

# **VIMALA COLLEGE (AUTONOMOUS)**

(NAAC Re-accredited(3<sup>rd</sup> Cycle): A Grade, CGPA-3.50)

**Affiliated to University of Calicut**



**B.A. DEGREE PROGRAMME**

**IN**

**ECONOMICS**

**Choice Based Credit and Semester System  
(CBCSS)**

**SYLLABUS, SCHEME, AND MODEL QUESTION PAPERS  
CORE, COMPLEMENTARY and OPEN COURSES  
(2016 ADMISSION ONWARDS)**

**VIMALA COLLEGE  
ENGINEERING COLLEGE P O, THRISSUR  
KERALA- 680009, INDIA**

## **VIMALA COLLEGE (AUTONOMOUS) THRISSUR**

**B.A Degree Programme in Economics - Course Structure, Scheme, Syllabus and Model Question Papers under Choice Based Credit Semester System (CBCSS) which has to be implemented with effect from 2016 admission onwards.**

The syllabus has been formed with the fruitful discussion of Board members, other faculty members of various colleges handling different papers, subject experts in respective areas and with the consultancy of experts from industry. This syllabus is approved by the Academic Council in the meeting held on 09.02.2016 at Vimala (Autonomous) College Thrissur.

I express my sincere gratitude to all those who have contributed for the formulation of the B.A Degree Programme in Economics.

Dr.Sr.Maries V.L  
Principal

Vimala College (Autonomous) Thrissur

Place: Thrissur  
Date: 17.02.2016.

## **BOARD OF STUDIES –ECONOMICS AND COMMERCE**

**Chairperson** : Dr Vasanthakumari P, Associate Professor, Department of Commerce, N.S.S College, Ottapalam, Palakkad  
Phone- 9447795387

### **Teachers nominated**

**By the principal** : (1) Dr. Vimala M, Assistant Professor & HOD, Department of Economics, Vimala College, Thrissur  
(2) Ms. Rose V J, Assistant Professor&HOD, Department of Commerce, Vimala College, Thrissur  
(3) Smt. Sneha Gopeekrishna, Assistant Professor, Department Of Economics, Vimala College, Thrissur

**Subject experts** : (1) Dr. K.P. Mani, Professor, Dept. of Economics, University of Calicut Dr John Matthai Centre, Aranattukara  
Mobile- 9847235070

: (2) Dr. Paul Kattukaran, Associate Professor, St. Thomas College, Thrissur , Mobile -9446622342

### **Vice Chancellor Nominee**

: Dr.B Johnson, Reader, Department of Commerce and Management Studies University of Calicut Mobile- 9446182862

### **Industry representative** :

CA. Swapna Balasubramanian. FCA  
Partner , M/S. Manoj Swapna & Sindhu  
Chartered Accountants  
First Floor, Sun City Complex  
Koorkenchery, Thrissur-680007  
Phone - 0487-2422251  
Mobile- 9847010422

**Illustrious Alumnae** : Sr.Teseena P Emmatty, Assisstant Professor,  
Department of Commerce. Vimala College, Thrissur

# Contents

<b>Sl. No.</b>	<b>Description</b>	<b>Page No.</b>
1.	Introduction	3
2.	List of Board Members	5
3.	Aims and Objectives	6
4.	Course Structure	7
5.	Course Code	7
6.	Scheme of the Programme	7
7.	Core Courses	10
8.	Complementary Courses	10
9.	Open Courses	11
10.	Elective Courses	11
11.	Assessment and Evaluation	11
12.	External Examination-Question Pattern	13
13.	Study Tour	14
14.	Project Guidelines	14
15.	Structure of Project Report	16
16.	Detailed Syllabi–Core Courses	17
17.	Detailed Syllabi–Complementary Courses	53
18.	Detailed Syllabi–Open Courses	73
19.	Detailed Syllabi–Elective Courses	77

## **Revised Curriculum of Undergraduate Programme in Economics**

Economics is an integral part of a well-rounded liberal arts education and has emerged as one of the most sought after subjects of study in social sciences. Economics is about choice and is at the heart of all decision-making. Individuals, businesses and governments are all faced with making choices in situations where resources are scarce and as a result economics is applicable in a wide range of fields including business, finance, administration, law, local and national government and indeed most aspects of everyday life. Increasingly, policy debate in all areas is being cast in economic terms and understanding most current issues requires an understanding of economics.

Economics is valuable not only for the topics it studies, but also for its methods of analysis. The processes economists use in constructing models, analyzing arguments and testing empirical predictors against available evidence develop several important skills. Employers are particularly keen on graduates with good analytical and problem solving skills, which are emphasized in Economics teaching.

Economics is a field of growing importance as preparation for both a variety of careers and programs of advanced study. The discipline occupies a strategic place among the social sciences, and is important to the study of the humanities as well. Many careers which require the understanding and analysis of contemporary events will also be enhanced by the study of economics. These include such professions as law, journalism, public policy, diplomacy, education, environmental science, medical administration, and international affairs. Since economic institutions are an important element of any larger social or political system, and since major social and political changes are often influenced by economic forces, an understanding of economics is important for mastery of these related disciplines. Economics provides a better understanding of the economic and public policy environment in which virtually every profession will be pursued. Hence, economics courses should be an integral part of any undergraduate course of study.

Regular updation of both Curriculum and Syllabus in Economics is unavoidable because the subject of Economics has a rapid growth as compared to most of the other social sciences and also being a discipline that touches day-to-day human lives in every society.

The revised syllabus is the outcome of a series of sittings of Board members and consultations with the faculty members handling various papers and experts in respective areas. The draft syllabus has been sent to the faculty in different colleges for their expert opinion and suggestions. Valuable comments and suggestions given by them have been incorporated in the syllabi before finalizing it. I express my sincere gratitude to the members of the Board of Studies in Economics (UG), experts from different fields and economics faculty of various colleges for the help and support extended by them in realizing it.

**Chairman, Board of Studies in Economics(UG)**

## **Revised Curriculum of B A Programme in Economics Effective from 2016-17 Admissions**

### **Aims and Objectives**

Keeping pace with the rapid changes that are taking place in economic and political spheres across the globe, the subject of Economics is undergoing swift changes, which warrants constant updating of the curriculum. The principal aims and objectives of BA Programme in economics are:

- Imparting knowledge of fundamental concepts and theoretical propositions
- An understanding of the methodology by which economic ideas are framed, tested and modified.
- To provide the students an opportunity to take up a career in economics and related areas.
- An understanding of the economic issues of national and international importance and realize the dynamics behind them.
- To develop the capacity to analyze the socio-political and economic issues in the language of an economist.
- To provide an opportunity to understand how the economic policies of the government and governmental institutions affect the common people.
- To provide an opportunity to venture in to research in economics and there by contribute to the creation of knowledge.
- An understanding of the institutions – social, political and economic, that influence economic issues.

## SCHEME OF BA ECONOMICS PROGRAMME

Semester	Course	Course Code	Title of Paper	Hours per Week	Credits	Max. Marks		
						IE*	EE	Total
<b>I Semester</b>	Common I	VEG1A01		4	3	20	80	100
	Common II	VEG1A02		5	3	20	80	100
	Common III	VML1/VHD1/VSK1/A01		4	4	20	80	100
	Core1	VEC1B01	Microeconomics-I	6	5	20	80	100
	Complementary I	VHY1C01		3	2			
	Complementary II	VSO1C01		3	2			
*Internal Evaluation, **External Evaluation								
<b>II Semester</b>	Common IV	VEG2A03		5	4	20	80	100
	Common V	VEG2A04		4	4	20	80	100
	Common VI	VML2/VHD2/VSK2/A02		4	4	20	80	100
	Core2	VEC2B02	Microeconomics-II	6	5	20	80	100
	Complementary I	VHY2C02		3	2	20	80	100
	Complementary II	VSO2C02		3	2	20	80	100
<b>III Semester</b>	Common VII	VEG3A05		5	4	20	80	100
	Common VIII	VML3/VHD3/VSK3/A03		5	4	20	80	100
	Core3	VEC3B03	Quantitative Methods for Economic Analysis-I	5	4	20	80	100

	Core4	VEC3B04	Modern Banking and Insurance	4	4	20	80	100
	Complementary I	VHY3C03	Modern Indian History	3	2			
	Complementary II	VSO3C03	Sociology	3	2			
<b>IV Semester</b>	Common IX	VEG4A06		5	4	20	80	100
	Common X	VML4/VHD4/ VSK4/A04		5	4	20	80	100
	Core5	VEC5B05	Quantitative Methods for Economic Analysis-II	5	4	20	80	100
	Core6	VEC6B06	Computer Application for Economic Analysis	4	4	20	80	100
	Complementary I	VHY4C04	Modern Indian History	3	2	20	80	100
	Complementary II	VSO4C04	Sociology	3	2	20	80	100
<b>V Semester</b>	Core7	VEC5B07	Macroeconomics-I	6	4	20	80	100
	Core8	VEC5B08	India's Economic Development: National and Regional**	6	4	20	80	100
	Core9	VEC5B09	Economics of Capital Market	5	4	20	80	100
	Core10	VEC5B10	International Economics	5	4	20	80	100
	Open (To choose 1 out of 3)	VEC5D01/ VEC5D02/ VEC5D03	Economics in Everyday Life International Trade and Finance* Banking	2	2	10	40	50
	Project Work		To be continued in VI <sup>th</sup> Sem	1				



<b>VI Semester</b>	Core11	VEC6B11	Macroeconomics-II	5	4	20	80	100
	Core12	VEC6B12	Mathematical Economics	5	4	20	80	100
	Core13	VEC6B13	Public Finance	5	4	20	80	100
	Core14	VEC6B14	Development Economics	5	4	20	80	100
	Elective (Tochoose1out of3)	VEC6E01/ VEC6E02/ VEC6E03	Environmental Economics* Applied Theory of Markets Economics of Business and Finance	3	2	20	80	100
	Project Work	VEC6B15(P R)	Individual/Group activity	2	4	10	40	50
<b>Total Credits</b>					<b>120</b>		<b>3000</b>	

\*\* A compulsory study tour is recommended as part of the paper entitled "India's Economic Development- National and Regional "in the Fifth Semester and the tour report should be submitted to the Head of the Department soon after the tour.

\* Selected open course, elective course

## CORECOURSES

- **VEC1B01-Microeconomics I**
- **VEC2B02-Microeconomics II**
- **VEC3B03-Quantitative Methods for Economic Analysis I**
- **VEC3B04– Modern Banking and Insurance**
- **VEC4B05-Quantitative Methods for Economic Analysis II**
- **VEC4B06–Computer Application for Economic Analysis**
- **VEC5B07 – Macro economics I**
- **VEC5B08-India’s Economic Development: National and Regional**
- **VEC5B09-Economics of Capital Market**
- **VEC5B10–International Economics**
- **VEC6B11-Macro economics II**
- **VEC6B12–Mathematical Economics**

- **VEC6B13–Public Finance**
- **VEC6B14–Development Economics**
- **VEC6PR–Project**

## **Complementary Courses**

The following complementary courses are suggested with the option for choice (**two complementary courses can be selected**).The syllabus for complementary courses of sister departments are prepared by the respective Boards of studies.

- **History**
- **Political Science**
- **Sociology**
- **Essentials of Economics (C01) (For Non-Economics Programmes )**
- **Mathematical tools for Economics(C01)**
- **Co-operation(C02)**
- **Banking(C03)**

Colleges can choose from the above complementary courses offered by the University without affecting the existing work load.

## **Open Courses**

During the V<sup>th</sup> Semester three Open courses are offered to the students of other departments. Colleges can choose any one course from the three listed below.

- **VEC5D01-International Trade and Finance\***
- **VEC5D02-Economics in Everyday Life**
- **VEC5D03-Banking**

## **Elective Courses**

During VI<sup>th</sup> Semester three elective courses are offered for BA Economics Programme. Colleges can choose anyone course from the three listed below.

- **VEC6E01 –Environmental Economics\***
- **VEC6E02 – Applied Theory of Markets**
- **VEC6E03 – Economics of Business and Finance**

## **Assessment and Evaluation**

Internal assessment is done through the system of continuous assessment of the following four components, with a maximum of 20 marks, split up as presented in table 2.

**Table 2 Percentage Distribution of Internal Marks**

<b>Components</b>	<b>Marks</b>
<b>Attendance</b>	<b>25 %</b>
<b>Assignment, Seminar, Viva- Voce</b>	<b>25 %</b>
<b>Test Paper</b>	<b>50%</b>

Attendance of each course will be evaluated and marks assigned as per the norms presented in table3

**Table3. Percentage Distribution of Marks for Attendance**

<b>Attendance</b>	<b>Marks</b>
<b>Above90%</b>	<b>100%</b>
<b>85-89%</b>	<b>80%</b>
<b>80-84%</b>	<b>60%</b>
<b>76-79%</b>	<b>40%</b>
<b>75%</b>	<b>20%</b>

Both internal and external evaluation is carried out using the mark system. The grading on the basis of total marks scored in internal and external examinations will be done by the University for each Course and for each semester, using a7-point scale in direct grading system as presented in table4.

**Table4. Distribution of Marks, Grades and Grade Points**

<b>Percentage of Marks</b>	<b>Grade</b>	<b>Interpretation</b>	<b>Grade Point Average</b>	<b>Range of Grade Points</b>	<b>Class</b>
90 and above	A <sup>+</sup>	Outstanding	6	5.5 -6	First Class with Distinction
80 – below 90	A	Excellent	5	4.5 -5.49	
70 – below 80	B	Very Good	4	3.5 – 4.49	First Class
60 – below 70	C	Good	3	2.5 – 3.49	
50 – below 60	D	Satisfactory	2	1.5 – 2.49	Second Class
40 – below 50	E	Pass/Adequate	1	0.5 – 1.49	Pass
Below40	F	Failure	0	0 – 0.49	Fail

The minimum required percentage of attendance for appearing in the various semester examinations is fixed as 75.

Assignment : Best of the two assignments is considered per course.

Seminar : The student has to take a minimum of one seminar per course.

Test paper : A minimum of two class tests are to be attended. The grades of best two tests are to be taken.

### **External Examination: Question Pattern**

The questions of external evaluation should aim at assessment of knowledge, standard application of knowledge and application of knowledge in new situations. Question paper should be a judicious mix of objective type, short answer type, short essay type/problem solving type and long essay type questions. Different types of questions shall be given different weights to quantify their range. The question setter shall submit a detailed scheme of evaluation along with the question paper.

- All examinations will have duration of 3 hours, except open course, for which examination will be of 2 hours duration. Maximum marks for all courses will be 80 except open course, for which maximum marks will be 40.
- Each question paper will have four parts A,B, C and D
- Part A contains 12 objective type questions for which the candidate has to answer all the questions. Each question carries ½ marks.
- Part B contains twelve very short answer type questions and the candidates have to answer ten questions. Each question carries two marks.
- Part C contains eight short essay/problem type questions and the candidates have to answer six questions. Each question carries five marks.
- Part D contains four essay type questions and the candidates have to answer two questions. Each question carries 12 marks.

**Table5. Question Pattern for External Evaluation**

<b>Type of Question</b>	<b>Questions to be Given</b>	<b>Questions to be Answered</b>	<b>Marks for each</b>	<b>Total Marks</b>
Objective Type	12	12	0.5	6
Very Short Answer	12	10	2	20
Short Essay	8	6	5	30
Essay	4	2	12	24
Total	36	30		80

**Table 6. Question Pattern for External Evaluation (Open Course)**

<b>Type of Question</b>	<b>Questions to be Given</b>	<b>Questions to be Answered</b>	<b>Marks for each Question</b>	<b>Total Marks</b>
Objective Type	8	8	0.5	4
Very Short Answer	7	5	2	10
Short Essay	6	4	4	16
Essay	2	1	10	10
<b>Total</b>	<b>23</b>	<b>18</b>		<b>40</b>

## Study Tour

A compulsory study tour is recommended as part of the paper entitled "India's Economic Development –National and Regional" in the Fifth Semester and the tour report should be submitted to the Head of the Department soon after the tour.

### Project-VEC6 PR

As part of the requirements for BA Programme every student must do a project either individually or as a group, under the supervision of a teacher. Project work is meant for providing an opportunity to approach and study a problem in a systematic and scientific manner. It provides them an opportunity to apply the tools they have studied and learn the art of conducting a study and presenting the report in a structured way. The report of the project, completed in every respect, is to be submitted to the department for valuation by the examiners appointed by the University.

