation (Adam Smith, David Ricardo, Malthus), Karl Marx Theory of Growth

UNIT II

Harrod Domar Model: Capital Expansion and Growth, Golden Age Model, Solow Model, Swan Model of accumulation, Meade: Steady Growth Model, Uzawa Model: Two Sector Model of Growth

UNIT III

Monetary and Growth Model: Patinkin's Model, Tobin

Kaldor Model of Distribution, Pasinetti Model,

Endogenous: Romer Model, Human Capital and Growth Model

Suggested Readings:

1. Barro, Robert J. and Xavier Sala-i-Martin, Economic Growth, McGraw-Hill,
2. H.G. Jones, " An Introduction to Modern Theories of Economic Growth" McGraw-Hill Book   Company
3. Jones C.I., "Introduction to Economic Growth" W.W. Norton & Company, New York
4. Romer, David, Advanced Macroeconomics, New York: McGraw-Hill Co.,
5. Sen, A.K.,ed.(1970) Growth Economics, Penguin Books.
6. Blanchard, O. and Fischer, S. 1989. Lectures on Macroeconomics
7. M.L. Taneja and R.M. Myer "Economics of Development & Planning"Vishal Publishing CO. Fourteenth Edition 2015 ISBN:978-93-82956-58-7
8. R.K.Lekhi , The Economics of Development and Planning Kalyani Publishers / Lyall Bk Depot ISBN: 9788127267162 / 8127267162 2009

Semester V

Course Code : EC 301   Indian Economy-I   Credit 4

Problems in Indian Economy
Concepts of development and under development, General characteristics of Indian economy, Growth and Structural Change in the Indian Economy since 1950: Nature, causes and changes in sectoral income distribution and occupational structure, Poverty - The concept and measurement of poverty, Causes of poverty and Remedies, Unemployment - Concept and measurement of unemployment, Causes of unemployment and Remedies

Role of Agriculture in Indian Economy
Role of Agriculture in Indian economy, Institutional Structure – land reforms in India Agricultural production and productivity – recent trends Sources of Agricultural finance, Agricultural Marketing - Problems and Remedies Rural indebtedness - Suicide of farmers – causes and remedies,, Economic liberalisation and merging trends in Indian Agriculture,

Industry
Industrial development during the planning period; Industrial policy of 1948, 1956, 1977 and 1991, Industrial licensing policy — MRTP Act, FERA and FEMA; Growth and problems of small scale industries; Role of public sector enterprises in India

Tertiary Sector and Parallel Economy of India
Service Sector in India – Growth, pattern and future prospects, Fiscal federalism-Centre state financial relations, Parallel Economy –Causes and impact of black money, Measures to control black money.

Basic text books
1. Kapila, Uma (Ed.) : Indian Economy – Performance and Policies, Academic Foundation,. New Delhi.
2. Datt R. & K.P.M. Sundharm,Indian Economy, S. Chand & Co. Ltd.New Delhi. Datt R. & K.P.M. Sundharm,Indian Economy, S. Chand & Co. Ltd.New Delhi.
3. Misra S.K. &V.K.Puri, Indian Economy – Himalaya Publicationhouse Mumba
4. Kapila, Uma (Ed.) : Indian Economy Since Independence, AcademicFoundation, New Delhi.

Course Code: EC 303   Quantitative Economics   Credit 4

Application of Calculus

Applications of derivatives in Economics: Elasticity of demand and supply, Average and Marginal functions; Problems of Optimization of one and two variables, constraint & unconstraint functions, Analysis of consumer's and producer's surplus.

Linear Programming and Game Theory

Concept of a Game; Strategies-simple and mixed; Value of a game; Saddle point solution; Simple applications.

Sampling and sample design

 Sampling and sample design: Introduction, Census and sample methods, Random and Non random sampling methods, Merits and limitation of sampling, sampling and non sampling errors.

Index numbers and Time Series

Index Numbers: Problems and methods of construction index numbers Simple and weighted index numbers; Fisher's Ideal Index, Chain and fixed base index numbers. Cost of living index numbers. Base conversion, splicing and deflating of index, uses of index number.

Time Series Analysis: Components of time series. Measurement of trend and seasonal variations. Calculation of simple, compound, exponential and trend growth rates.

Basic Text:

1. Alpha C. Chiang, Fundamental Methods of Mathematical Economics
2. Gupta, S.P. (2012), Statistical Methods, forty second edition Sultan Chand & Sons New Delhi.

Recommended Readings

1. Alien, R.G.D. (2008), Mathematical Analysis for Economists, Macmillan Press and ELBS, London.
2. Edward T, Dowling, Theory and Problems of Introduction to Mathematical Economics, 2009
3. Nagar & Das: Basic Statistics, Oxford university press.

