

**M.A. (ECONOMICS) PART-I SEMESTER-II
PGECO 21: MICRO ECONOMIC ANALYSIS–II**

Course Outcomes:

At the end of this course, a student shall be able to

1. Apply marginal analysis to the “firm” under different market conditions.
2. Analyses the causes and consequences of different market conditions.
3. Analyze the alternative theories of firm
4. Understand the concepts and theories of welfare economics.

Total Credits: 4

Total Lectures: 60

1. Classification of Markets

- 1.1 Classification of Markets.
- 1.2 Perfect Competition - Short Run and Long Run Equilibrium

2 Monopoly

- 2.1 Short Run and Long Run Equilibrium of a Single Firm an Industry under competitive conditions
- 2.2 Equilibrium of a Firm under Monopoly (Short Run and Long Run)
- 2.3 Price Discrimination under Monopoly, different types.
- 2.4 Comparison of Monopoly and Perfectly Competitive Market outcomes.
- 2.5 Regulation of Monopoly Power.

3. Imperfect Competition

- 3.1 Monopolistic Competition, Price and Non-price competition, Equilibrium.
- 3.2 Product Differentiation, Selling Costs and Excess Capacity.
- 3.3 Oligopoly, Basic market structure, Non-collusive oligopoly, Cournot- Bertrand Solution.
- 3.4 Collusive Oligopoly, Cartels, Price and Output Determination
- 3.5 Game Theory, Basic Concepts, Dominant Strategy Equilibrium, Nash Equilibrium, Repeated and Sequential Games.

4. Alternative Theories of the Firm

- 4.1 Goal of Profit Maximization and Alternative Theories of the Firm.
- 4.2 Baumol’s Sales Revenue Maximization Model.

5. Theory of Distribution and Welfare Economics

- 5.1 Marginal Productivity Theory.
- 5.2 Product Exhaustion Theorem. (Euler’s Theorem)
- 5.3 Pigou’s Welfare Theorem
- 5.4 Pareto Optimality
- 5.5 Social Welfare Function, Compensation Criteria.
- 5.6 Arrow’s Impossibility Theorem.

Recommended Books:

1. Varian, Hal (1996): Intermediate Microeconomics, W.W. Norton and Company, New York.
2. Hirschleifer J and A. Glazer (1997): Price Theory and Applications, Prentice Hall of India, New Delhi.
3. Stigler, G (1996): Theory of Price, Prentice Hall of India, New Delhi.

4. H.Gravelle and R.Rees (2007) Microeconomics Pearson Publication New Delhi
5. James Gerber (2012) Microeconomics, Pearson Publication New Delhi
6. Robert Pindyck, (2009) Microeconomics, Pearson Publication New Delhi
7. Sen, A (1999): Micro Economics: Theory and Applications, Oxford University Press, Delhi.
8. Misra S.K. and V.K. Puri (2001): Advanced Microeconomic Theory, Himalay Publishing House, New Delhi.
9. Kreps, David, M (1990): A Course in Microeconomic Theory, Princeton University Press.
10. Dominick Salvatore: Principles of Microeconomics, Oxoford University Press 5th edition.
11. William J. Baumol and Alan H. Blindr: Microeconomics-Principle and Policy, 9th edition.
12. Thomson Waldman Jenhen: Industrial Organization, 3rd edtion perarson education

M.A. (ECONOMICS) PART-I SEMESTER-II
PGECO 22: Public Economics–II

Course Outcomes:

At the end of this course, a student shall be able to

1. Understand the functioning of public debt.
2. Analyze the fiscal policy.
3. Develop the rationale of public policy.
4. Analyze the functioning of public debt and budgetary process.
5. Understand the system of Indian fiscal federalism.

Total Credits: 4

Total Lectures: 60

1. Public Debt

- 1.1 Classical view of Public Debt;
- 1.2 Compensatory aspect of Debt Policy
- 1.3 Sources of Public Debt; Debt through created Money
- 1.4 Public Borrowings and Price Level
- 1.5 Crowding Out of Private Investment and Activity
- 1.6 Principles of Debt Management and Repayment
- 1.7 Burden of Public Debt on Indian Economy.