### PROJECTGUIDELINES:

1. Project work may be done either individually or as a group of students not exceeding 5 in number.
2. The topic of the project should be on economic issues either theoretical or case study type.
3. Students should be properly oriented on the methodology of conducting a study during the Vth Semester, making use of the hours allotted for the purpose.
4. The Project work should be completed by the end of the VI semester and the report should be submitted to the Department before 31<sup>st</sup> March of the year concerned.
5. The project report should be either printed or typed in English.
6. A copy of the project report in English (printed or typed) should be submitted by the student/team on or before 31 March of the year concerned.
7. The valuation of the project will be done at two stages:
  - a. Internal evaluation (supervising teachers will assess the project and award grades)
  - b. External evaluation (The team will comprise of an external examiner appointed by the University and the HOD of the institution concerned or his nominee)
  - c. A Viva voce related to the project work will also be conducted by the external evaluation team. All candidates should undergo the Viva voce test individually.
  - d. Grades will be awarded to candidates combining the internal grade, team grade and Viva voce grade.

Length of the project report-20 to 35 typed pages (Paper A4, Times New Roman, Font size 12, line spacing 1.5). The report may be organized in 3 chapters (minimum). The use of simple statistical tools in data analysis may be encouraged. Project evaluation and the Viva voce should be conducted immediately after the completion of the regular classes /written examination

8. The chairman of the VI semester exam should form and coordinate the evaluation teams and their work.
9. The project external evaluation should be completed before the commencement of the

centralized valuation.

10. External Examiners will be appointed by the University from the list of VI semester Board of Examiners in consultation with the Chairman of the Board.
11. Student for viva-voce are compulsory for internal evaluation.
12. The internal to external is to be taken in the ratio of 1:4. Assessment of different components may be done as given below.

**Table 5. Detail of the Assessment of Project Report**

<b>Internal (20% of total)</b>		<b>External (80% of total)</b>	
<b>Component</b>	<b>% of Marks</b>	<b>Component</b>	<b>% of Marks</b>
Punctuality	20	Relevance of the Topic, Statement of Objectives, Methodology (Reference/Bibliography) Statement of Objectives, Methodology	20
Use of Data	20	Presentation, Quality of Analysis/Use of Statistical Tools, Findings and recommendations.	30
Scheme/ Organization of Report	30	Viva-voce	50
Viva-voce	30		

### **Basic Ingredients of a Project Design**

The project work can be designed by considering the following elements.

1. Selection of a Topic
2. Pilot Survey—a trial run of questionnaire/ interviews
3. Significance / relevance of the Study
4. Review of Related Literature
5. Formulation of Research Questions
6. Research Objectives (Minimum 2)
7. Coverage (Universe/ Sample & period of study)
8. Data source (Primary/Secondary)
9. Methods of Analysis i.e., Tools and Techniques
10. Limitations of the study
11. Chapter outline
12. Data Analysis/Result Chapter(s)
13. Conclusion

## **Structure of the Report**

The report should be organized in the following sequence:

- i) Title page
- ii) Name of the candidate, Name and designation of the supervising teacher
- iii) Declaration of the student and certificate of the supervising teacher
- iv) Acknowledgements
- v) List of tables, List of figures, table of contents
- vi) Introduction
- vii) Significance of the study
- viii) Related works, if any
- ix) Objectives, methodology and data sources
- x) Chapter scheme
- xi) Main text, summary conclusions and recommendations
- xii) Bibliography



# **SYLLABUS :SEMESTER I**

**Course Category: Core Course 1**

**Course Title and Code: Micro Economics –I, VEC1B01**

**No. of Credits: 5, No. of Contact Hours: 108**

## **Micro economics -I**

Micro economic theory presents some of the basic analytical techniques or tools of analysis of economics. It has been one of the most important courses in all economics business curricula. This Course is designed to provide basic understanding of the behaviour of individual economic agents – Consumer, Producer. It will introduce the students the basic ideas and tools that will be utilized throughout the other courses of the degree programme.

### **Syllabus**

#### **Module I: (12 Hrs)**

Introduction to Micro Economics– Nature and scope of micro economics – Microeconomic models and methodology – Positive and normative analysis - induction and deduction, Value judgments.

Ref: Dominic Salvatore - Microeconomics

#### **Module II: (24 Hrs) Price Determination in a Competitive Market**

-Demand, supply and equilibrium -Market demand curve –market supply curve –Change in Market Equilibrium –Functions of prices - changes in demand and supply –Extension and contraction in demand -Increase and Decrease in demand -Elasticity of demand and supply -Price Elasticity of demand–Point and Arc method –Price elasticity and total expenditure –Factors determining price elasticity -TR, MR and price Elasticity –Income elasticity and its interpretation-Cross elasticity - substitutes and complementary goods

#### *Assignment/Seminar Topics*

1. Algebraic Explanation to market Equilibrium
2. Give estimated price, income and cross elasticity for selected commodities and indicate from the price elasticities whether demand is elastic or inelastic, from the income elasticity whether the commodity is a luxury, a necessity or an inferior good.

Ref: 1. Dominic Salvatore –Schaum’s outline series, Microeconomic Theory

2. Watson and Getz -Price Theory and its Uses

### **Module III: (36 Hrs)**

Theory of consumer behaviour–Utility-Cardinal Versus Ordinal utility –Consumer Equilibrium under cardinal utility-Consumer behaviour under ordinal utility -assumptions –Indifference curve -properties-MRS –Equilibrium of the consumer under ordinal utility –Budget constraints-Budget line -Income effect-Engel curve -Normal good; inferior good –Consumer’s response to price changes -Price effect and utility maximization –Derivation of individual demand curve for normal good –Decomposition of Price effect into income effect and substitution effect –Hicksian and Slutsky’s methods –Normal, inferior and Giffen goods–Application of Indifference Curves -Theory of Revealed Preference – Revealed Preference axiom -Consumer surplus -Marshall and Hicks.

#### *Assignment/Seminar Topic*

-Evaluation of alternate Government policies by using indifference curve analysis

Ref: Koutsoyiannis. A Modern Micro Economics

### **Module IV: (36Hrs)**

Theory of Production –Production Function-short run versus long run production function–TP, AP, MP and their interrelationships-Production with one variable input-Law of variable proportions-Production with two variable input>Returns to scale-Iso-quants-properties-MRTS –Elasticity of substitution - Isocost line –Least cost input combination -Producer’s equilibrium -Expansion path and long run cost curves –Cobb-Douglas, CES and Translog production functions (concept and statement of properties)

#### *Assignment/Seminar Topic:*

Graphical presentation of the Returns to scale for a homogeneous production function

#### **.References:**

Dominic Salvatore -Micro Economics

Koutsoyiannis. A, Modern Micro Economics, Page-79.

#### Additional Readings:

1.Robert .S Pindyck and Daniel L. Rubinfeld (2009)-Microeconomics seventh edition, Pearson Education

2.H.R Varian Intermediate Microeconomics- A Modern Approach

.3.Walter Nicholson and Christopher Snyder (2010) -Theory and applications of intermediate microeconomics‘ 11th edition, South-western, Cengage

4.Paul Samuelson – Principles of Economics.

**NB: Seminar/Assignment topics are for internal evaluation only**

## SEMESTER II

**Course Title and Code: Micro Economics –II, VEC2B02**

**No. of Credits: 5 No. of Contact Hours: 108**

### **Micro economics -II**

This part of the syllabus is designed to introduce fundamental market concepts and structures. The objective of the course is to apply the principles Micro economic analysis to the decision making of firms and market.

#### **Syllabus**

##### **Module I: (18 Hrs) Theory of Costs**

Explicit and implicit costs, opportunity cost, private cost, social cost, economic cost, accounting cost, sunk cost, fixed and variable cost, marginal and average cost -Short run and Long run cost curves - Modern theory of costs -Short-run costs-AFC, AVC, ATC –Long run L shaped cost curves.

*Seminar/assignment topic:* Traditional theory of costs -Cost concepts-Geometry of unit cost curves - relation between AFC, AVC, AC and MC graphically.

Ref: 1. Koutsoyiannis. A, Modern Micro economics', Chapter –4

2. Dominik Salvatore, Microeconomic Theory-Schaum's outline series'

**Module II: (24 Hrs) Market structure:** Perfect Competition–characteristics–Price determination in the market period -Short run Equilibrium –shut down point-Long run equilibrium of a firm and industry –Constant, increasing and decreasing cost industries –Welfare effects of government intervention –Impact of a tax or subsidy.

**Module III: (24 Hrs) Monopoly:** Monopoly–Sources of monopoly –AR and MR curve of a monopolist -Short run and Long run equilibrium–Supply curve of a monopolist –The multi plant firm – Monopoly power –measuring monopoly power –Lerner Index -social cost of monopoly–Regulation of monopoly -Price discrimination –first degree, second degree and third degree –International Price discrimination-dumping -Two part tariff, tying and bundling –Peak load pricing -Monopsony –Bilateral monopoly.

*Seminar/assignment topic:* Some applications of market structure, Efficiency and Regulation

Ref:1. Koutsoyiannis,A Modern Micro economics', Chapter 5, 6, 7

2. Watson and Getz, Price Theory and its uses'

3. Dominik Salvatore, Principles of Microeconomics'

#### **Module IV: (24Hrs) Monopolistic Competition and Oligopoly**

Monopolistic competition and Oligopoly –Features of monopolistic competition –Short run and long run equilibrium -Product differentiation and selling costs –Oligopoly- Characteristics –Collusive versus non-collusive oligopoly –Cournot model –Kinked demand curve model -Cartel and price leadership.

Ref: 1. Koutsoyiannis, A Modern Microeconomics‘, Chapter 5, 6, 7

2. Watson and Getz, Price Theory and its uses‘

3. Dominik Salvatore, Principles of Microeconomics‘

**Module V: (18 Hrs)Pricing and Employment of Inputs-Marginal Productivity theory of input demand –Competitive factor markets -Demand curve of the firm for one variable input –Demand curve of the firm for several variable inputs-Market demand curve for an input-Supply of inputs to a firm –The market supply of inputs –Equilibrium in a competitive factor market –Factor market with monopoly power –Factor market with monopsony power.**

Ref: 1. Koutsoyiannis. A, Modern Microeconomics‘

2. Dominik Salvatore, Micro economic Theory‘, Schaum’s Outline series, Chapter -13

#### **Additional Readings:**

1.Robert .S Pindyck and Daniel L. Rubinfeld (2009)-Microeconomics seventh edition, Pearson Education

2 H.R Varian Intermediate Microeconomics- A Modern Approach.

**NB: Seminar/Assignment topics are for internal evaluation only**

## **SEMESTER III**

**Course Category: Core Course 3**

**Course, Title and Code: Quantitative Methods for Economic Analysis– I, VEC3B03**

**No. of Credits: 4**

**No. of Contact Hours: 90**

### **Introduction**

Students of economics should have sound quantitative skills to collect, analyse and interpret empirical data. They also require these skills for advanced studies in quantitative economics. Quantitative skills have become an essential toolkit for most branches of economics.

### **Objectives**

This course is intended to provide students an introduction to quantitative methods and tools that are used in the study of economics at undergraduate level. The aim of this course is to develop skill in statistical techniques that are required for a meaningful study of applied economics and for carrying out empirical research.

### **Learning Outcome**

Students are expected to acquire statistical skills that are necessary for further study in most branches of economics. However, It should be kept in mind that the students who study this course have limited quantitative skills. Their limitations and peculiarities should be considered while preparing questions paper, particularly for problems.

### **Syllabus**

#### **Module I –Basic Arithmetic and Algebra (10 Hrs)**

Equations- Types and solutions of Linear, Quadratic and Simultaneous Equations up to three unknowns –Ratio, proportion and variation - Exponents and Logarithms- Progression-AP &GP

#### **Module II- Functions and Graphs (20Hrs)**

Functions- types of function and its application in economics- Rectangular Co-ordinate System and graphs of functions -Slope and Intercept-Equations of straight lines.

**Module III -Basic Matrix Algebra(20Hrs) :** Matrices -Types, Matrix manipulations and their rules, Order of Matrix, Rank of matrices, Transpose of Matrix-Determinants up to order $3\times 3$ - Properties and Value of determinant, Minor, Co factor and inverse, Solving Linear Equations with the inverse.

Cramer's Rule for solving linear equations.

#### **Module IV- Meaning of Statistics and Description of Data (20Hrs)**

Definition, Scope and Limitations of Statistics- Frequency distribution Representation of data by Frequency polygon, Ogives and Pie Diagram. Measures of Central tendency Arithmetic Mean, Median, Mode, Geometric Mean and Harmonic, Weighted averages - Mean-Positional values: Quartiles, Deciles and Percentiles. Measures of Dispersion: Absolute and Relative measures of Dispersion–Range, Quartile Deviation, Mean Deviation and Standard Deviation –Lorenz Curve - Gini Coefficient - Skewness and Kurtosis.

#### **Module V - Correlation and Regression Analysis (20Hrs)**

Correlation-Meaning, Types and Degrees of Correlation –Methods of Measuring Correlation- Graphical Methods: Scatter Diagram and Correlation Graph; Algebraic Methods: Karl Pearson’s Coefficient of Correlation and Rank Correlation Coefficient – Properties and interpretation of correlation coefficient - Simple linear regression- Meaning, Principle of Ordinary Least Squares and Regression Lines. – Idea of Multiple Regression and Partial Regression – Application of regression technique in Economic Analysis

#### **References**

- 1) Dowling Edward. T ,Mathematical Methods for Business and Economics, Schaums Outline Series, McGraw Hill, 1993.
- 2) Dowling Edaward. T ,Introduction to Mathematical Economics,2nd ,3rd Edition, Schaum’s Outline Series, McGraw-Hill, New York, 2003
- 3) Taro Yamane, Mathematics for Economists: An Elementary Survey, Prentice Hall of India
- 4) Geoff Renshaw, Maths for Economics, Oxford University Press, India
- 5) Teresa Bradley,Paul Patton,Essential mathematics for economics andbusiness,2<sup>nd</sup> ,Wiley India
- 6) Barauh. S, Basic Mathematics and Its Application in Economics, Macmillan, 2002.
- 7) David M .Levineet. al., Quantitative Techniques for Management, 1/e, Pearson Education, ISBN :9788131772485
- 8) Anderson, Sweeney and Williams, Statistics for Business and Economics, Thomson Education
- 9) Lind D.A.,W.G. Marchaland S.A Wathen., Statistical Techniques in Business and Economics, Tata McGraw Hill, New Delhi
- 10) Gupta S. P, Statistical Methods, Sultan Chand and Sons, New Delhi.
- 11) Mehta – Madnani, Mathematics for economists

#### **Assignment / seminar Topics Suggestions**

Some assignment/ seminar topics are suggested. The purpose of the assignments/seminar topics is desired to be of providing practical exposure to the students.

#### **Functions and Graphs**

Let students collect data from a shop and construct a demand function. Give problems to make students understand how a function is formed from data and how a graph is plotted based on a function.

### **Meaning of Statistics and Description of Data**

Ask students/familiarize students of data sources on Indian Economy. Ask them to do analysis using a calculator or a spread sheet– calculation of percentages, averages, median etc.

### **Correlation and Regression Analysis**

Ask students/familiarize students of data source on Indian Economy. Ask them to analyse data to workout possible correlation / regression.

**Course Category: Core Course 4**

**Course Title and Code: Modern Banking and Insurance, VEC3B04**

**No. Of Credits: 4, No. of Contact Hours: 72**

**Objectives**

This course provides students the latest development in the field of banking and financial system. It also helps to familiarize the students with the changing scenario of Indian banking. The insurance part of the course aims at providing a basic understanding of the mechanics of insurance. It explains the concept of insurance and how it is used to cover risk. Some commonly used insurance terms are included. An overview of major life insurances and general insurance products are added as well.

**Syllabus**

**Module -1 (16Hrs)**

Brief history of banking- Unit banking-Branch banking - Mixed banking- Commercial banks- Central bank- Non Banking Financial Institutions, Types, Characteristic - Development banks IFCI, IDBI,SFC- Money market, components and instruments.

**Module –II (16 Hrs)**

Recent trends in banking-e-banking-Internet banking – Debit card – Credit card, ATM, NEFTS-RTGS-Tele banking-Social banking-Banking ombudsman-Banking sector reforms-capital adequacy norms -NPA -Consortium banking - cheque truncation system-E- Purse.

Micro Finance in Indian Context (Case Studies) & Policy Initiatives by RBI , SIDBI, NABARD

**Module –III (8 Hrs)**

Insurance- Definition, Nature, Evolution, Principle kinds – Types of insurance organisations - Reinsurance

**Module – IV -Risk management (20Hrs)**

Risk and uncertainty –need for security against economic difficulties- Risk management process– risk management and insurance (loss, permit, risk, hazard/types etc.)–risk management of life insurance companies– insurance company operations.

**Module –V (12 Hrs)**

Life insurance - Kinds of Policies- Term insurance- Whole life - Endowment- Annuities -Surrender-Revival-Loansandclaims-Motorinsurance-Kinds of policies-Conditions



Settlementofclaims-Personalaccidentinsurance-Mediclaim-insurance-Burglaryinsurance-Fidelityguarantee insurance.