Course Code : EC 303   Indian Economy-II   Credit 4

Planning and Economic Reforms
Need and objectives of planning, Achievements and failure of 11th five year plan, 12th Five Year Plan – objectives, targets and strategy.
Rationale of Economic Reforms, Features and appraisal of Economic Reform Programme, Liberalization, Privatization and Globalisation of the economy

Foreign Trade and Policy
Trade policy during pre and post reform period, Liberalised Exchange Rate Management System. Foreign Direct Investment – Trends and issues, Indian foreign trade—composition, volume, direction and trade balance;

Basic Characteristics and Agriculture in Economy of Rajasthan
Basic Characteristics and Position of Rajasthan in Indian Economy, Occupational Structure of Labour Force and Human Resource Development in Rajasthan, State Domestic Product,
Agriculture: Land Utilisation, Cropping Pattern and Main Crops of Rajasthan, Agricultural development in the plan period, Land Reforms in Rajasthan, Irrigation in Rajasthan,

Industry and Economic Planning in Rajasthan

Industry: Salient features, Factory sector, Regional variation, Small Scale Industries and Handicrafts, Public enterprises in Rajasthan, Tourism development in Rajasthan.
Economic planning in Rajasthan: objectives and achievements. A review of economic progress under planning in Rajasthan, Constraints in the economic development of the state, Centre-State Financial Relations (basic issues), Poverty in Rajasthan, Unemployment in Rajasthan, Economic Reforms in Rajasthan.

Basic text books
1. Misra S.K. &V.K.Puri,   Indian Economy – Himalaya Publicationhouse Mumbai.
2. Agrawal A.N. Indian Economy Problem of Development and Planning
3. DewettKewal :Indain Economy C.Chand& Co. Ltd. New Delhi 2005.
4. Laxshminarayan Nathuramka: Economy of Rajasthan

Course Code : EC 304   Public Finance and Policy   Credit 4

Scope of Public Finance

Scope of Public Finance, fiscal functions –allocation function, Distribution function and stabilization, The Concept of Public Goods: Reasons for Governmental Allocation Intervention- Externalities, Allocation or Distribution which comes first.

Public Expenditure

Introduction, meaning and scope, difference between public and private expenditure, Reason for growth of public expenditure, Types and Canons of Public Expenditure, Benefit principle i. Lindhal theory and samuelson 's model Pigou's Ability to pay Theory, , Wagner's Law of Increasing Governmental Activities.

Public Revenue

Source of Public Revenue, Direct vs. indirect, Objectives of Taxation, Concepts- Impact of Tax, incidence of Tax, Shifting of Tax and Taxable capacity, Indian Tax Structure- Classification of Taxes, Features & limitation of Indian Tax System.

Public Debt

Issues relating to Public Debt: Sources of internal and external Public Debt, danger of public debt, safe limit of public debt, debt burden analysis and management of public debt, federal finance in India- allocation of revenue resources between centre and state under constitution, shortcoming of federal finance, Concept of Budget Deficit - Revenue, Fiscal, Primary.

Basic text books
1. R.A. Musgrave and P.B. Musgrave, Public Finance in Theory & Practice, McGraw Hill Publications.
2. Musgrave, R.A.: Theory of Public Finance, McGraw Hill
3. Andley K.K & Sundharam, K.P.M.: Public Economics and Public Finance, Rattan Prakashan Mandir.

Course Code: EC 305   International Trade   Credit 4

Theories of International Trade
Internal and External Trade: similarities and dissimilarities, Trade Theories-Ricardian Theory of Comparative Cost Advantage; Factor Endowments and Heckscher- Ohlin Theory; Empirical Test of H-O Model- Leontief Paradox; Rybczynski theorem under Theories of International Trade; Stolper-Samuelson theorem Factor Intensity Reversal. Concepts of Terms of Trade; Factors affecting Terms of Trade; Gains from Trade; Offer Curves, Distribution of gains from trade in terms of Offer Curves, Trade as an Engine of Growth.

International Trade Policy
Free Trade and Protection- Arguments for and against Free Trade and Protection; Tariffs-Classifications of Tariffs, Effects of Tariffs- Partial Equilibrium analysis, Concept of Optimum, Tariff and Retaliation; Quotas- Types, Effects; Tariffs versus Quotas.

Balance of Payment
The Structure of BOP; Accounting Principle; Disequilibrium in BOP- Types of Disequilibrium; Causes of Disequilibrium; Adjustment Mechanism- Correction under Fixed and Flexible Exchange Rate regimes, Functions of Foreign Exchange Market; Determination of Equilibrium Exchange Rate; Concepts of Spot and Forward Rates.