2. Fiscal Policy

- 2.1 Objectives of Fiscal Policy, Interdependence of Fiscal and Monetary Policies
- 2.2 Fiscal Policy for Stabilization - Automatic vs. Discretionary Stabilization.
- 2.3 Budget – Meaning and Components. Preparation, Presentation and Execution of Budget.
- 2.4 Economic Classification of Budget.
- 2.5 Budget Deficits and Their Implications.
- 2.6 Trends in Expenditure of Union, State and Local Bodies since 1991.
- 2.7 Balanced Budget Multiplier.

3 Indian Fiscal Federalism

- 3.1 Fiscal Federalism in India;
- 3.2 Vertical and Horizontal Imbalance
- 3.3 Assignment of Function and Sources of Revenue
- 3.4 Constitutional provisions; Finance Commission and Planning Commission
- 3.5 Devolution of Resources and Grants
- 3.6 Theory of Grants; Resource transfer from Union to States — Criteria for Transfer of Resources
- 3.7 Centre-State Financial Relations in India
- 3.8 Problems of States' Resources and Indebtedness
- 3.9 Transfer of resources from Union and States to Local Bodies.

4 Indian Public Finances

- 4.1 Indian Tax System
- 4.2 Revenue of the Union, States and Local Bodies
- 4.3 Major Taxes in India - Direct & Indirect Taxes, Taxation of Agriculture, Expenditure Tax,
- 4.4 Reforms in Direct and Indirect Taxes, Taxes on Services;
- 4.5 Non-tax Revenue of Centre, State and Local Bodies
- 4.6 Analysis of Central and State Government Budgets
- 4.7 Fiscal Sector Reforms in India

Reading List:

1. Shome, P. (Ed.) (1995), Tax Policy: Handbook, Tax Division, Fiscal Affairs Department, International Monetary Fund, Washington D.C.
2. Tripathy R.N. Public Finance in Underdeveloped Countries.
3. Rajesh K.Jha (2012) Public Finance. Pearson Publication New Delhi
4. Dr. Joshi P.L. Zero Base Budgeting Technology in Government, Dhruv and Deep Books, Bombay.
5. Dr.Tyagi B.P., Public Finance, Jai Prakash Nath Pub. Meerat (UP).
6. Mithani D.M. Principles of Public Finance and Fiscal Policy Himalaya Publishing House, New Delhi.
7. Ruddar Datt and K.P.M. Sundharam (2006), Indian Economy, S.C.Chand and Company Ltd, New Delhi.
8. Ashutosh Raravikar, Fiscal Deficit and Inflation in India, Macmillan India Ltd. New Delhi.

**M.A. (ECONOMICS) PART-I SEMESTER-II
PGECO 23: AGRICULTURE ECONOMICS–II**

Course Outcomes:

At the end of this course, a student shall be able to

1. Analyze place of agriculture in Indian economy.
2. Understand the concepts related to agriculture labour.
3. Analyze the issue of marketing.
4. Understand the importance of organic and contract farming.

Total Credits: 4

Total Lectures: 60

1 – Introduction

- 1.1 Place of Agriculture in Indian economy.
- 1.2 Trends Agriculture Productivity
- 1.3 Agricultural Development under Five Year Plans.
- 1.4 S.E.Z Policy. – Agriculture

2. Agriculture Labour

- 2.1 Problems of Agriculture Labour.
- 2.2 Efficiency of Agriculture Labour
- 2.3 Impact of Mechanization on Agriculture Labour.
- 2.4 National Employment Guarantee Scheme.

3. Agricultural credit.

- 3.1 Co-operative Credit Structure.
- 3.2 Role of NABARD
- 3.3 Role of Commercial Banks.
- 3.4 Micro Finance --Meaning, Role, and Trends.
- 3.5 Issues of Agriculture Subsidies.

4. Agriculture Marketing

- 4.1 Problems of Agriculture Marketing in India.
- 4.2 Agriculture -Marketing and Price System in India
- 4.3 Problems of Agriculture – Export- Imports.
- 4.4 Processing of Farm Products.
- 4.5 Agreements of WTO in Agriculture

5. Sustainable Agriculture

- 5.1 Bio Technology – Meaning and Trends
- 5.2 Organic Farming – Present status and Future.
- 5.3 Contract Farming - Present Status and Future.
- 5.4 Diversification of Agriculture in India (High Technology in Agriculture.)
- 5.5 Agricultural Management – Concept, Recent trends and Problems.
- 5.6 Food Securities in India.