**Reference:**

1. Principles and Practices of Banking Paperback – 2015 , Indian Institute of Banking and Finance
2. L M Bhole - Financial Institutions and Markets
3. K.P.M. Sundaram and E .N .Sundaram-Modern Banking- Sulthan Chand and sons- New Delhi.
4. Sekhar and Sekhar-Banking and financial system- Margham publication - Chennai.
5. K.C. Mishraand Mangala Bakshi(2009), Insurance Business Environment and Insurance Company Operations, National Insurance Academy| Cengage Learning, New Delhi.
6. Dr.V. Balu –Banking and financial system Sri. Venkiteswara publications- Chennai.
- 7.Rejda, Principles of Risk Management and Insurance ,9<sup>th</sup> Edition, Pearson Education
8. Mishra. M.N -Insurance,Principles and practices- Sulthan chand and company New Delhi.
9. Guptha .O.S –Life Insurance –Frank Brothers -New Delhi.
10. Pamda. G. S. - Principles and practice of insurance- Kalyani publishers -New Delhi.

## **SEMESTER IV**

**Course Category: Core Course 5**

**Course Title and Code: Quantitative Methods for Economic analysis– II, VEC4B05**

**No. of Credits: 4, No. of Contact Hours: 90**

### **Introduction:**

Economics is increasingly becoming quantitative in nature. Students of economics today need a variety of quantitative skills. Mathematical and statistical skills have also become an essential element in the toolkit for higher education.

### **Objectives**

The students are to develop skills in mathematical and statistical techniques that are required for a meaningful study of both theoretical and applied economics.

### **Learning Outcome**

This course in quantitative methods will cover the essential topics in mathematics needed for Economic analysis.

### **Syllabus**

#### **Module 1: Differential Calculus (20Hrs)**

Limits and Continuity – Differentiation Rules, Derivative of single variable and multivariable Functions (except Trigonometric and logarithmic Function), Higher Order Derivatives-Maxima and Minima of Functions. Curvature Properties – Convexity and Concavity-Application of derivatives in economics– Marginal Concepts, Elasticity, Optimisation

#### **Module II: Index Numbers (20 Hrs)**

Index Numbers: Meaning and Uses-Unweighted and Weighted Index Numbers: Laspeyre's, Paasche's, Fisher's, Dorbish -Bowley, Marshall – Edgeworth and Kelley's Methods-Tests of Index Numbers: Time Reversal and Factor Reversal tests –Base Shifting, Splicing and Deflating- Consumer Price Index- Stock Price Indices :BSE- SENSEX and NSE-NIFTY.

#### **Module III : Time Series Analysis (15Hrs)**

Components of Time Series-Measurement of Trend by Moving Average and the Method of Least Squares – Seasonal index, Additive Model, Multiplicative Model

#### **Module 4-Vital Statistics (10Hrs)**

Vital Statistics: Meaning and Uses Fertility Rates: Crude Birth Rate, General Fertility Rate, Specific Fertility Rate, Gross Reproduction Rate and Net Reproduction Rate-Mortality Rates: Crude Death Rate, Specific Death Rate, Standardized Death Rate, Infant Mortality Rate and Maternal Mortality

Rate- Sex Ratio and Couple Protection Ratio.

### **Module 5-Fundamentals of probability\*\*(25Hrs)**

Basic probability concepts – mutually exclusive and collectively exhaustive events statistically independent events.

Types of probability– *A Priori* Classical probability– Empirical Classical Probability Subjective Probability.

Rules of probability – the general addition rule – the general multiplication rule.

Marginal, joint and conditional probabilities–simple (marginal) probability–joint probability– Conditional probability. Bayes' Theorem– general form of Bayes' theorem.

*\*\* Teaching of this module should be focused on theory, only basic type problems are to be included.*

### **References**

- 1) Dowling Edward. T, Mathematical Methods for Business and Economics, Schaums Outline Series, McGraw Hill, 1993.
- 2) Dowling Edaward .T ,Introduction to Mathematical Economics,2<sup>nd</sup>/3rd Edition, Schaum's Outline Series, McGraw-Hill, New York, 2003
- 3) Taro Yamane, Mathematics for Economists: An Elementary Survey, Prentice Hall of India
- 4) Geoff Renshaw, Maths for Economics,2/e ,Oxford University Press, India
- 5) Teresa Bradley, Paul Patton, Essential mathematics for economics and business, 2<sup>nd</sup>ed,Wiley India
- 6) Barauh.S, Basic Mathematics and Its Application in Economics, Macmillan, 2002.
- 7) David M. Levineet. al., Quantitative Techniques for Management, 1/e, Pearson Education, ISBN :9788131772485 (Basic reference for module 4)
- 8) Anderson, Sweeney and Williams, Statistics for Business and Economics, Thomson Education
- 9) Lind D.A.,W.G. Marchal and S.A Wathen., Statistical Techniquesin Business and Economics, Tata McGraw Hill, New Delhi.
- 10) Gupta S. P, Statistical Methods, Sultan Chand and Sons, New Delhi.

### **Assignment / seminar Topics Suggestions**

Some assignment / seminar topics are suggested. The purpose of the assignments / seminar topics is desired to be of providing practical exposure to the students.

### **Probability**

1. Note down the sex of the first child in 30 households known to you as B or G. For families with a second child. Note down the sex of the second child among those a) with B and b) with G. Can you assert that the sex of the first and second children is independent?
2. Note down the arrival time of your classmates nearest to a minute for the first lecture class for 5 days. Prepare a frequency table with a class interval 2 minutes by the time left to the commencement of the lecture for each day. Compute the probabilities of each class interval on the five days and check whether there is any pattern

### **Vital statistics**

Visit a large hospital. Talk to the authorities and gather information for the last two years on the details of hospital admissions and deaths by sex, age and cause. Compute and cause specific death rates for this group.

## **Index Numbers**

Consider the list of the following items: rice, wheat, dhal, black gram, ghee, coconut oil, washing Soap, bathing soap, milk, coffee, tea, electricity, cloth.

- a) List the current retail prices of the items and their monthly consumption in your household. If the item is not used, delete from the list.
- b) Have a chat with a grand mother having a sharp memory. Ascertain the prices of the items in the year 1970.
- c) Compute the price index number of the current year with 1970 as base by Paasche's method.
- d) Interpret the result to the grandmother, of course in a manner she understands.

## **Time Series**

From newspapers note down the minimum and maximum temperature of any particular place for 6 weeks. Represent these data graphically. Estimate the trend by using a suitable model. Refer periodicals concerned with business and finance and obtain time series data for any two variables of your choice. Analyse them.

**Course Category: CoreCourse6**

**Course Title and Code: Computer Application for Economic Analysis, VEC4B06**

**No. of Credits: 4 ,No. of Contact Hours: 72**

**Objectives:**

Information technology has revolutionized the way we live and work. This course will provide the students with skills that are useful for using computer related technologies in academics and career.

**Learning Outcome:**

It is expected to provide the students with computing skills that are, necessary for easy use of IT. This course will arm the students with the knowledge of fundamentals of computers, word processors, spread sheet, data analysis and the digital economy. .

**Syllabus**

**Module 1.Introduction to Computers and Peripherals. (10 Hrs) (20 % weightage)**

Computer – meaning, types, features and limitations– Basic components of computer–Input and output devices– Primary memory and secondary storage– Computer software– types– malicious software’s– protecting computer– Operating systems– functions and types.

**Module 2: Word Processing (16 Hrs) (20 % weightage)**

MS Word– word basic tool bars – Overview of word menu options—Working with Ribbon, Tabs, Groups and Buttons- Creating a new document– Manipulation of the first document–Editing the document Inserting a table, graph, image and video– inserting header, footer and page number– inserting equations(equation editor) inserting, activating and deactivating a hyperlink-Records and mail merge.

**Module 3: Data Analysis (16 Hrs) (20%weightage)**

MS Excel – Excel environment– Excel toolbars– insertion of rows and columns– entering data/text – editing data/text. Data –Auto fill–Sort– Filter - Creation of charts and graphs– Manipulation of Data– Formula Syntax- entering and editing Formula – AutoSum- Insert Functions – Function Library- Mathematical, Statistical and financial–Descriptive statistics-Correlation and Regression using data analysis Tool Pak– Trend lines: Linear and non-linear-Use of Excel in economics and business analysis. (Overview only)

**Module 4: Preparation of Presentations (10Hrs)(10 %weightage)**

PowerPoint –Introduction to Power Point–creating a new presentation–using auto content wizard– using blank presentation option–using design template option –adding slides deleting/duplicating a slide–inserting/importing images, videos, graphs–transition / animation effects-starting a slideshow.

**Module 5: The Digital Economy (20Hrs) (30% weightage)**

The World Wide Web–Evolution of Internet–Basic Internet Terminologies– Creating, sending and receiving email– social networks. E-commerce – Meaning and concept– History of E-commerce – importance, features & benefits of E-commerce – impacts, challenges and limitations of E-commerce – Online shopping–Electronic Payment system

**Note I :** Note to faculty / question paper setter: 1.This course is for B.A. Economics course. The students of this course may not have studied computer applications at higher secondary level.

Hence questions may be confined to intermediary level and should be of non-technical nature.

2. Kindly give due consideration and adhere to the weightages indicated in the syllabus while setting question paper also.

**NoteII:** Internal marks may be awarded based on practical examinations depending on the facilities available in each college. Expected practical sessions for teaching: 20 hours.

### Reference

1. Introduction to computer science,ITL Educational Solutions Limited .Pearson, Education–India, Second Edition. (ISBN:9788131760307)
2. Fundamentals of Computer: For undergraduate courses in commerce and management, ITL Educational Solutions Limited. Pearson, Education–India, Second Edition.(ISBN:9788131733349)
3. Microsoft Office Excel 2007 For Dummies, Greg Harvey, PhD, Wiley Publishing, Inc.,(ISBN–13: 978–0–470–03737–9)
4. Statistics made simple –do it yourself on PC, K.V.S. Sharma, PHI, 4<sup>th</sup> Edition
5. Electronic Commerce: A Managerial Perspective, Turban, Efraim, David King et.el.: Pearson Education Asia, Delhi.
6. Modern Database Management; Hoffer, JeffreyA, Marry B. Prescott, and Fred R. McFadden :Pearson Education, New Delhi 2004
7. Microsoft Office Word 2007 Plain &Simple, Joyce Moon, PHI(2007),ISBN–13–9788120331631, 1st Edition Microsoft Office Word 2007 for Dummies, Dan Gookin, ISBN–13–9780470036587
8. Microsoft Office Word 2007 for Dummies, Dan Gookin, ISBN–13–9780470036587
- 9.Microsoft Office Powerpoint 2007: Visual Quick Tips, Paul Mcfedries, Wiley India Pvt Ltd (2007), ISBN–13–9788126512713
10. VikasGuptha –Comdex Computer Course Kit –Dream Teck Press

### Online resources

1. <http://www.gcflernfree.org/excel2007>
2. <http://office.microsoft.com/en-us/powerpoint-help/powerpoint-2007-training-courses-HA010218498.aspx?CTT=1>
3. [http://www.housing.wisc.edu/docs/tlc\\_quicktip\\_excel.pdf](http://www.housing.wisc.edu/docs/tlc_quicktip_excel.pdf)

4. <http://economictimes.indiatimes.com/tech/software/indian-software-product-sales-double-to-2-2-bn-in-2013nasscom/articleshow/24827813.cms>

5. <http://economictimes.indiatimes.com/tech/ites/indian-it-industry-seeing-a-turnaround-will-witness-good-growth-r-chandrasekaran-cognizant/articleshow/24988713.cms>

6. <http://www.livemint.com/Industry/9NgcztgP98azLAAwqfQNeI/Indian-domestic-IT-market-to-grow-at-1518-in-2013-report.html>

7. <http://www.nasscom.in/indian-itbpo-industry>

8. <http://www.nasscom.in/knowledge-professionals>

Besides the above references a number of resources are available online in the form of companion Web sites, websites to help users by software companies, lecture notes by faculty members etc. For some topics text book references are not available. For topics such as 'the impact of outsourcing on the Indian economy', 'the Indian IT industry' etc refer the Internet.

### **Suggestions for assignments / seminars / practical sessions**

Teaching of this paper may be made more useful by training the student to use word processor, spread sheet and presentation software. Assignments may be insisted to be typed by the student and sent to the faculty by email. Assignment topics may include issues related to the digital economy and available on the internet. Assignments could be given to identify data sources on the Indian economy. Students may be encouraged to do data analysis based on this data. Familiarization of other data analysis software like SPSS, gretl, E Views, Minitab, M-Stat, R, STATA, SAS may be done as part of assignment. Seminar presentations maybe insisted using PowerPoint. This course may be used to equip the student to be self-sufficient to do the data analysis, word processing and presentation of the project report of the final semester

**Course Category: Core Course 7**  
**Course Title and Code: Macro Economics– I, VEC5B07**  
**No. of Credits: 4, No. of Contact Hours: 90**

**Macro Economics**

**Introduction:**

The study of economics begins with the fundamental ideas of economic actions. The second fundamental course i.e. macroeconomics I offer the students a view on the economy as a whole. This course will introduce the students to the basic ideas and tools that will be utilized throughout in the other courses of the degree programme.

**Objectives:**

This course is intended to provide students with the basic ideas in classical and Keynesian macroeconomics.

**Learning Outcome:**

With this course, students are expected to learn the relationships and ideas in the measurement of national income, Theory of income determination, fiscal and monetary policies, the government and its role in the functioning of the economy, etc.

**Syllabus**

**Module I: Introduction to Macroeconomics (10 Hrs)**

Macroeconomics and its scope - Micro economics and macroeconomics–Macroeconomic models– Types of variable: Stock and flow, endogenous and exogenous, ex ante and ex post– Static, comparative static and dynamic– Equilibrium and disequilibrium.

**Module II: National Income (15 Hrs)**

National income concepts and their interrelationships –GNP-Nominal versus real GNP-Potential versus Actual GNP –Green GNP –GNP deflator–NNP, GDP, NDP, NI, PI, and DPI–National income identity –two sector ,three sector and four sector economy-Methods of estimating national income– CSO Methodology - Difficulties in the estimation of national income.

**Module III: Classical Macro Economic Model (20Hrs)**

Classical macroeconomics –Say’s Law of Markets – Wage –price flexibility–Classical model of output and employment–Classical theory of price level determination–Quantity theory of Money – Fisher’s Equation of Exchange–Cash Balance Approach–Neutrality of Money–Money illusion– Pigou effect– Real Balance effect–Classical dichotomy–Concept of full employment–voluntary unemployment.

**Module IV: Keynesian Theory and Income Determination (20Hrs)**

The background of Keynesian revolution– Principle of effective demand–Aggregate demand and its components– The consumption function– Fundamental Psychological Law– APC and MPC–Saving



function – APS and MPS– The Investment function– Determinants of investment– Saving and Investment equality– MEC – MEI and role of expectations– The multiplier–Income determination in two and three sectors (Keynesian cross diagram and algebra)

### **Module V: Role of government (15 Hrs)**

Fiscal policy– Objectives of fiscal policy- Instruments of fiscal policy– Fiscal multipliers– tax multiplier, government expenditure multiplier, and balanced budget multiplier–Inflationary and deflationary gaps– The concept of underemployment equilibrium– wage-price rigidity– Keynes’s theory of employment.

#### **References:**

1. Edward Shapiro– Macro economics, Oxford University press.
2. Gregory Mankiw– Macroeconomics–6thEdn.Tata McGraw Hill.
3. Richard T. Frogmen– Macro economics, Pearson education.
4. Eugene Diutio – Macroeconomic Theory, Schaum’s Outline series. Tata McGraw Hill
5. Errol D’Souza– Macro Economics–Pearson Education 2008.
6. Abhijit Kundu (2009) : Methodology and Perspectives of Social Science– Pearson Education
- 8 Dernbusch, Fischer and Startz- Macro Economics-Tata McGraw–Hill

#### **Additional Readings**

1. Dominick Salvatore: Microeconomic Theory‘Schaum’sOutlineseries:TataMagrahill.
2. Lipsey R. and A Chrytal– Economics (11th Edition) Oxford University Press Newdelhi.
3. Nicoli Natrass andG.Visakh Varma, Macroeconomics simplified: understanding Keynesian and Classicc al Macroeconomic Systems

Note: Case study analysis may be included while teaching various topics, wherever relevant. This may be used for assignments and internal examinations only.

**Course Category: Core Course 8**  
**Course Title and Code: India's Economic Development: National and Regional, VEC5B08**  
**No. of Credits: 4, No. of Contact Hours: 108**

**India's Economic Development: National and Regional**

**Objectives**

To expose the learners to some of the key issues facing the Indian economy both at national and regional levels. In this process, as young adults, students are expected to be sensitized about these issues, appreciate and learn to critically assess the role of the government in various economic spheres. The learners are also exposed to numerical information relating to various aspects of Indian economy and India's economic policies. They are expected to develop analytical skills, interpret the economic events and visualise the economic future of India. For all these to happen, teachers are requested to take special care to instruct the students to read the suggested reference books, collect clippings and articles from newspapers and magazines and also develop the habit of following economic survey, economic review and RBI Bulletin. Besides, as against the conventional assignments, each module has '**Suggested Additional Activities**' at the end. Teachers need to encourage the learners to explore beyond the texts while attempting these activities.