Economic Integration and International Institutions
Forms of Economic Integration; Customs Union- Partial Equilibrium Analysis of Customs Union Trade Creation and Trade Diversion (concepts only). Objectives and functions of IMF, IBRD, WTO (special reference to trade)

Basic Text:
1. Dominick Salvatore, International Economics, Wiley India
2. Mannur, H.G., International Economics, Theory & Practice, Vikash Publication

Recommended Readings:
1. Francis Cherunilam, International Economics, Tata McGraw- Hill
2. K. C. Rana and K. N. Verma, International Economics, Vishal Publishing Company
3. Bo Sodersten and Geoffrey Reed, International Economics, Macmillan
4. P. T. Ellsworth and J. Clark Leith, The International Economy, Macmillan

5. Francis Cherunilam, International Economics, Tata Mc Graw- Hill
6. Mannur, H.G., International Economics, Theory & Practice, Vikash Publishing House
7. Bo Sodersten and Geoffrey Reed, International Economics, Macmillan Press Ltd.
8. Caves-Jones-Frenkel World Trade and Payments: An Introduction, Prentice Hall, 2007
9. Chacoliades , International Economics, McGraw-Hill Education (ISE Editions); New Ed edition
10. Krugman-Obstfeld – International Economics, Prentice Hall; 9 edition (January 10, 2011)

Semester VI

Course Code: EC 306   Development Economics   Credit 4

Economic Development

Meaning and measurement, Features of underdeveloped economies, developing economies, determinants of economic development, Economic and noneconomic factors of development. Obstacles in growth and development. Arguments on growth Vs development: Sen's View), Role of state in economic development.

Social and Institutional aspects of development

Absolute and Relative, causes of poverty, trends in poverty, economic inequality, Kuznet inverted 'U' curve, Population problem and growth pattern - Theory of demographic transition; demographic dividend.

Models of economic growth

Classical model: the Marxian model; Schumpeter's model; Keynesian model; Harrod – Domar model, Social and technological dualism, Lewis model of Economic development with unlimited supplies of labour, Harris Todaro Model.

Development Strategies

Vicious circle of poverty; Theory of balanced and unbalanced growth; Rodan's big push; critical minimum effort thesis; import substitution and export promotion; investment allocation criteria, choice of technique.

Basic Text:

1. Debraj Ray, Development Economics, Oxford University Press, 2009

2. Todaro, M.P.: Economic Development in Third World, Oxford University, London.

Recommended Readings:

1. Ghatak, S.: An Introduction to Development Economics, Allen and Unwin, London.

2. Higgins, B.: Economic Development: Theory and Policies, Central Book Depot,
   Allahabad, 1963.

3. Meier, G.M.: Leading Issues in Economic Development, Oxford University Press,
   New Delhi, 1995.

4. Thirlwall, A.P.: Growth and Development, Macmillan, London, 1999

Course Code : EC 101   Introductory Econometrics   Credit 4

Nature and Scope of Econometrics
Nature and meaning of econometric; Difference between mathematical economics,   statistics and econometrics; Goals of econometrics

Simple Linear Regression Model: Two Variable Cases
Estimation of model by method of ordinary least squares; properties of estimators;   goodness of fit; tests of hypotheses; scaling and units of measurement; confidence   intervals; Gauss-Markov theorem.

Multiple Linear Regression Model
Estimation of parameters; properties of OLS estimators; goodness of fit - R^2 and adjusted R^2; partial regression coefficients; testing hypotheses – individual and joint**;** Estimation of quadratic, semi – log and double log functions; simple and compound rates of growth (applications).; qualitative (dummy) independent variables.

Violations of Classical Assumptions: Consequences, Detection and Remedies
Problems of multicollinearity, autocorrelation and hetroscedasticity: Nature, consequences, tests and remedies (elementary treatment).

Basic Text:
D. N. Gujarati and D.C. Porter, Essentials of Econometrics, McGraw Hill, 4th edition, International Edition, 2009.

Recommended Readings:

1. Christopher Dougherty, Introduction to Econometrics, Oxford University Press, 3rd
   edition, Indian Edition, 2007.
2. Dimitrious Asteriou and Stepheb G. Hall, Applied Econometrics: A Modern Approch,
   Palgrave Macmillion

Course Code : EC 308   **The Monetary System**   **Credit 4**

Money
Concept, functions, measurement; Supply of money: Mechanics of money supply creation; measures of money supply in India. Demand for money: Fisher, Cambridge, and Keynesian and Friedman theories.

Commercial Banking System
Meaning, functions, assets and liabilities-Balancing liquidity with profitability, process of credit creation by commercial banks. Indian banking system: Changing role and structure; banking sector reforms

Central Banking
Meaning and functions, techniques of credit control with special reference to India, credit policy in India Monetary Policy: Goals, targets, indicators and instruments of monetary control; monetary management in an open economy; current monetary policy of India.