Reference Books. :

1. Datt R. & K.P.M Sundharm (2007) Indian Economy, S.Chand & Co.Ltd.Delhi.
2. Misra S.K. & V.K.Puri (2007) Indian Economy – Himalaya Publication house Mumbai.
3. Gopal Ji & SumanBhakari 'Indian Economy (2012) Performance and Policies Pearson Publication Delhi
4. Agrawal A.N. Indian Economy Problem of Development and Planning 06.
5. Johnson P.A Development Issues of Indian Economy (2003) Manan Prakashan.
6. Kapila Uma (ed) Indian Economy Since Independence, Academic Foundation (2003)
7. Dewett Kewal: Indian Economy C.Chand & Co.Ltd, New Delhi 2005.
8. B.N.P singh: Indian Economy Today Changing Contours. Deep and Deep pub. 05.
9. Mamoria C.B.Agricultural Problems of India Kitab Mahal Pub. 2005.
10. M.P.Singh- Indian Economy Today- Problems Planning and Development. (2004) Deep and Deep Publication.
11. Singh Acharya, Sagar – Sustainable Agricultural Poverty and Food Securities (2002) Rawat Publication Jaypur Vol- I & II
12. Ajit Singh and Tabatabai – Economic crisis and Third world Agriculture, Combries University Press.
13. Gulati & Kelley – Trade Liberalization of Indian Agriculture, (1999), Oxerpert University press.
14. C.S. Prasad – Sixty years of Indian Agriculture – New Delhi 2006.
15. Hansra Parumal and Chandrakarn – Modernization of Indian Agriculture in 21st century challenges, opportunity and strategies, Concept Publication Co. New Delhi.

**M.A. (ECONOMICS) PART-I SEMESTER-II
PGECO 24: INDUSTRIAL ECONOMICS–II**

Course Outcomes:

At the end of this course, a student shall be able to

1. Analyze the different drivers of industry.
2. Understand the industry with the context of globalization.
3. Analyze issues of industrial labours.
4. Understand the cost-benefit analysis with industry.

Total Credits: 4

Total Lectures: 60

1. Industry and Globalization Drivers

Market drivers; Competitive drivers; Government drivers

2. Globalization and Potentials for Industry

US and Japanese strategies; Industry agglomeration in China; The globalization of the arms industry

3. Current Problems of Selected Industries

Iron and Steel; Cotton textiles; Jute; Sugar; coal; Cement and engineering goods; Development of small-scale and cottage industries in India.

4. Industrial Labour

Structure of industrial labour; Employment dimensions of Indian industry; Industrial legislation; Industrial relations; Exit policy and social security; Wages and problem of bonus – labour market reforms.

5. Industry and Cost-Benefit Analysis

Introduction to Cost-Benefit Analysis, Valuing Benefits and Costs, Option Price and Option Value, Meaning of Shadow Prices

Basic Reading List

1. Ahluwalia I.J. [1985], *Industrial Growth in India*, Oxford University Press, New Delhi.
2. P.R.N.Sinha and Bala Sinha (2010) *Industrial Relation Trade Unions and Labour Legislation* Pearson Publication. New Delhi
3. Barthwal R.R. [1985], *Industrial Economics*, Wiley Eastern Ltd., New Delhi.
4. Cherunilam, F. [1994], *Industrial Economics: Indian Perspective*, Himalaya Publishing House, Mumbai.
5. Desai, B. [1999], *Industrial Economics in India*, Himalaya Publishing House, Mumbai.
6. Divine, P.J. and R.M. Jones et.al. [1976], *An Introduction to Industrial Economics*, George, Allen and Unwin Ltd., London.
7. Government of India, *Annual Economic Survey*.
8. Hay, D. and D.J. Morris [1979], *Industrial Economics, Theory and Evidence*. Oxford University Press, New Delhi.
9. Kuchhal, S.C. [1980], *Industrial Economy of India*, Chaitanya Publishing House, Allahabad.
10. Reserve Bank of India, *Annual Report on Currency and Finance*.
11. Singh, A. A.N. Sandhu. [1988], *Industrial Economics*, Himalaya Publishing, House, Mumbai.