**Report Based on Study Tour:** *A study tour is recommended because it may add direct experience to learners about different economic culture of the country. All the final year students need to prepare a report of the tour that includes the places they visited, its importance etc and submit it to the Head of the Department soon after the completion of the tour.*

**Module I – Development Policies and Experience (1947-1990). (18Hrs)**

Low Level of Economic Development under the Colonial Rule- Development and Structural Change of Indian Economy Since Independence: Economic policies Perused between 1950's and 1980's: Mixed Economic framework; Market intervention policy and import substitution; Objectives and strategy of planning: Failures and achievements of plans– Performance of 11<sup>th</sup> plan–Current plan.

**Suggested Additional Activities**

1. Find out and prepare a list of items that India used to import and export during 1950-51 and 1990-91
  - a. Observe the difference
  - b. Do you see the impact of self reliance? Discuss. Details can be collected from latest Economic Survey.
2. Find out the Deputy Chairman and members of the first Planning Commission of India
3. Find out the commodities which India Government permitted to import till 1980.

4. Explain how import substitution can protect domestic industry

## **Module II – Economic Reforms since 1991 (18 Hrs)**

Background for the introduction of New Economic Reforms of 1991; Liberalization, Privatization and Globalization: An Appraisal-Indian Economy during Reforms with Special focus on trends in FDI, FII and Disinvestment-

### **Suggested Additional Activities**

1. Prepare arguments for and against subsidies. Explain your view.
2. Do you think only loss making companies should be privatized? Why?
3. Construct a pie chart for the sectoral contribution of GDP for the period 1950-51 and 2012-13. What would you observe? Is there a structural change? Explain in your own words
4. Prepare a list showing the latest data on the number of banks- nationalized, private, private foreign and New Generation Banks.

## **Module III - Gross Domestic Product and Sectors. (24 Hrs)**

**a. Indian Agriculture:** The place of Agriculture in the National Economy; Recent Trends in Investment, Credit and Agricultural Subsidy Policy, Agricultural Marketing and Price-Structural changes in Indian Agriculture-New Agricultural Strategy (Green Revolution)- Food Security, PDS and TPDS in India; The Need, Scope and Appraisal of Land Reforms in a Developing Country like India.- Agro processing – Value addition – Agribusiness

**b. Indian Industries:** Review of Industrial Growth under Planning-Industrial Structure: Traditional, SSI, Village, Cottage and Modern Industries-Industrial Sickness-Industrial Policy Resolutions: 1956, 1977, 1980, 1991; an Analysis of Current Industrial Policy-Infrastructure Development in India.

### **Suggested Additional Activities.**

1. Why, despite the implementation of green revolution, 65% of our population continued to be engaged in the agricultural sector till 1990?
2. Why was public sector given a leading role in industrial development during the plan period?
3. „Losses incurred by public sector undertakings are to be met out of the public budget“ - Do you agree with this statement? Discuss.
4. Find out the method of estimating inflation in India. Compare it with other countries.

## **Module IV Challenges Facing the Indian Economy. (24Hrs)**

a. Poverty: Who are Poor?, Causes and Measurement of Poverty, Number of Poor in India; Policies and Programmes Towards Poverty Alleviation with Special Emphasis on Recent Policies like-Food as a Right: The Food Security Act of 2013 & MGNREGS.

b. Unemployment: Nature, Trends and Estimates of Unemployment in India, Informalisation of Indian Work Force; Employment Prospective of the latest Five Year Plan; Recent Schemes to Reduce Unemployment and Underemployment.

c. Inequality: Measures, Extend of inequality in India

### **Suggested Additional Activities.**

1. Find out from your parents and teachers types of tax payments they are making. Classify the taxes and observe the differences.

2. On the basis of the definition of poverty line, analyse whether categorisation of people into BPL/APL is done in the correct way. Explain in your own words.
3. Analyse whether the dream programme of MGNREGP is carrying out in the Right way. If, No", suggest ways to make the programme more effective.
4. In some communities, you might have noticed that even if the males do not earn high income, they do not send women to work. Why?
5. Prepare a list of recent schemes and objectives to strengthen the rural areas from the government website <http://www.rural.nic.in>

### **Module V Kerala's Economic Development (24Hrs)**

Growth and Structure- Primary, Secondary and Tertiary Sectors-Economic Development Vs Social Development-Poverty Profile of Kerala-Indicators of Human Development: PQLI and HDI- Demographic Transition of Kerala- Trends in Employment and Unemployment in Kerala-Sustainability of— Kerala Model of Development with a Special Mention on Recent Sen- Bhagawati Debate-Decentralised Planning and Development of Kerala-Land Reforms in Kerala-Migration: Concepts in Migration- Emigration to the Gulf- Remittance and its Impact on the Economy of Kerala- Return Migration: Causes, Problems and Policies.

### **Suggested Additional Activities.**

1. Find out the history of emigration from Kerala.
2. Foreign remittance is the backbone of Kerala's socio-economic development. Discuss.
3. What is Nitaqat and Saudization? In what ways it is harmful to the economy of Kerala.
4. Find out the reasons for the existing controversy in poverty estimation.
5. Observe the functioning of ayalkoottams (SHGs) in your locality and write how far it is successful in empowering women.

### **Basic Readings**

1. ECONOMIC DEVELOPMENT IN INDIA-Problems and Prospects, N.P.Abdul Azeez (Ed), Regal Publications, New Delhi.
2. Indian Economy, Gopalji Gupta, PEARSON, New Delhi.
3. Ahulwalia, I.J. and I.M.D. Little (Eds)(1999), *India's Economic Reforms and Development*, (Essays in honour of Manmohan Singh), Oxford University Press, New Delhi.
4. Bardhan, P .K. (1999), *The Political Economy of Development in India*, Oxford University Press, New Delhi
5. Chakravarty S, (1987), *Development Planning: The Indian Experience*, Oxford University Press, and New Delhi
6. Acharya Shanker, Mohan Rakesh (Eds) (2011), *India's Economy: Performance and Challenges*, Oxford University Press, New Delhi
7. Uma, Kapila (2013), *Indian Economy: Performance & Policies*, Academic Foundation, New Delhi.
8. Amit Badhuri, *Development with Dignity*(2005), NBT New Delhi.

9. Brahmananda, P.R. and V.R. Panchmukhi (Eds) (1987), *The Development Process of Indian Economy*, Himalaya Publishing House, Bombay.
10. . M.P Todaro, *Economic Growth* (2<sup>nd</sup> Edition), PEARSON, New Delhi
11. Jalan, B.(1992), *The Indian Economy– Problems and Prospects*, Viking ,New Delhi.
12. Joshi, V. and I.M.D. Little (1999), *India: Macro Economics and Political Economy, 1964-1991*, Oxford University Press, New Delhi.
13. . Kaushik Basu(Ed) (2004), *India 's Emerging Economy*, Oxford University Press, New Delhi.
14. . Centre for Development Studies, 1977, *Poverty , Unemployment and Development Policy: A case study of selected issued with reference to Kerala*, Orient Longman ,Bombay.
15. B.A. Pakash (Ed) 2004, *Kerala's Economic Development: Performance and Problems in the post liberalization period*, Sage Publications, New Delhi.
16. B.N Ghosh & Patmaja D.Namboodiri, 2009 (Eds), *The Economy of Kerala Yesterday, Today and Tomorrow*, Serial Publications, NewDelhi.
17. K.C. Zachariah, K.P. Kannan, S.Irudaya Rajan, 2002 (Ed). *Kerala"s Gulf Connections*, C.D.S, Trivandrum.
18. . Rajasenan, D.and Gerard DeGroot (Ed) 2005, *Kerala Economy: Trajectories, Challenges and Implications*, CUST, Kochi

**Course Category: Core Course 9**  
**Course Title and Code: Economics of Capital Market, VEC5B09**  
**No. of Credits: 4, No. of Contact Hours: 90**  
**Economics of Capital Market**

**Learning Objective:**

In the present Globalised world financial institutions and markets play a significant role. The financial sector liberalization across the world including India has led to unprecedented growth in the financial sector, especially capital market, leading to the introduction of new and diversified financial instruments and financial practices, providing ample career opportunities to the students of economics. This course is designed to give an exposure to the students of economics to the changing world of financial markets and to give them an opportunity to familiarize with the basic concepts related to capital market which they read in newspapers and hear and see through electronic media in their daily walks of life, and to understand the economics of capital market. The course also aim at providing a platform to students of economics in developing the skills required to take up a career in financial sector and to provide them an opportunity to think of higher studies in finance which may open them the vast career opportunities in the field of finance.

**Syllabus**

**Module I – Financial Assets (20Hrs)**

Financial Assets–Tangible and Intangible Assets–Debt Vs Equity–Properties of Financial assets  
–Financial markets–Classification of Financial Markets–Financial System and Economic Development– Weakness of Indian Financial System.

**References:**

1. Frank J. Fabozzi and Franco Modigliani,—Capital Markets– Institutions and Instruments II, Pearson Prentice Hall, New Delhi (Latest Edition).
2. Gordan K. Natarajan,—Financial Markets and Services, Himalaya Publishing House, Mumbai (Latest Edition).

**Module II – Capital Market (25Hrs)**

Capital market–Meaning, Characteristics and Functions–Importance of Capital Markets in an economy–The structure of Indian capital market–Capital market instruments–Equity shares (rights shares, bonus shares, blue chip shares), Debentures or Bonds (Convertible, non-convertible, partly convertible, fully convertible, redeemable and irredeemable), Government securities, Euro Issues–GDRs, ADRs, Foreign Currency Convertible Bonds (FCCB)–Capital Market Institutions– DIIs, FIIs, Mutual Funds – Securities and Exchange Board of India (SEBI)– Objectives, Functions and Powers.

**References:**

1. S. Gurusamy, ‘\_Capital Markets’, Vijay Nicole Imprints Private Limited, Chennai (Latest

- edition)
2. Shashi KGupta,NishaAggarwal and NeetiGupta, Financial Markets and Institutions, Kalyani publishers, New Delhi (Latest edition)
  3. M.Y.Khan, Indian Financial System',Tata McGraw Hill Education Private Limited, New Delhi (Recent edition)
  4. Online Resource:[www.sebi.gov.com](http://www.sebi.gov.com)

**Activities/Assignments:**

1. Students may be asked to note down the important mutual funds operating in India and different schemes offered by some of them and their descriptions. (e.g.: Growth Funds, Open end Funds etc.)

**Module III – The Primary Market (New Issues Market) (25 Hrs)**

Meaning and Functions of Primary Market–Methods of Floating New Issues–Pure Prospectus method, Private Placement Method, IPO Method, Rights Issue Method, Bonus Issue Method, Book Building Method, Employee Stock Option (ESOP)–Intermediaries in New Issues Market–Merchant Bankers/Lead Managers, Registrars to an Issue, Underwriters, Bankers to an Issue, Brokers to an Issue, Debenture Trustees– Causes for Poor performance of New Issues Market.

**References:**

1. S. Gurusamy, Capital Markets', Vijay Nicole Imprints Private Limited, Chennai(Latest Edition)
2. Shashi K Gupta, Nisha Aggarwal and Neeti Gupta, Financial Markets and Institutions, Kalyani publishers, New Delhi (Latest edition)
3. S. Gurusamy, Financial Markets and Institutions ',Vijay Nicole Imprints Private Limited, Chennai (Latest edition)
4. S.N.SasidharanandS.AiyappanPillai, AnIntroductontoCapitalMarket',Right Publishers, Kudavechoor (Latest edition)
5. L.M. Bhole, Financial Institutions and Markets-Structure, Growth and Innovations', Tata McGraw Hill Publishing Company Limited, New Delhi (Latest edition)

**Activities/Assignments:**

1. Show specimen of share application form (IPO) and ask the students to note down the important terms mentioned in the form. Tell them to write down the meaning of all such terms (e.g.: QIB, Retail Investor, Cap Price etc) and institutions related to IPO.
2. Ask the students to fill up the share application form so as to acquire some practical skills in the subject.
3. Students may be introduced to a specimen of Demat Account opening Form.(Available with DPs like Geojith Securities, JRG Securities, Stock Holding Corporation of India or other Stock Broking firms)

**Module IV– The Secondary Market– Stock Exchanges (20Hrs)**

The Secondary Market –Difference between Primary market and Secondary Market–Listing of Securities–Physical Shares and Demat Shares–Depository Participant (DP)–NSDL and CSDL– Meaning and Definition of Stock Exchanges – Functions of Stock Exchanges–Origin and Development of Stock Exchanges in India – Bombay Stock Exchange (BSE)-National Stock Exchange (NSE) –Over the Counter Exchange of India (OTCEI)– Stock Market Index in India and Abroad: SENSEX and Nifty– NASDAQ, DOWJONES,FTSE, Nikkei.

### References:

1. S. Gurusamy, ‘Capital Markets’, Vijay Nicole Imprints Private Limited, Chennai(Latest Edition)
2. Shashi K Gupta,Nisha Aggarwal and NeetiGupta, ‘Financial Markets and Institutions’, Kalyani publishers, New Delhi (Latest edition)
3. S. Gurusamy, ‘Financial Markets and Institutions’, Vijay Nicole Imprints Private Limited, Chennai (Latest edition)
4. S.N.SasidharanandS.AiyappanPillai, ‘AnIntroductitontoCapitalMarket’, Right Publishers, Kudavechoor (Latest edition)
5. L.M. Bhole, ‘Financial Institutions and Markets-Structure, Growth and Innovations’, Tata McGraw Hill Publishing Company Limited, New Delhi (Latest edition)
6. Online resources: i) [www.nseindia.com](http://www.nseindia.com) ii)[www.bseindia.com](http://www.bseindia.com)

### Activities/Assignments:

1. Ask students to visit SEBI website and collect data on purchase, sale and net investment in equity and debt instruments by FIIs in Indian Stock Market(Also available in financial dailies like Economic Times ,Business line etc.)
2. Ask students to visit the BSE website and note down the shares of companies included in SENSEX and their relative weight age in the index.
3. Ask students to visit the NSE website and note down the shares of companies included in NSE Nifty and their relative weightage in the index.
4. Students may be asked to find out other different indices published by BSE and make a short note of these indices from BSE website (e.g.: BSEPSU Index, BSETECH Index etc.
5. Students may be directed to study the share holding pattern of some of the shares of companies listed at BSE or NSE. (Available also a [www.moneycontrol.com](http://www.moneycontrol.com) )

### Note:

1. **Students may be motivated to read financial dailies like Economic Times, Business Line, Business Standard, Dhanam etc regularly in order to get a proper understanding of the terms and concepts and the working of capital markets.**
2. **Students may be encouraged to watch exclusive financial channels like CNBC TV18, NDTV PROFIT etc, to get an idea of stock trading and capital market activities.**
3. **If possible students may be taken to a stock trading terminal so as to get an idea of the online buying and selling shares.**



**Additional Reading:**

1. M.Y. Khan, \_ Indian Financial System ,Tata McGraw Hill Education Private Limited ,New Delhi (Latest Edition)
2. L.M. Bhole and Jitendra Mahakud, \_Financial Institution and Markets–Structure, Growth And Innovations, Tata McGraw Hill Educaiton Private Limited, New Delhi (Latest Edition)
3. Bharathi V .Pathak, \_ The Indian Financial System– Markets, Institutions and Services, Pearson, New Delhi (latest edition)
4. K.L. Garg, Stock Exchanges in India ,Book land Limited ,Calcutta.
5. V.A. Avadhani, \_ Investment and Securities Market in India ‘ ,Himalaya Publishing House, Bombay (Latest edition)

**Course Category: Core Course 10**  
**Course Title and Code: International Economics, VEC5B10**  
**No. of Credits: 4, No. of Contact Hours: 90**

**International Economics**

**Introduction:**

International economics deals with the economic relations among nations---both trade and financial relations— a good understanding in international economics is necessary for a student of economics and those who wish to work in these areas or governmental organizations.

**Objectives:**

The basic aim of this introductory course on international economics is to present before the students the questions, and answers, related to international economic relations.

**Learning Outcome:**

The students are expected to acquire skill that will help them to take rational decisions in issues related to international economics.

**Syllabus**

**Module I – Introduction to International Economics: (10Hrs)**

Subject matter and importance of International Economics- Internal trade and International trade- Importance of International trade–International trade and economic development–Basic concepts - Terms of trade, BOP, BOT, Exchange rate.

**Module II --- Theories of International Trade: (15Hrs)**

Mercantilist approach to trade –Classical Theory: Absolute and Comparative Cost Advantage theories- Hecksher– Ohlin Theory and Leontief Paradox.