Financial Institutions, Markets, Instruments and Financial Innovations
a. Role of financial markets and institutions; problem of asymmetric information – adverse selection and moral hazard; financial crises.
b. Money and capital markets: organization, structure and reforms in India; role of financial derivatives and other innovations.

Basic Text:
Suraj B.Gupta, Monetary Economics, S.Chand and Company Ltd
Suraj B.Gupta., Monetary Planning for India, University Press, New Delhi.

Recommended Readings
1. Luckett, D.G., Money & Banking, McGraw Hill, New York, 1976
2. Raghabendra Jha : Contemporary Macroeconomic Theory and Policy, Wiley Eastern Ltd.,1991
3.   Rakesh Mohan, Growth with Financial Stability- Central Banking in an Emerging
     Market, Oxford University Press, 2011.
4. L. M. Bhole and J. Mahukud, Financial Institutions and Markets, Tata McGraw Hill, 5th
     edition, 2011.

Course Code: EC 309   **Financial Economics**   **Credit 4**

Introduction

Concept, scope, classification of finance function, objectives of financial management, profit maximization vs. wealth maximization, Financial modeling-Concepts, scope and limitations. Sources of finance**:** Short term sources-Public deposits, Cash credit limit/Overdraft, Letter of credit, Commercial papers, Factoring.

Long term sources- Shares,Debentures /Bonds, Leasing, Hire-purchase, Venture capital, emerging financial instruments.

Financing and Investment Decisions

Cost of capital, Capital Structure, Dividend Decision. Capital budgeting-Nature, scope, techniques (traditional and discounted cash flow).

Investment Theory and Portfolio Analysis

 Basic theory of interest; discounting and present value; internal rate of return; evaluation criteria;

fixed-income securities; bond prices and yields; interest rate sensitivity and duration;

immunisation; the term structure of interest rates; yield curves; spot rates and forward rates.

Single-period random cash flows

Random asset returns; portfolios of assets; portfolio mean and variance; feasible combinations of

mean and variance; mean-variance portfolio analysis: the Markowitz model and the two-fund

theorem; risk-free assets and the one-fund theorem.

CAPM :The capital market line; the capital asset pricing model; the beta of an asset and of a portfolio; security market line; use of the CAPM model in investment analysis and as a pricing formula.

Options and Derivatives

Introduction to derivatives and options; forward and futures contracts; options; other derivatives;

Recommended Readings:

1. David G. Luenberger, Investment Science, Oxford University Press, USA, 1997
2. Hull, John C., Options, Futures and Other Derivatives, Pearson Education, 6th edition, 2005
3. Thomas E. Copeland, J. Fred Weston and Kuldeep Shastri**,** Financial Theory and Corporate Policy, Prentice Hall, 4th edition, 2003.
4. Richard A. Brealey and Stewart C. Myers, Principles of Corporate Finance, McGraw- Hill, 7th edition, 2002
5. Stephen A. Ross, Randolph W. Westerfield and Bradford D. Jordan, Fundamentals of Corporate Finance. McGraw-Hill, 7th edition, 2005
6. Burton G. Malkiel, A Random Walk Down Wall Street, W.W. Norton & Company, 2003.
7. William Sharpe, Gordon Alexander and Jeffery Bailey, Investments, Prentice Hall of India, 6th edition, 2003

Basics of Accounting   Credit 4

Course Code EC : 310
Introduction

Introduction: Financial accounting, its Concept, Importance, Scope, Accounting as an information system, Accounting concepts, conventions and Generally Accepted Accounting Principles (GAAP)

Financial statements

Preparation of financial statements-Trading account, Profit & Loss a/c, Balance sheet and Adjustments in final accounts.

Management Accounting

Management Accounting: Concept, Need, Importance and Scope. Nature, Attributes and Usefulness of financial statements, Distinction between financial accounting, cost accounting and management accounting, Role and responsibility of management accountant.

Cost accounting

Meaning - Cost, Cost accounting & cost centre. Elements, methods of costing, Preparation of cost sheet and inventory control.

Case studies based on above-mentioned curriculum

Basic Text

1. Basic Text: Maheshwari, S.N. (2001). Management Accounting and Financial Control. Sultan Chand and Sons, New Delhi.
2. Bhattacharya, S.K. and Dearden, J. (1996). Accounting for Management: Texts and Cases. Vikas Publishing, New Delhi.

Recommended Readings:

1. Homgren Charges I: Intorduction to Management Accounting.
2. Keller and Ferrara: Management Accounting for Profit Control.
3. Accounting for Managers: S.K. Bhattacharya & John Dearden.

Course Code EC : 311　　　　Project Work　　　　　　Credit 4