M.A. (ECONOMICS) PART-I SEMESTER-II
PGECO 25: FINANCIAL INSTITUTIONS AND MARKETS–II

Course Outcomes:

At the end of this course, a student shall be able to

1. Understand the role of SEBI.
2. Analyze the Government security market.
3. Analyze the role of RBI.
4. Understand the operations of stock market of India.

Total Credits: 4

Total Lectures: 60

Unit 1 Securities and Exchange Board of India :

Introduction, SEBI Act, 1992, purpose of the Act, The management of the Board, powers and Functions of Sebi, Penalties And Adjudication. Sebi Guidelines for Issue of Debt Instruments.

Unit 2 Government Securities Market :

Introduction, Features of Governemtn Securities Market, Players in the Governement Securities Markets, Purpose of Issuing Government Securities, Primary Dealers (PDs).

Unit 3 Reserve Bank of India:

Introduction, Functions of the Reserve Bank of India- As Currency Authority,Credit creation and Credit Control-Techniques/Measures, Quantitative Credit Control- Bank Rate, Variable Reserve Requirements, Cash Reserve Ratio, Statutory Liquidity Ratio.

Unit 4 Insurance Sector:

Introduction, Definition, Principles of Insurance, Kinds of Insurance- Life Insurance-Functions, Objectives, Social Responsibilities. General Insurance, IRDA (Protection of Policy holder's Interest) Regulations, 2002.

Unit 5 Investment Trusts :

Investment Trusts, Investment Trust and Investment Counsel, Development of Investment Trusts, Investment trusts in India, Types of Investment Trusts, Future of Investment Trusts in India.

Unit 6 Mutual Funds:

Meaning, Concept, Types- public Sector Mutual Funds, Private Sector Mutual Funds, Open Ended Funds, Close Ended Funds, Interval Funds, Income Funds, Growth Funds, Balance Funds, Equity Funds, Bond Funds, Off-shore Funds.

Readings :

- 1) Bansal, L.K., Mutual Fund Management and Working, Deep and Deep Publication, New Delhi, 1996.
- 2) Batra, G.S. , Management of Financial Institutions and Markets, Deep and Deep Publications, Delhi, 1997.
- 3) Bhole, L. M., Financial Institutions and Markets: Structure, Growth and Innovation, Tata McGraw Hill, New Delhi, 1998.
- 4) Dangwal, R.C.,R.C. Institutional Finance and Industrialisation, Deep and Deep Publications, New Delhi, 1998.

- 5) Desai, Vasant., Development Banking in India : Issues and Options , Himalya Publication House, 1998.
- 6) Edminister, R.O., Financial Institutions, Markets and Managements, Tata Mcgraw Hill, New York, 1986.
- 7) Fensermaker, J. D., Readings in Financial Markets and Managements, Tata McGraw Hill, New York, 1986.
- 8) Gupta, Shashi k and Sharma R.K., Financial Management- Theory and Practice, Kalyani Publishers, new Delhi, 2003.
- 9) Houthakkar Hendrik, S. and Peter j. Williammson., The Economics of Financial Markets, Oxford University press, 1996.

**M.A. (ECONOMICS) PART-I SEMESTER-II
PGECO 21: FUNDAMENTALS OF INVESTMENT**

Course Outcomes:

At the end of this course, a student shall be able to

1. Use the different investment alternatives.
2. Analyze the investment environment.
3. Understand the investor's protection.

Total Credits: 2

Total Lectures: 30

Unit 1: The Investment Environment

The investment decision process, types of investment – commodities, real estate's & financial assets, the Indian securities market participants & trading of securities, security market, indices, sources of financial information , concept of return & risk , impact of taxes & inflation on return .

Unit 2: Fixed Income Securities

Bond features, types of bonds, estimating bond yields, bond valuation types of bonds risk, default risk & credit rating.

Unit 3: Investor protection

Role of SEBI & stock exchanges in investor protection, investor grievances & their redressal system, insider trading, investor's awareness & activism

RECOMMENDED BOOKS

1. R. P. Rustogi, fundamentals of investment, sultan chand & sons, New Delhi .
2. N.D. Vohra & B.R. Bagri, futures & options, McGraw hill education.
3. Mayo, an introduction to investment, Cengage Learning.