**Module III: Theory of Commercial (Trade) Policy: (25Hrs)**

Free trade-Arguments for and against free trade–Protection-Arguments for and against protection- Methods of Trade Restriction: Tariff and non-tariff trade barriers- Types of tariffs–New protectionism- export subsidy and countervailing duties- Dumping and anti-dumping duties– Economic Integration– WTO, EU, NAFTA, ASEAN, and SAARC.

**Module IV ---Foreign Exchange: (20Hrs)**

Foreign exchange market– functions- Defining foreign exchange and exchange rate–Exchange rate concepts–exchange rate changes (devaluation, revaluation, depreciation, appreciation-overvaluation and undervaluation)– Different systems of exchange rate determination-fixed and flexible exchange rate– Hybrid exchange rate systems– Managed floating–Theories of exchange rate–Mint Parity

theory–Purchasing Power Parity Theory–Balance of Payments Theory- Components of Foreign exchange .

**Module V --- Balance of Payments: (20Hrs)**

Defining Balance of Trade and Balance of Payments- Structure of balance of payments– Equilibrium and disequilibrium in BOP– Measures to correct BOP disequilibrium–India’s BOP since 1991–International financial flows– Foreign Direct Investment and Portfolio Investment– Currency Convertibility– IMF- Role and Functions.

**Reference:**

1. Salvatore, Dominick, International Economics, Wiley India, New Delhi.
2. C.P. Kindle Berger, International Economics
3. Soderstein and Geoffrey Reed, International Economics ,Macmillan
4. Carbaugh, International Economics ,Cengage Learning
5. Francis Cherumilam- International Economics
6. Mannur, H.G. International Economics
7. Errol D’Souza, Macro Economics ,Pearson Education 2008 (For BOP in India)
8. .RBI Bulletin, Various issues.

## **SEMESTER VI**

**Course Category: Core Course 11**  
**Course Title and Code: Macroeconomics– II, VEC6B11**  
**No. of Credits: 4, No. of Contact Hours: 90**

### **Macroeconomics– II,**

#### **Introduction:**

Policy makers all over the world use macro economic theories and related empirical results to frame policies. Similarly, business firms, use these theories and results to formulate their strategies. A sound understanding of macroeconomic principles and their applications is essential for students of Economics.

#### **Objectives:**

The objective is to familiarize the students in the application of principles of macroeconomic analysis to the day-to-day decision-making in the aggregate economy.

#### **Learning Outcome:**

This course is expected to develop skill in economic reasoning; this vital skill is expected to help them in understanding and solving aggregate economic problems.

#### **Syllabus**

#### **Module I: Theories of consumption (15 Hrs)**

The absolute income hypothesis -the Relative income hypotheses-The permanent income and life cycle hypothesis– random walk hypotheses- The Ratchet effect

#### **Module II: Theories of Money (15 Hrs)**

Nature and Functions of Money- Types of Money: Near money, inside money and outside money.

1. Theories of Demand for money -Defining demand for money-Classical theory of demand for money - Friedman's re-statement of Quantity Theory of Money-Liquidity Preference theory and Keynesian Liquidity Trap.
2. Theories of Supply of money-Defining supply of money –Measuring supply of money-High powered money & money multiplier

#### **Module III: Theories of Inflation and Unemployment (20Hrs)**

Inflation–Definition-Types of Inflation-Measurement of inflation in India-Effects of inflation-Sacrifice ratio-Inflationary gap-Theories of inflation-Demand pull versus cost push inflation- Structural inflation-Measures to control inflation-Meaning and types of unemployment –Cost of unemployment and Okun's law-Phillips curve-Modified Phillips curve-Long run Phillips curve -Stagflation - reasons.

#### **Module IV: Macro Economic Instability & Policy (20 Hrs)**

Business Cycle – meaning –types & phases – Theories of trade cycles- Hawtrey's theory-

Hayek's theory- Keynesian theory – Monetarist interpretation of trade cycles – Contra cyclical policy measures – Monetary , fiscal & income policy- Meaning & instruments.

### **Module V: Open Economy Macro Economics: (20 Hrs)**

Definition & derivation of IS curve – Shift in the IS curve- Definition & derivation of LM curve- Shift in the LM curve – General equilibrium in the IS -LM model – Relative effectiveness of monetary & fiscal policy- Derivation of IS & LM for an open economy- Definition & derivation of BP curve- Shift in the BP curve- General equilibrium of an open economy using IS -LM - BP curves

#### **References:**

1. Edward Shapiro- 'Macro economics' Oxford University press.
2. Gregory Mankiw -'Macro economics' -6<sup>th</sup> Edn. TATA Mcgraw Hill.
3. Richard T. Froyen- 'Macro economics', Pearson education.
4. Eugene Duilio – Macro economic Theory, Schaum's Outline series.TATA Mcgraw Hill.
5. Errol D'Souza- Macro economics- Pearson education 2008.
6. Abhijit Kundu (2009): Methodolgy & perspectives of social sciences – Pearson Education
7. Dorn Busch , Fisher & Startz- Macro economics- TATA Mcgraw Hill

#### **Additional Readings.**

1. Dominick Salvatore- Macro economic theory –Schaum's outline series TATA Mcgraw Hill
2. Lipsey R & A Chrytal- Economics (11<sup>th</sup> edition) Oxford University press NEW DELHI.
3. Glenn Hubard & Anthony- Patrick O'Brien: Macro Economics Pearson's Education

Note: Case study analysis may be included while teaching various topics wherever relevant. This may be used for assignment & internal examinations only.

**Course Category: Core Course 12**  
**Course Title and Code: Mathematical Economics, VEC6B12**  
**No. of Credits: 4 , No. of Contact Hours: 90**

**Mathematical Economics**

**Introduction**

Mathematical economics is an approach to economic analysis where mathematical symbols & theorems are used. Modern economics is analytical & mathematical in structure. Thus the language of mathematics has deeply influenced the whole body of the science of economics. One of the significant developments in Economics is the increased application of quantitative methods & econometrics. A reasonable understanding of econometric principles is indispensable for further studies in economics.

**Objectives**

This course is aimed at introducing students to the most fundamental aspects of mathematical & econometrics. The objective is to develop skills in these. It also aims at developing critical thinking, & problem-solving, empirical research & model building capabilities.

**Learning Outcomes**

The students will acquire mathematical skills which will help them to build & test models in economics & related fields. The course will also assist them in higher studies in economics.

**Module I: Introduction to mathematical Economics (10% weightage) (10 Hrs)**

Mathematical Economics: Meaning & Importance- Mathematical Representation of Economic Models- Economic functions: Demand function, Supply function, Utility function, Consumption function ,Production function, Cost function ,Revenue function, Profit function, saving function, Investment function.

**Module II: Marginal Concepts (25% weightage) (21 Hrs)**

Marginal utility, Marginal propensity to Consume, Marginal propensity to Save, Marginal product, Marginal Cost, Marginal Revenue, Marginal Rate of Substitution, Marginal Rate of Technical Substitution. Relationship between Average Revenue & Marginal Revenue- Relationship between Average Cost & Marginal Cost- Elasticity: Price elasticity, Income elasticity, Cross elasticity.

**Module III: Optimization (25% weightage) (22 Hrs)**

Optimization of single/ multi variable functions- Constrained optimization with Lagrange Multiplier – significance of Lagrange Multiplier. Economic applications: Utility Maximization, Cost Minimization, Profit Maximization.

**Module IV: Production Functions, Linear Programming & Input Output Analysis  
(25% weightage) (22 Hrs)**

Production function- homogeneous & non- homogeneous. Degree of homogeneity & returns to scale –Properties (in detail) of Cobb-Douglas- Linear programming – Basic concept, nature of feasible basic & optimal solution; Graphic solution- The Dual-Application of linear programming in economics. Input output analysis –Matrix of technical coefficients- the Leontief matrix-computation of total demand for a 2/3 sector economy.

**Module V: Market Equilibrium (15 Hrs)**

Market Equilibrium : Perfect competition - Monopoly- Discriminating monopoly.

Note to faculty / question paper setter

1. This course is for B.A. Economics course. The students of this course may not have studied mathematics at higher secondary level. Hence questions may be confined to intermediary level. 2. Kindly give due consideration and adhere to the weightages indicated in the syllabus while setting question paper also.

**Reference:**

1. Dowling E.T ,Introduction to mathematical economics,2<sup>nd</sup> edition ,Schaum’s Outline series, Mcgraw Hil, Newyork, 2003
2. Chiang A.C & K. Wainwright Fundamental methods of mathematical economics.
3. Henderson, J.M & R.E Quandt(1980),Microeconomic Theory: A Mathematical Approach, Mcgraw Hill, New Delhi.
4. James Bradfield , Jeffrey Baldani, An Introduction to Mathematical Economics,Cengage Learning India Pvt Ltd( 2008)
5. A. Koutsoyiannis , Modern Micro economics, Palgrave Macmillan, 2<sup>nd</sup> revised edition(2003).(- see mathematical appendices for each topic given at the bottom of the page)

**Course Category: Core Course 13**  
**Course Title and Code: Public Economics, VEC6B13**  
**No. of Credits: 4**  
**No. of Contact Hours: 90**

**Public Economics**

**INTRODUCTION**

Public Finance or fiscal economics deals with the fisc of the country. It is related to decision making in the public sector or finance of the governmental agencies. Training in the public finance will help students in decision making and in higher studies.

**Objectives**

The basic aim of this course is to introduce students to the application of the techniques methods and principles of economics to decision making in public finance

**Learning Outcome**

The students are expected to learn how the principles of economics can be applied to sound decision making in public finance. They are expected to learn all the important economic issues that government agents face.

**Syllabus**

**Module I (10 Hrs)**

Origin-Growth, Meaning and scope of Public Finance-Public and Private Finance-Principle of MSA – Public goods and Private goods-Mixed goods and Merit goods (concepts only with examples)

**Module II (20 Hrs)**

Public Revenue and Income Tax calculation-Sources of Public Revenue-Tax and Non Tax-Classification of Taxes-Canons and Principles of Taxation-Ability to pay-Cost of Service and Benefit-Impact, Incidence and shifting Tax burden-Effects of Taxation-Major Taxes in India like Income Taxes, VAT,GST-Calculation of Personal and Corporation Income Tax(with suitable examples).

**Module III (20 Hrs)**

Public Expenditure and Cost Benefit Analysis- Meaning and Importance of Public Expenditure with special reference to India-Wagner's Peacock-Wiseman Hypothesis-Canons of Public Expenditure-Effects of Public Expenditure on the economy of India- Investment Evaluation, Project Evaluation and Cost benefit analysis with suitable examples.

**Module IV (20 Hrs)**



Public debt and budget in India-Public debt and Debt Management in India-Debt Redemption-Budgeting in India-Importance –types-Principles-Procedure of Budgeting – Revenue and Capital budget-Zero base budgeting-Performance budgeting-Primary Deficit- Revenue and Capital Deficit-Budget Deficit-Fiscal policy with reference to India-Contra cyclical Fiscal Policy-Deficit Financing and Parallel Economy in India.

### **Module V (20 Hrs)**

Federal and Local finance in India-Meaning and Importance –Function of Finance Commission –Jurisdictions of Finance Commission-Centre, State Financial Relations-Local Finances-Functions and Revenues.

### **Assignments and Seminars**

1. Discuss recent central state and local governments' budget.
2. Calculate income tax of an employee
3. Prepare and calculate corporation tax of a company
4. Visit any project in any locality and calculate cost benefit analysis
5. Discuss about Local finance and Project
6. Study about War finance
7. Consider Parallel economy of India
8. Impact of Revenue and expenditure of Immigrants and emigrants of economy of Kerala
9. Fiscal and Monetary policy of India
10. Discuss Railway Budget
11. Changes in the financial system of Post Reform in India
12. Social Audit System and reforms of UPA Govt

### **Reference**

1. Musgrave and Musgrave
2. Public Finance by Uma Kapila
3. Public Finance by Dutt and Sundaram
4. Public Finance by k k Dewett

**Course Category: Core Course 14**  
**Course Title and Code: Development Economics, VEC6B14**  
**No. of Credits: 4**  
**No. of Contact Hours: 90**

**Development Economics**

**Introduction:**

This course on the political economy of development & planning attempts to answer questions related to economic development in comprehensive manner. Students who wish to take up positions in formulation & implementation of public policy must have a reasonable good understanding of its political economy aspects.

**Objectives:**

The main objective of this course is to introduce the students of such fundamental topics in development & planning with their inter relations, This course is expected to provide students a comprehensive approach towards issues related to development & planning

**Learning Outcomes:**

The students are expected to develop an interrelated approach to resource use, the relationship between man & man, man& nature

**Syllabus**

**Module I : Perspectives on Development Economics (15Hrs)**

Why study development economics? - Meaning of growth & development – Measurement of development- Alternative measures of development: GDP , PCI, PQLI ,HDI,HPI,GDI,GEM, Multidimensional Poverty Index etc.

**Module II: Theories Of Development (25 Hrs)**

Rostow's (Stage theory)-Balanced Vs Unbalanced Growth Theory-Low Level Equilibrium Trap-Vicious Circle of Poverty-Critical Minimum Effort-Big Push Theory

**Module III: Economic Planning (25 Hrs)**

Concept-meaning –types of Planning-Relevance of Planning in the context of Globalisation- Economic Planning in India: Indian Planning- -Five Year Plans in India-an evaluation – NITI Aayog- Input output analysis (fundamentals only) – Plan Models

**Module-IV: Issues in Development (25 Hrs)**

Poverty-Measurement and Classification, Inequality and its measurement(Kuznet's Ratio, Lorenz Curve and Gini Coefficient)-Gender Issues-concept of Missing Women-Environment

vs development-the concept of sustainable development-Limits to Growth-Global Warming – Climatic Changes

### References:

1. Amartya kumar Sen, Growth Economics,Penguin Education,1970
2. Daron Acemoglu, Introduction to modern economic growth, 2008, Princeton university press
3. A N Agarwala and S P Singh, The economics of underdevelopment, Oxford university press, 1958.
4. Neri salvadori, Old and New growth theories An Assessment, Edward Elgar Publishing limited, 2003
5. A P Thirlwall, Growth and development, With special reference to developing countries, (8ed), Palgrave Macmillian, 2006
6. Debraj Ray, Development Economics,Oxford university press, 2009.
7. Partha Das Gupta, Economics A very short introduction, OUP, 2007.
8. Kaushik Basu, The new oxford companion to Economics in India, OUP, 2012.
9. M.A Oommen(ed), Kerala’s development experience Volume I&II, Institute of social sciences.
10. B A Prakash(ed), Kerala economy problems and prospects, sage publications, New Delhi.
11. Utsa Patnaik, Poverty Trends in India 2004-05 to 2009-10,Updating Poverty Estimates and Comparing Official Figures, Economic and Political Weekly, vol-XLVIII No .40,October05,2013.
12. Utsa Patnaik, Trends in urban poverty under economic reforms: 1993-94 to 2004 -05, Economic and Political Weekly, vol-XLV No.4, January 23, 2010.
13. Kaushik Gangopadhyay and Kamal singh, Extentof poverty in India A different Dimension, Economic and Political Weekly, vol-XLVIII No.06, February 09, 2013
14. Radhicka kapoor, Inequality matters, Economic and Political Weekly, vol-XLVIII No.02, January 12, 2013
15. Himanshu, Towards new poverty lines for India, Economic and Political Weekly, vol -XLV,No.01, January 02, 2010
  
16. Partha Das Gupta, Nature of economic development and economic development of nature, Economic and Political Weekly, vol-XLVIII No.51, December 21, 2013
17. Prachi Mishra, Has India’s growth story withered? ,Economic and Political Weekly, vol XLVIII No.15, April 13, 2013
18. Pulapre Balakrishnan, Economic Growth in India: History and prospect, Oxford University Press, 2010.
19. Prabath Patnaik, Economic growth and employment,Economic and political weekly, Vol:XLV1, No: 26-27, June 25, 2011.
- 20.Amitava Bose, The analytics of changing growth rates, Economic and political weekly,Vol:XLV, No: 28,July 10, 2010.
21. Jean Dreze and Reetika Khera, The BPL census and Possible alternative, Vol: XLV, No:9,February 27, 2010.
22. Michael P Todaro and Stephen C Smith, Economic Development (8th ed), Pearson Education Ltd, 2009.

**COURSE CATEGORY: ELECTIVE COURSE I**  
**Course Title and Code: Environmental Economics, VEC6E01**  
**No. of Credits: 2**  
**No. of Contact Hours: 54**

**Environmental Economics**

**Learning Objectives and Outcomes:**

The paper intends to develop a vision and achieve a mission of attaining a sustainable society by studying the subject of environmental economics. The study of Environmental Economics calls for a detailed understanding of various environmental factors, their influence in the economy and environment.

The main objective of teaching this paper is to make the students realize the causes and consequences of environmental problems in the contemporary world. After the completion of the course, student will equip an in-depth understanding of the inter-relationship between the economy and environment.

**Module I Introduction and Theoretical Discourse of Environmental Economics (15 Hrs)**

Definition and Scope of Environmental Economics-Why study Environmental Economics? – Inter linkages between Economy and Environment –Environment versus Economic development. Basic theory of Environmental Economics:

Market failures and Externalities -Meaning of Market failure - Meaning and conditions of Pareto optimality -Positive and negative externalities in consumption and production - Measurement of externalities - Concept of Social welfare economics.

**Module II Major Environmental Problems in India (18 Hrs)**

Environmental Pollution -water, air, noise, solid waste, plastic, nuclear waste, e-waste -sand mining-Impact of climate change on human development –Climate change and health consequences -Global warming, Green house effect, Ozone depletion -Urbanization and its impact on environment--Population and Urbanization: its impact on environment.

**Module III Economics of Sustainable development and regulating mechanism (21Hrs)**

Concept and Objectives of Sustainable development–Strategies and rules for Sustainable development -Basic approach to the problems of pollution control: Moral suasion, direct control, pricing techniques (taxes, subsidies) -Cost-benefit analysis –Costs and benefits in controlling pollution –Environmental cost of economic growth –Environmental Kuznets Curve -limits to growth model –Evaluation of environmental benefits: Direct methods (Contingent valuation method, Trade off game method, Costless choice method, Delphi method) and Indirect methods (Hedonic pricing approach, Conventional market based approach, Cost based approach) International Conventions/Protocols-Montreal protocol (1989) -Brundtland report (1987) -Rio declaration (1992) -Kyoto protocol (1997) -UN Framework Convention on Climate change (1992) -Aarhus Convention (1998) -Stockholm

Convention (2001) -Johannesburg Declaration on Sustainable Development (2003)-Paris Convention(2015).

## **Reference**

- 1.Ashwani Mahajan (2010), Environmental Economics, Centrem Press.
2. Charles D Kolstad (2012) Intermediate Environmental Economics, Oxford University Press.
- 3.Dhingra I. C (2012), Indian Economy: Environment and Policy, Sultan Chand & Sons,New Delhi.
- 4.Eugene T, (2006), Environment Economics, Vrinda Publication New Delhi.
- 5.Karpagam (2008), Environmental Economics, Sterling Publishers. New Delhi.
- 6.Katar Singh and Anil Shishodia (2007), Environmental Economics, Theory and Applications, Sage Publications, New Delhi.
- 7.Nick Hanley et al (2007), Environmental Economics: Theory and Practice, Palgrave Macmillan.
- 8.Paul Aekins (2000), Economic Growth and Environmental Sustainability, Routledge, London.
9. Rabinranath Bhattacharya (2002), Environmental Economics, An Indian Perspective, Oxford University Press, New Delhi.
10. Rajalakshmi N and Dhukasi Brinda (1994), Economics of Environment, Allied Publication Ahmadabad.
11. Sankar U (2001), Environmental Economics, Oxford University Press, New Delhi.
12. Vipin Chandran K. Pand Sandhya P (2012), Climate change and Human development: A Pragmatic Approach, Social Action Journal, Vol.62, No.4, October-December 2012, pp 367-380

**Course Category: Elective Course II**  
**Course Title and Code: Applied Theory of Markets, ECO6 E02**  
**No. of Credits: 2**  
**No. of Contact Hours: 54**

**Applied Theory of Markets**

**Objectives:** In the traditional economics courses, the theory of markets is a theoretical discussion. Its applied side is marketing the products, for which the understanding of the behaviour of the consumer is essential. This course is intended to introduce the students to the basics of marketing and consumer behaviour.

**Module 1: Markets and marketing ( 10 Hours)**

Classification of Markets – criteria for classification - Markets with competition Vs markets without competition (general discussion only, no need to discuss market forms in detail) – Marketing – Definition, Concepts, Significance & functions of Marketing - Approaches to the study of Marketing - Marketing and E-Commerce

Market segmentation – definition - needs & benefits - bases for segmentation for consumer goods, industrial goods & services - effective segmentation criteria; definition of Target Marketing, evaluating market segments, target market strategies - undifferentiated, differentiated, and concentrated.

Marketing Environment:-Analyzing needs and trends - Macro Environment- political, economic, socio-cultural and technical environment - PEST analysis, concept of market potential & market share - Marketing in Indian Context

**Module II – Consumer Behaviour ( 15 Hours )**

Consumer Behaviour-Assumptions: 1. Rational Consumer 2. Budget Constraints 3. Consumer Preferences

Consumer Behaviour:- concept, characteristics of consumer and organizational markets, Five step Buyers decision process.

Factors influencing buying decision—cultural, social, personal and psychological factors—buying process—consumer adaptation process—changing patten of consumer behaviour in global economy.

**Module III - Product and pricing decisions ( 13Hours )**

Product and pricing decisions- Concept of product; product line and product mix; new product development; packaging and branding; brand extensions; Pricing decisions factors influencing price decisions; pricing strategies; Product life cycle stages and strategic marketing decisions. Sales promotion - objectives, tools and techniques.

**Module IV: Distribution decisions (8 hours)**

Distribution decisions-marketing channels, structure, types and criteria of selecting a channel, wholesaling, retailing, and physical distribution. e – marketing distribution

**Module V : Promotion**

**( 8 Hours)**

Promotion- An overview. Advertising, sales promotion, personal selling and sales management. Public and customer relations, direct and online marketing, multilevel marketing-the new marketing model.

**REFERENCES:**

1. Philip Kotler, Marketing Management|| Pearson Education 13 th Edition.
2. Joel R. Evans and Barry Berman —Marketing in 21st century||, Biztantra 2003.
3. William Pride and O.C. Ferrel -Marketing concepts and strategies, Boston, Houghton Mifflin 1993||.
4. David W. Cravens, Gerald Hills, and Robert B. Woodruff —Marketing management, AITBS publishers 1996.
5. Arun Kumar and N Meenakshi, —Marketing Management||, Vikas Publishers
6. Hawkins, Best and Coney: Consumer Behaviour, Tata McGraw Hill, New Delhi 2004.
7. Schiffman, L.G. and Kanuk, L.L.: Consumer Behaviour, Pearson, New Delhi, 2011.
8. Laudon, David L and Bitta Albert J Della: Consumer Behaviour, Tata McGraw Hill, New Delhi 2005.
9. Rajendra P. Maheswari, Marketing Management, International Book House, 2012
10. Neelamegham, S, Marketing in India; Cases and Readings, Vikas New Delhi, 1988.
11. William G. Zikmund & Michael D'Amico, —Marketing; Craeting and Keeping —Customers in an E- Commerce World||, Thomson Learning

**Course Category: Elective Course III**  
**Course Title and Code: Economics of Business and Finance, ECO6 E03**  
**No. of Credits: 2**  
**No. of Contact Hours: 54**

**Economics of Business and Finance**

**Module 1: Introduction: (9 Hrs)**

Basic concepts of Business Economics, Financial Economics and Managerial Economics.

**Module II: Investments (15 Hrs)**

Meaning, nature and importance - Considerations in Investment decision and investment process – Investment alternatives – Capital Budgeting – Introduction and methods

**Module III: (15 Hrs)** Organising Financial asset- various financial assets and securities. Introduction to Balance Sheets – Evaluation of Balance Sheets – Break even Analysis – Linear and nonlinear – time value of money – Future Value and Compounding – present value of discounting.

**Module IV: (15 Hrs)** Introduction to Demand Estimation, Demand forecasting – Production Function and its importance – Cost estimation, Cost functions – Economics of Scale, Cost cuts and estimation - Cartel, price leadership, price discrimination, pricing strategies .

**References:**

1. Kettell, Brian – Financial Economics – Making sense of Market information, Financial Time, Prentice Hall, London – 2001.
2. Nellis J., and D. Parker – Principles of Business Economics 2nd Edition – Pearson Education, London.
3. Griffith A. and S. Wall -Economics for Business and Management -Pearson Education, London (2004)
4. Keat P.G. and P.K.Y. Young – Managerial Economics – Tools for Today’s Decision matters – Pearson Education New Delhi – 2006.



## **SEMESTER V**

**Course Category: Open Course II**  
**Course Title and Code: International Trade and Finance, VEC5D0I**  
**No. of Credits: 2**  
**No. of Contact Hours: 36**

### **International Trade and Finance**

#### **Module I: Introduction to International Trade (10 Hrs)**

Importance of International Trade- Inter-dependence among countries- The concept of 'Trade as an engine of growth' –Arguments for and against free trade

#### **Module II: Basic Theories of International Trade (16 Hrs)**

Absolute advantage-Comparative Advantage- Hecksher-Ohlin

#### **Module III : Foreign Exchange & Balance of Payment (10 Hrs)**

Components of foreign exchange-Exchange rate determination (mention floating & fixed exchange rate; specific mint parity, PPP and supply and demand)- Devaluation, revaluation, appreciation and depreciation of currency-BOP & BOT- Disequilibrium in BOP.

#### **References:**

1. Dominick Salvatore 'International Economics' McMillan.
2. Bo Soderstien & Geoffrey Reed – 'International Economics'.
3. Francis Cherunilam – 'International Economics'.
4. Mannur, H.G – 'International Economics'.
5. R.B.I Bulletin, Various issues.

**COURSE CATEGORY: OPEN COURSE I**  
**Course Title and Code: Economics in Everyday Life, ECO5 D02**  
**No. of Credits: 2**  
**No. of Contact Hours: 36**

**Economics in Everyday Life**

**Objective of the course:** This course is an open course which will be offered to only those students for whom Economics is not the core course. The purpose of this paper is to introduce a non economics students to the subject matter of economics by familiarising with the most basic concepts of economics. Special attention is given to include concepts that are used in everyday life.

**Note to faculty / question paper setter:** This paper is intended for those students for whom their core subject is not Economics. The purpose of this paper is to familiarise non-economics students with the concepts of economics used in daily life. In-depth study of each topic is not expected. Only definition of each term / understanding of the concept is expected. Detailed study of the theory or in-depth diagrammatic analysis of any topic is not to be undertaken.

**Module 1: Basic Concepts and the Methods of Economics (10 Hrs)**

What is economics- Definitions of economics- Basic problems of an economy- how the basic problems are solved by different economic systems – Microeconomics and Macro economics

**Module 2: Microeconomic Concepts (16 Hrs)**

Demand –demand function, demand schedule, demand curve. Supply –supply function, supply curve- market equilibrium. Elasticity: price, income, cross - Determinants of elasticity. Competition Vs. Monopoly. Multinational Corporations. Cartels – Mergers – Acquisitions

**Module 3: Macro Economic Concepts (10 Hrs)**

National income - GNP, GDP, Per Capita income. Fiscal and monetary policies: meaning and instruments, bank rate, repo rates, reverse repo rate. ( concepts only)

Inflation – meaning, types and effects. Budget - Revenue Expenditure and capital expenditure – Deficit: Revenue Deficit, Fiscal Deficit. Balance of trade and balance of payments - Current account and capital account FDI and FPI

**Reference**

- 1 .Dominick Salvatore : Microeconomics : Theory and Applications’,; Oxford University press, New Delhi
- 2.Gregory Mankiw, ‘\_Macro economics’ – 6th Edn. Tata McGraw Hill.

3. Errol D'Souza – Macro Economics' – Pearson Education 2008.
4. B. Alvin Prakash, 'The Indian Economy Since 1991: Economic Reforms and Performance', Pearson Education India
5. Subrato Ghatak -Introduction to Development Economics' – Routledge
6. Lekhy -Public Finance and Public Economics – Kalyani publications
7. Indian Economy Since Independence 24/ed , Kapila U, Academic Foundation, New Delhi
8. Oxford Dictionary of Economics
9. The Penguin Dictionary of Economics
10. The New Palgrave Dictionary of Economics  
(<http://www.dictionaryofeconomics.com/dictionary>)

**Course Category: Open Course III**  
**Course Title and Code: Banking, ECO5 D03**  
**No. of Credits: 2**  
**No. of Contact Hours: 36**

**Banking**

**Module 1 (8 Hrs)**

Banks – Economic Importance - Growth of Banking in India. Commercial Banking - Branch Banking Vs Unit Banking, Group Banking, Chain Banking, Mixed Banking, Clearance Banks - Balance sheet - Rules of Management of funds – Assets and Liabilities, Financial Intermediaries - Deposit Insurances - Merchant Banking

**Module 2 (12 Hrs)**

Negotiable Instruments, Cheques, Bills, Treasury bills - Acceptance Houses, Discounts - Money Market - Peculiarities of Indian Money Market; Deposits; Borrowings; Primary and Secondary sources - Loans, Practices in Lending, Credit creation, Limitations.

**Module 3 (10 Hrs)**

Accounts: Joint accounts, Partnership, Company guarantees, Individual Surety, Joint and Several Guarantee, Security, Exchange Securities, Life Policies, Payment and Collections of Cheques, Dishonouring, Negotiability, Crossing and Account payee.

**Module 4 (6 Hrs)**

Central Banking - Reserve Bank of India - Functions of RBI

**Reference**

1. R.S. Sayers, Modern Banking. Macmillon
2. M.D. Decock, Central Banking.
3. S.K. Basu, Banking in India.
4. Milnes Holdern, Studies in Practical Banking.
5. I.C. Dhingra, Indian Economy. - Sulthan chand and sons

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**FIRST SEMESTER B.A DEGREE EXAMINATION**  
**Core Course-Economics**  
**VEC1B01-MICROECONOMICS-1**

**Time:3 Hours**

**Maximum Marks: 80**

Part A Multiple Answer Questions (Answer All questions)

1. Who wrote the book “wealth of nations”  
a. Amartyasen b. Adamsmith. C. Samuelson D. Pigou
2. Scarcity definition of Economics is given by  
a. Lionel robbins b, Samuelson c. Adamsmith D. Marshal
3. Perfectly vertical demand curve has price elasticity of  
A )0 b) 1 c )greater than 0 d) greater than 1
4. Slope of indifference curve is called....  
a) MRS B) MRTS c) equilibrium D) Isocost line
5. When total Utility is maximum MU is.....  
a) Minimum B) positive c) negative d) zero
6. The term micro and macro is coined by.....  
a) Ragnar Frish B) Adam smith C) Amartya sen d) Hicks
7. Short run theory of production is called as.....  
a) law of variable proportions B) returns to scale c) theory D) function
8. Micro economics deals with the economic behavior of .....decision making units  
A) individual B) group C) economy D) none
9. . . . . .relationship between price and quantity is reflected in the negative slope of the demand curve.  
A) Inverse B) Direct C) equal D) none
- 10 The commodity whose demand curve usually shifts down when the individuals income rise is known as.....

A) giffen B) Inferior C) luxuray D) necessity

11. Utility is measured in terms of .....

a) Utils b) centimeter C) quantity D) none

12. The concept of MU was introduced by.....

a) marshall B) pigou C) frisch D) sen

(12X1/2=6)

**Part B Very short answer questions. Answer any ten**

13. Distinguish between induction and deduction

14. Micro and Macro Economics

15. Functions of Price.

16. Budget line

17. Expansion path.

18. Production Function.

19. Ridgeline

20. Giffen paradox

21. Price consumption curve.

22. Define TP, AP and MP

23. Cross Elasticity

24. Equilibrium price.

(10 X 2 = 20)

**Part C Answer any six. Short essays**

25. Explain the various types of Price elasticity of demand.

26. What are the properties of indifference curves.

27. State various types of Isoquant curves.

28. Distinguish between positive and normative Economics.

29. Explain the assumptions of Cardinal Utility Analysis

30. Discuss the problem of Resource allocation and optimization behavior of Consumers

31. How do you distinguish MU and TU?

32. How do you evaluate the possibilities of equi-marginal utility in real life situations?

( 6 X 5=30)

**Part D . Essay Questions .Answer any two**

33. State and Explain the law of Variable proportions. Illustrate.

34. Explain the equilibrium of the consumer under ordinal utility.

35. State and explain Law of diminishing marginal Utility.

36. State the limitations of Neo-Classical Theory

(2X12=24)

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**SECOND SEMESTER B.A DEGREE EXAMINATION**  
**Core Course-Economics**  
**VEC2B02-MICROECONOMICS**

**Time:3 Hours**

**Maximum Marks: 80**

Part A Multiple Answer Questions (Answer All questions)

1. Who wrote book "Theory of Monopolistic Competition"  
a) Chamberlin b) Robinson c) Adam Smith d) Marshall
  2. The firm under perfect competition is-----  
a) Price maker b) Price taker c) Profit maximiser d) Revenue maximiser
  3. The firm under perfect competition determines -----  
a) output only b) price only c) output & price d) Revenue only
  4. Proper allocation of resources is possible only in -----  
a) Monopoly b) Oligopoly c) Duopoly d) Perfect competition
  5. ----- cost curve is the envelope of the short run cost curves  
a) short run b) Long run c) market period d) very short run
  6. In the modern theory, long run average cost curve is ---- shaped  
a) L b) U c) T d) none
  7. In traditional theory AC is ----- shaped  
a) V b) U c) L d) None
  8. Firm & industry is identical under -----  
a) Monopoly b) competition c) oligopoly d) duopoly
  9. Under first degree price discrimination monopolist receives -----  
a) Entire consumer surplus b) part of consumer surplus c) no consumer surplus d) none
  10. The concept of group equilibrium is seen under-----  
a) Monopoly b) Oligopoly c) Duopoly d) Monopolistic competition
  11. Selling cost influence -----  
a) Shape of demand curve b) shape of supply curve c) cost curve d) none
  12. Kinked demand curve is the feature of -----  
a) monopoly b) oligopoly c) duopoly d) bilateral monopoly
- (12 X 1/2= 6 Marks )

**Part B**

**Very short answer Answer any 10 questions**

13. Define Excess capacity
14. state Collusive oligopoly
15. explain Kinked demand curve
16. what do you mean by Selling cost
17. state Price discrimination
18. write a short note on Dumping

19. what is Cartel?
20. State the Relationship between AC & MC
21. What do you mean by Product differentiation
22. Explain the concept of Monopoly power
23. Distinguish between firm & industry
24. Diagrammatically explain the Shut down point (10 x 2= 20 Marks)

**Part C**  
**Short Essays Answer any 6 questions**

25. What are the social costs of monopoly?
26. What is price discrimination? Explain different types of price discrimination
27. What are the features of perfect competition?
28. Briefly analyze the modern theory of cost
29. Explain the different types of price leadership?
30. Critically examine Cournot's Duopoly model.
31. Explain Envelop Curve
32. Explain Short run equilibrium of monopolist. ( 6 x 5 = 30 Marks )

**Part D**  
**Essay questions Answer any 2 Questions**

33. Explain the features of Oligopoly? Critically examine the kinked demand curve model.
34. Give a comparison between monopoly and perfect competition.
35. State & explain diagrammatically the conditions for short run & long run equilibrium of firm and industry under perfect competition.
36. Explain the features of monopolistic competition. Explain Chamberlin's group equilibrium

(2 x 12 = 24 Marks )



VIMALA COLLEGE (AUTONOMOUS) THRISSUR

III SEMESTER B.A DEGREE EXAMINATION

Core Course-VEC3B03-Quantitative Methods for Economic Analysis - 1

Time: Three Hours

Maximum: 80 marks

Section A

Answer all questions in one word. Each question carries 1/2 mark.

1. What is the value of  $3^{-2} \cdot 3^5$   
a) 9 b) 27 c) 6 d) 15
2.  $\log 1 = \dots\dots\dots$   
a) 1 b)  $\infty$  c) 0 d) 10
3. The number of elements of a 3X3 matrix:  
a) 6 b) 4 c) 9 d) 12
4. If two rows of a determinant are identical, then its value:  
a) 0 b) 1 c) 2 d) -1
5.  $\dots\dots\dots$  is the excess of revenue over the cost of production.  
a) Cost b) Demand c) Supply d) Profit
6. The maximum value of correlation coefficient is  $\dots\dots\dots$   
a)  $\infty$  b) 1 c) -1 d) 0
7. The order of the product of the matrices of order  $m \times n$  and  $n \times q$ .  
a)  $m \times n$  b)  $n \times q$  c)  $m \times q$  d)  $n \times n$
8.  $ax^2 + bx + c = 0$  is a  $\dots\dots\dots$  equation  
a) Linear b) Quadratic c) Cubic d) Real
9.  $\log_3 81 = \dots\dots\dots$   
a) 9 b) 4 c) 3 d) 27
10. Lack of symmetry means  $\dots\dots\dots$   
a) Positive Skewness b) Negative Skewness c) Skewness d) Kurtosis
11. If  $A = \dots\dots\dots$ , then A is a symmetric matrix.  
a)  $A^T$  b)  $A^{-1}$  c)  $A^2$  d)  $-A$
12. The points of inflexion of ogives correspond to  
a) Mean b) Median c) Mode d) Range

(12x1/2=6 marks)

Section B

Answer any 10 questions in one sentence each. Each question carries 2 marks

- b) Simplify  $63x^8y^5 \div 9x^5y^3$
- c) Define inverse of a matrix
- d) Define Statistics.
- e) Define parallel lines with examples
- f) The number of elements of a matrix is 12. What is the possible orders of the matrix
- g) Construct a 2x2 matrix  $A = [b_{ij}]$  where  $b_{ij} = \frac{2i}{i+j}$
- h) Define breakeven point.
- i) State any four laws of exponents
- j) Solve the quadratic equation  $10x^2 - 9x - 1 = 0$

k) Mention any two methods for measuring correlation.

l) Find the cofactor of the element 2 in  $A = \begin{bmatrix} 1 & 4 & 8 \\ 0 & 3 & 7 \\ 5 & 2 & 9 \end{bmatrix}$

m) Define Arithmetic Mean. State any two limitations of arithmetic mean

(10x2=20 marks)

### Section C

Answer any 6 questions, each one carries 5 marks

n) Prove that  $\frac{1}{1+x^{-a}} + \frac{1}{1+x^a} = 1$

o) Explain the construction of a pie diagram

p) Solve using Cramm's rule  $7x-4y-20z=0; 10x-13y-14z=0; 3x+4y-9z=11$

q) Find a, b, c, d if  $\begin{bmatrix} a & 4 \\ 1 & -2d \end{bmatrix} = 2 \begin{bmatrix} a & b \\ c & d \end{bmatrix} + \begin{bmatrix} 3 & a-b \\ 2 & c+d \end{bmatrix}$

r) Explain Regression and correlation

s) Define a) Geometric mean      b) Harmonic Mean. Compute them for 10, 20, 20 and 40

t) Define determinant of a matrix and state any four properties

u) Distinguish between correlation and regression

(6X5=30 Marks)

### Section D

Answer any 4 questions. Each one carries 6marks

v) i) Using the properties of determinants prove the following

$$\begin{vmatrix} a+b+2c & a & b \\ c & b+c+2a & b \\ c & a & c+a+2b \end{vmatrix} = 2(a+b+c)^2$$

ii) If  $A = \begin{bmatrix} 2 & 3 & -1 \\ 4 & -1 & -2 \end{bmatrix}$ , find  $A + A^T$  and  $A^T - A$ . Show that both are symmetric matrices

w) Using logarithm find the values of i)  $15^{25}$

ii)  $\frac{0.678 \times 9.01}{0.0234}$

iii)  $\sqrt[3]{2.156}$

iv)  $(424)^{2/5}$

v)  $\sqrt[4]{0.726}$

x) Calculate equation of regression lines, regression coefficients and correlation coefficient from the following data.

Purchase	62	72	98	76	81	56	76	92	88	49
Sale	112	124	131	117	132	96	120	136	97	85

y) Explain any four measures of central tendency.

(4X6= 24 Marks)

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**III SEMESTER B.A DEGREE EXAMINATION**  
**MODERN BANKING AND INSURANCE, VEC3BO4**

**Time: Three Hours**

**Maximum:80marks**

**SECTION A – Multiple choice questions. Answer all.**

1. Indian Parliament passed IRDA Act on  
(A) 1997 (B) 1998 (C) 1999(D) 2000
2. Central Bank is given the special powers to control and regulate the working of:  
(A) Business Class B) Commercial Bank (C) Rural Bank (D) Urban Bank
3. The Unit banking system was prevalent in:  
(A) America (B) Germany (C) France (D) England
4. The credit control function is performed by:  
(A) Commercial Bank (B) Central Bank(C) Development Bank (D) None of these
5. The specialty of Industrial bank is providing  
(A) Short term loans (B) Long term loans(C) Medium term loans (D) none of these
6. Who is the current governor of RBI?  
(A) Raghuram Govind Rajan (B) Subbarao (C) Sinha (D) Manmohan Singh
7. Which is the oldest Commercial Bank in India?  
(A) Imperial Bank of India (B) Oudh Commercial Bank(C) Punjab National Bank (D) SBI
8. The principle of Contribution does not apply to the following policy  
(A) Standard Fire Policy (B) Machinery Breakdown(C) Personal Accident(D) Burglary  
Policy
- 9) \_\_\_\_\_ is unsecured money market instrument issued in the form of promissory note
- 10) ATM stands for.....
- 11) Moral Hazard is related to.....
- 12) Money market is the market for..... (12x1/2=6marks)

**SECTION B- Very Short Answer Questions**

Answer Any Ten Questions

13. Define auto insurance policies
14. What is IFCI?
15. What is Banking Ombudsman?
16. What is reinsurance?
17. Explain lapse in insurance industry
18. What is bad loan?
19. Define Risk and Uncertainty

20. Burglary Insurance
21. Expand IDBI
22. What is Consortium Banking?
23. Distinguish between debit card and credit card
24. What is a medi claim policy?

(10x2=20 marks)

**SECTION C - Short Essay or Paragraph Questions**

Answer Any Six Questions

25. Distinguish between Life Insurance and General insurance
26. Explain features of Personal Accident Insurance Policy
27. What are major components of money market in India?
28. Explain role of development banks in India
29. Trace out the evolution banking industry in India
30. Explain risk management methods of insurance companies in India
31. Explain functions and powers of IRDA
32. Explain the customer services rendered by the modern high tech banks.

(6X5=30marks)

**SECTION D –Essay Questions**

Answer Any Two Questions

33. Critically examine the objectives of credit control of RBI and credit control techniques.
34. Explain elaborately the risk management process of insurance companies in the country.
35. What is banking sector reforms? What are the major banking sector reforms in the context of liberalization measures in India?
36. Discuss the procedure to insure the vehicle for own damage as well as third party insurance.

(2X12=24marks)

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**FIRST SEMESTER B.A DEGREE EXAMINATION**  
**Core Course-Economics**

**VEC4B06 Computer Application for Economic Analysis**

**Time:3 Hours**

**Maximum Marks: 80**

Part A

Multiple Answer Questions (Answer All questions)

1. What is the extension of word files?  
(a) FIL (b) DOT (c) doc (d) TXT
2. Which of the following is an electronic spreadsheet?  
(b) Powerpoint (b)Word  
(c) Excel (d) Access
3. Which area in an excel window allows entering values and formulae?  
(a) Title bar (b) Menu bar  
© Formula bar (d) Standard tool bar
4. USB is an example of .....  
(a) Input device (b) Output device (c)secondary storage device (d) Memory device
5. Which of the function key is used for starting slide show in MS Powerpoint?  
(a) F2 (b) F3 (c) F4 (d) F5
6. HTML stands for  
(a) Hyper Text making Links (b) Hyper Text Markup Language  
© Higher Textual Making of Links (d) Hyper Text Mixer of Links
7. What type of commerce occurs when a business sells its products over the internet to other business?  
(a) B2B (b) C2B (c) B2C (d) Enterprise commerce
8. Which of the following is not software?  
(a) Windows (b) MS Word (c) DOS (d) Mouse
9. In word processing the task of changing the appearance of a document is  
(a) Formatting (b) Editing (c) Proofing (d) Inserting
10. Which of the following database object can be used to mail the invoice to customers?  
(a) Form (b) Query (c) Report (d) Table
11. The PowerPoint view that displays only text is :  
(a) Slide show (b) Slide sorter view (c) Notes page view (d) Outline view
12. Presentation designs regulate the formatting and layout for the slide and are commonly called:  
(a) Design templates (b) Templates (c),Placeholders (d) Blueprint (12X1/2=6)

**Part B**

**Very short answer questions**

**Answer any ten**

13.Primary Memory of a computer

14. Softwares
  15. Ribbon
  16. Header & Footer
  17. Cell
  18. Formula Syntax
  19. Templates
  20. Animation
  21. WWW
  22. Electronic Payment
  23. Functions
  24. Skype
- (10x2=20)

Part C

Short essays

Answer any six

25. Write an account on Social Networking?
26. Explain Mail merge
27. Explain open source softwares
28. What is e-business? Explain
29. What are the main features of word processor?
30. What is a Power Point? What are its uses?
31. Write down the stepwise procedure to create an Email id
32. How do you prepare tables and charts using MS Excel. (6x5=30)

Part D

Essay Questions

Answer *any two*

33. Discuss the feature, advantages and limitations of E Commerce
34. Explain data analysis Tool Pak in excess with special emphasis to Regression analysis.
35. Explain various steps in creating power point slides.
36. Discuss the functions and types of Operating System (2x12=24)

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**FIFTH SEMESTER B.A DEGREE EXAMINATION**  
**MACRO ECONOMICS-I VEC5BO7**

**Time: Three Hours**

**Maximum : 80marks**

**SECTION A.**

**Multiple choice questions. Answer all.**

1. Excess demand for money, according to Say's law in the Economy:  
(A) is greater (B) is very less  
(C) is equal to zero (D) There is no relationship between excess demand for money and Say's Law
2. Which of the following is not an assumption of classical theory?  
(A) Price flexibility (B) Unemployment (C) Say's law (D) Neutrality of money
3. In classical theory the equality between saving and investment is brought about by:  
(A) Rate of interest (B) Income (C) Consumption (D) Multiplier
4. The normal condition of a capitalist economy in classical theory is:  
(A) Underemployment (B) Full employment (C) General unemployment (D) Frictional unemployment
5. National Income is published.....  
(A) annually (B) Quarterly (C) Monthly (D) weekly
6. The theory explaining the direct relationship between the price level and quantity of Money is known as :  
(A) Quantity theory of money (B) Say's law of markets (C) Real theory of interest (D) None of these
7. Saving is the excess of income over  
(A) Tax (B) consumption (C) Production (D) Supply
9. Who is the author of the book General Theory of Employment Interest and Money?  
(A) J M Keynes (B) Pigou (C) Adam Smith (D) Alfred Marshall
- 9) \_\_\_\_\_ introduced the concept of welfare in the study of economics
- 10) -----is associated with the theory of multiplier.
- 11) Supply creates its own demand is the Basis of.....
- 12) Classical treated money as a..... **(12x1/2=6marks)**

**SECTION B- Very Short Answer Questions Answer Any Ten Questions**

13. Define full employment equilibrium
14. Define green GDP
15. What is national income?
16. Define M P C

17. What is Effective Demand
18. What is fiscal multiplier?
19. Define pigou effect
20. Money illusion
21. Classical dichotomy
22. Difference between G N P & G D P
23. Define Investment function
24. What is Aggregate Demand?

(10x2=20 marks)

**SECTION C Short Essay Or Paragraph Questions Answer Any Six Questions**

25. Distinguish between Personal Income and National Income
26. Discuss on the classical Reasoning of wage-price flexibility
27. Give an account of Keynesian critique of Says Law of Market
28. Explain the concept of Underemployment Equilibrium
29. Explain fisher's Equation of Exchange
30. Explain Say's Law of Market
31. Explain Cash Balance Approach to Quantity Theory of Money
32. Determinants of Investment function

(6X5=30marks)

**SECTION D –Essay Questions Answer Any Two Questions**

33. Define Macro Economics and explain the scope of macro Economics.
34. Explain Keynes Theory of employment.
35. Elucidate meaning and measurement of National Income in India.
36. Analyse classical Theory of Employment. What are the objections put forward by Keynes against Theory.

(2X12=24marks)



**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**FIRST SEMESTER B.A DEGREE EXAMINATION**  
**Core Course-Economics**  
**VEC5B08-India's Economic Development: National and Regional**

**Time:3 Hours**

**Maximum Marks: 80**

**Part A**

**Multiple Answer Questions (Answer All questions)**

1. The GDP growth rate of the 11<sup>th</sup> five year plan has been fixed at:  
(a) 8%(b) 8.5% (c) 9% (d) 10%
2. Which concept provides the most appropriate measure of unemployment?  
(a)The usual rate (b) The current weekly status rate  
(c) The current daily status (d) None of these
3. Most of the disguised unemployed persons in India are found in :  
(a)Agriculture (b) Industry (c) Trade (d) Transport
4. Blue revolution is related with:  
(a)Fisheries (b) Space research (c) Poultry (d) Drinking water
5. India is a ..... Economy.  
a) Mixed b) Socialist c) capitalist d)None of the above
6. .... is the Chairman of the Planning Commission.  
a) Prime minister b) finance Minister c) President d)None of the above
7. NABARD was set up in .....  
a)1982 b)1983 C) 1984 d) none
8. When public investment in agriculture declines , the provision of agricultural subsidies .....  
a)declines B) increase C) no change D) none of the above
9. Who is the father of Green Revolution in the world?  
a)Norman Barlaug b) M.s Swminathanc) amartyasend)none
10. Which state in India has the highest density of population?  
a)west Bengal b) maharastrac) bihard) None
11. MGNREGS is meant for.....  
a) urban development b) infrastructure development c) road development d) none
12. Who is the present Governor of RBI?  
a) raghuramrajan B) NarendraModi C) manmohansingh D)None of the above

(12X1/2=6)

**Part B**

**Very short answer questions. Answer any ten**

13. Absolute poverty
14. Voluntary unemployment
15. Land tenure system
16. HDI

17. TPDS
18. Infant Mortality Rate
19. Globalization
20. Agricultural subsidy
21. Institutional Credit
22. Explain New agricultural strategy
23. Explain major causes of inequality in India
24. What is educated unemployment?

(10 X 2 = 20)

### **Part C**

#### **Answer any six. Short essays**

25. Discuss the trends in public investment in agriculture
26. What are the important sources of agricultural credit?
27. Explain the role of Human resources in economic development
28. Discuss the theory of demographic transition.
29. What do you mean by migration?
30. Explain Kerala model of Development
31. Write a short note on SSI.
32. Explain about Agribusiness.

(6 X 5=30)

### **Part D**

#### **Essay Questions .Answer any two**

33. Discuss the structural changes in India as seen in National Income data.
34. Critically evaluate Land Reforms in India and kerala
35. Discuss the trend and composition of output of major crops in India.
36. Discuss various anti poverty programmes implemented in India.

(2X12=24)

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**V TH SEMESTER B A DEGREE EXAMINATION**  
**ECONOMICS OF CAPITAL MARKET VEC5B09**

**Time: Three Hours**

**Maximum:80marks**

**Part A Answer All Questions**

- 1 .The money market is a----- market
  - a. Investment b. Short term c. Liquidity d. Long term
  
2. The money market where debt and stocks are traded and maturity period is more than a year is classified as
  - a. shorter term markets b. capital markets c. counter markets d. long-term markets
  
3. In capital markets, the major suppliers of trading instruments are
  - a. government and corporations b. liquid corporations
  - c. instrumental corporations d. manufacturing corporations
  
4. SEBI was established in the year-----
  - a. 1988 April b. 1987 May c. 1989 April d. 1986 May
  
- 5 .Indian rupee is fully made convertible as current account in -----
  - a. 1992 b.1994 c.1993 d.1995
  
6. A market where new securities are bought and sold for the first time is known as a \_\_\_\_\_ market.
  - a. primary b. secondary c. tertiary d. capital
  
7. Mutual funds are regulated in India by which among the following?
  - a. RBI b. SEBI c. Both a& b d. Stock Exchanges
  
8. Which of the following is the Banker's Bank?
  - a. IDBI b.RBI c.SBI d.UBI
  
9. Term Bull market and Bear market is associated with ?
  - a. Foreign Trade b. Banking c. Share Market d. Manufacturing
  
10. In which year was RBI taken over by the government of India?
  - a.1945 b. 1948 c. 1952 d.1956
  
- 11.GDR stands for-----

- a. Global Depository Receipts
  - b. Global Depository Rate
  - c. Gross Depository Ratio
  - d. None of the above
12. IPO deals with the issues in -----
- a. primary market, b .secondary market c. all of the above d .none of the above

**(12X1/2=6 marks)**

### **Section B**

#### **Very Short Answer Questions Answer Any Ten Questions**

- 13.What is meant by intangible assets ?
- 14. Define mutual fund
- 15. What is meant by primary market?
- 16. List out the weakness of Indian Financial System
- 17.Define equity
- 18.What is meant by blue chip shares ?
- 19. Objectives of SEBI
- 20. What is ESOP ?
- 22.Define debenture
- 23.Write a note on OTCEI
- 24.What is financial market?

**(10x2=20 marks)**

### **SECTION C**

#### **Short Essay Or Paragraph Questions Answer Any Six Questions**

- 25. Distinguish between primary and secondary market
- 26.Role of intermediaries in new issue market
- 27.Explain the properties of financial asset
- 28. Explain the concept of FCCB
- 29. What are the characteristics of capital market
- 30. Explain various stock exchanges in India

31.Explain Euro issue

32.Explain the functions of primary markets.

**(6X5=30marks)**

**SECTION D –Essay Questions Answer Any Two Questions**

33.Discuss the role of SEBI in a capital market

34.Explain various methods of floating in a new issue market

35.Explain the structure and various instruments of Indian capital market.

36. Explain the role of financial system in economic development.

**(2X12=24marks)**

**VIMALA COLLEGE THRISSUR**  
**FIFTH SEMESTER B A DEGREE MODEL EXAMINATION**  
**ECONOMICS**  
**VEC5 B10 INTERNATIONAL ECONOMICS**

**Time: Three Hours**  
**80 Marks**

**Maximum :**

**Section A –Objective Type Questions Answer All Questions**

- 1 The theory of Absolute advantage was developed by .....  
a) Ricardo b) Adam Smith c) Ohlin d) Marshall
- 2 The classical theory of international trade is based on  
a) Labour theory of value b) Cost of production c) Equilibrium theory d) None of the above
- 3 The underlying Axiom of Purchasing Parity Theory is  
a) Law of one price b) Principle of Comparative Advantage c) Interest parity condition  
d) Principle of Opportunity cost
- 4 Modern theory of international trade is associated with -----  
a) Ricardo b) Adam Smith c) Heckscher –Ohlin d) J S Mill
- 5 Unilateral payments are called ..... Payments  
a) Debt payments b) Transfer payments c) credit payments d) equal payments
- 6 The PPP Theory was put forward by.....  
a) Gustav Cassel b) Ohlin c) Adam Smith d) J S Mill
- 7 Flexible exchange rate is also known as ---- exchange rate  
a) Fixed exchange rate b) Managed exchange rate c) Floating exchange rate  
d) Pegged
- 8 The value of currency unit was defined in terms of gold under.....  
a) Brettonwood Standard b) Gold Standard c) Fixed exchange rate d) Managed floating
- 9 Balance of trade takes in to account only the ----- items of international trade  
a) Invisible items b) Visible items c) both visible & invisible items d) None of the above
- 10 The deliberate action taken by the government to reduce the value of a country's currency is called  
a) Devaluation b) Revaluation c) Depreciation d) Appreciation

11 The difference between the value of merchandise export and the value of merchandise import is known as -----

- a) BOP b)BOT c) Current Account d)Capital account

12 The new name of GATT is

- a) WTO b) IMF c) IBRD d)EU (12 x ½ = 6 Marks)

**Section B - Very short Answer Questions Answer any ten Questions**

13 Fixed Exchange Rate

14 .Define Balance of Payment

15 .Distinguish Internal and International trade

16 TRIPS

17 Mint Parity

18. International Liquidity

19 .Swap

20.Revaluation

21 .Dumping

22 Free trade

23. Managed Floating Exchange Rate

24. NAFTA

(10 x 2 -20 Marks )

**Section C Short Essay or Paragraph Answer any six questions**

25 Explain the aims and purposes of ASEAN

26 Explain the Leontief Paradox

27 Explain the objectives and functions of IMF

28 Explain the measures to correct BOP Equilibrium

29 What are the arguments for Flexible exchange rate

30Examine the objectives and functions of WTO

31. Write a note on Currency convertibility

32. Critically examine the Purchasing Power Parity Theory of Exchange rate . (6 x 5 =30 Marks)

**Section D Essay Questions Answer Any Two Questions**

33. What are the arguments for and against free trade
34. Explain Trade as an engine of growth
- 35 Critically examine the theory of Comparative advantage
36. Explain the modern theory of International trade



**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**VI TH SEMESTER B A DEGREE EXAMINATION**  
**MACRO ECONOMICS-II VEC6B11**

**Time: Three Hours**

**Maximum: 80marks**

**SECTION A - Multiple choice questions. Answer all.**

1. ISLM model was developed by:  
(A) Hicks (B) Keynes (C) Friedman (D) None of these
  
2. Which of the following can cause shifts in consumption function?  
A. Psychological attitude B. Social practices C. Business motives D.Changes in price level.
  
3. Milton Friedman restated the theory of-  
A. Labour Theory B. Profit Theory C. Quantity Theory of Money D. Wage theory
  
4. IS-LM model was developed by:  
(A) Keynes (B) Walras (C) J.R.Hicks (D) Don-Patin
5. Persistent rise in the general price level of prices and fall in the value of money is referred to as  
A) Inflation B) Deflation C) Stagflation D) Stagnation
  
6. Lowest point reached by real output in each business cycle.  
A) Recession B) Boom C) Trough D) Downswing
  
7. According to Milton Friedman General Price level and real Income have .....influence on demand for money  
A) Direct B) Indirect C) No effect D) None of the above
  
8. If a serious inflation expected to come people generally tend to.....  
A) Save more B) Spend more C) Lend more D) Export more import less
  
9. Interaction of multiplier and accelerator is known as.....(super multiplier, employment multiplier, super accelerator, foreign multiplier)
  
10. According to Keynes inflation comes to existence only.....( higher wages, higher price level, both of the above, none of the above)
  
11. Stagflation refers to.....(deflation, inflation, hyper inflation, inflation and unemployment)
  
12. Point of interaction of AS and AD is known as.....( equilibrium ,full employment, disequilibrium, effective demand)

**(12x1/2=6 marks)**

**Section B. Very Short Answer Questions Answer Any Ten Questions**

13. Define IS
14. Explain inflationary gap
15. What is money multiplier?
16. Define near money
17. Define High powered money
18. What is Business Cycle?
19. Define demand for money
20. Explain functions of money
21. Meaning of fiscal policy
22. Define Trade cycle
23. What is stagflation?
24. What is Liquidity Trap?

**(10x2=20 marks)**

**SECTION C Short Essay Or Paragraph Questions Answer Any Six Questions**

25. Distinguish between Demand pull inflation and cost push inflation
26. Discuss contra cyclical policy measures
27. Give an account of Liquidity Preference theory
28. Explain Classical Theory of Demand for Money
29. Explain Okun's Law
30. Explain Effects of Inflation
31. Explain Keynesian Liquidity Trap
32. Explain monetarist interpretation of trade cycle.

**(6X5=30marks)**

**SECTION D –Essay Questions Answer Any Two Questions**

33. Define Inflation and Explain Measurements of Inflation.
34. Explain various fiscal Policy Instruments.
35. Explain IS LM Model.
36. Analyse classical theory of Demand for Money.

**(2X12=24marks)**

VIMALA COLLEGE (AUTONOMOUS) THRISSUR  
SIXTH SEMESTER B.A DEGREE EXAMINATION

Core Course-Economics  
VEC6B12 Mathematical Economics

Time:3 Hours

Maximum Marks: 80

Part A

Multiple Answer Questions (Answer All questions)

1. Consumption function is given by  $C=100+0.6Y$ . Then  $MPS=.....$   
A)0.6      B) 0.4      C)100      D) 0.1
2. Income elasticity of inferior goods is always .....  
A)Zero      B)positive      C) negative      D) less than zero
3. The price elasticity of demand for a product is 1.5 and  $MR =8$ . Then its price=.....  
A)12      B) 53      C) 16      D) 24
4. If  $MRTS_{LK}=2$ , then  $MP_K/MP_L$  is .....  
A) 2      B) 1      C)  $\frac{1}{2}$       D) 4
5. The elasticity of substitution of Cobb Douglas production function is .....  
A) constant      B) 1      C) 0      D) negative
6. Under price discrimination, the market with higher elasticity will have the ..... price.  
A) Lower      B) same      C) higher      D) different
7. An algebraic method to solve LPP is .....  
A) Lagrange      B) substitution      C) Simplex      D) optimisation
8. A production function in which the degree of homogeneity is equal to one is called ... Production function.  
A) Homogeneous      B) Linear      C) Non linear      D) Linearly Homogenous
9. Market equilibrium condition under perfect competition is .....  
A)  $MR = MC$       B) slope of MR
10. Input output model was developed by .....  
A) Leon walras      B) Wassily Leontief      C) Loon Moses      D) None of these
11. The solution to dual problem is .....  
A) optimal price      B) primal      C)Shadow price      D) None of these.
12. Input output analysis is essentially a theory of .....  
A) Production      B) Consumption      C) Distribution      D) trade

(12X1/2=6)

Part B

Very short answer questions. Answer any ten

13. Demand function
14. MRTS
15. Cross elasticity

16. Market equilibrium
17. Optimisation
18. Homogeneous production function
19. If  $U=x+y$  represents utility function, find MRS
20. Technical constraints
21. Technological matrix
22. Feasible solution
23. Lagrange function
24. Eulers theorem of distribution

(10x2=20marks)

### Part C

#### Short essays

Answer any six

25. The demand curve is given by  $Q=100-4P$ . Find MR
26. Write dual of the following

$$\text{Minimise } z=10x_1+15x_2$$

$$\text{Sub to } 30x_1+15x_2 \geq 900$$

$$40x_1+80x_2 \geq 2400$$

$$20x_1+90x_2 \geq 1800$$

$$x_1, x_2 \geq 0$$

27. The cost function of a firm is given by  $C=3q^2+5q+75$ . At what level of production will the

average cost per unit be the smallest.

28. Discuss "Transportation problem"
29. Explain input output analysis of 2 sector economy
30. What are the advantages of LPP over conventional theory of optimization?
31. Minimise costs for a firm with the cost function  $C=5x^2+2xy+3y^2+800$  subject to the production

quota  $x + y = 39$

32. Derive the equilibrium for a monopolist who practices price discrimination  
(6x5=30)

Part D

Essay Questions

Answer *any two*

33. State the conditions for equilibrium under perfect competition. A perfectly competitive firm has

$TR = 50X - X^2$  and  $TC = 30 + 2x$ . Find the equilibrium level of output and maximum level of profit

34. State and prove the properties of Cobb Douglas production function

35. Solve graphically

Maximise  $\pi = 20X_1 + 10X_2$

Sub to  $4X_1 + 3X_2 \leq 48$

$$3X_1 + 5X_2 \leq 60$$

$$X_1 \leq 9$$

$$X_1, X_2 \geq 0$$

36. Explain the important functions used in Economics. (2x12=24)

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**VI TH SEMESTER B A DEGREE EXAMINATION**  
**PUBLIC FINANCE VEC6B13**

**Time: Three Hours**

**Maximum:80marks**

Choose the correct answer.

- 1.The Benefit Principle of taxation states that tax should be paid in proportion to:  
A)Income B) Expenditure C) Benefit D) Utility
  2. Expenditure Tax for India was recommended by:  
A) Kaldor B) Colin Clark C) Adam Smith D) Adolph Wagner
  3. Corporate Income tax is the tax levied on:  
A) Corporations B) Municipalities C) Co-operative societies D) Companies
  - 4.Deficit financing is related to:  
A) Fiscal Policy B) Monetary policy C) Trade Policy D) Industrial policy
  - 5.Which one of the following is not a method for redeeming public debt?  
A) Sinking fund B) Capital levy C) Terminal annuities D) Grants in aid
  6. Public Goods are:  
A) Excludable B) Non-excludable C) Marketable D) All of these
  7. Direct taxes are:  
A) Proportional B) Regressive C) Digressive D) Progressive
  - 8.Which of the following is common between private and Public Expenditure?  
A)Maximum Satisfaction B) Minimum Expenditure C) Profit motive D) Social welfare
  - 9.Which of the following is the major source of revenue in India:  
A) Direct tax B) Capital levy C) Grants in aid D) Indirect tax
  10. The Theory of Maximum Social Advantage was given by:  
A) Marshal B) Dalton C) Musgrave D) Mill
  - 11.Which of the following is a Statutory Body?  
A)Finance Commission B) Planning Commission C) State Planning Board D) None of these
  12. Displacement effect is associated with:  
A) Financial Administration B) Public Expenditure C) Public Debt D) Budget
- (12x1/2=6 marks)**

**Very short answer questions. Answer any ten**

- 13.Principle of MSA

- 14. Merit Goods
- 15. Income Tax.
- 16. VAT
- 17. Incidence.
- 18. Cost Benefit Analysis.
- 19. Public Expenditure
- 20. Investment Evaluation
- 21. ZBB.
- 22. Budget
- 23. Parallel Economy
- 24. Finance Commission
- 25. Local Finance
- 26. Investment Evaluation

**(10 X 2 = 20 marks)**

**Answer any six. Short essays**

- 27. Explain Peacock-Wiseman Hypothesis
- 28. What are the Canons of Public Expenditure?
- 29. Distinguish Public Goods and Private Goods
- 30. Scope of Public Finance
- 31. How do you explain the concept of 'Mixed Economy'?
- 32. What are the sources of Public Revenue?
- 33. Explain the 'Ability to Pay' Theory
- 34. Explain the major taxes in India

**( 6 X 5=30 marks)**

**Essay Questions Answer any two**

- 35. Discuss the Impact and Incidence of Taxation with suitable examples
- 36. Explain the concept of Project Evaluation
- 37. Discuss the importance of Fiscal Policy as a tool towards economic stability.

**(2X12=24 marks)**

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**VI TH SEMESTER B A DEGREE EXAMINATION**  
**DEVELOPMENT ECONOMICS: VEC6B14**

**Time: Three Hours**

**Maximum:80marks**

**Part A .Multiple choice questions. Answer all.**

- 1.Economic development is  
a) quantitative b) qualitative c) both
2. Classical economist gave importance to  
a) capital formation b) technology c) labour
- 3.Growth and development is written by  
a) A.P. Thiriwall b) Meier c) Higgins
- 4.Lorenz Curve is used to measure  
a) inequality b) equality c) none
- 5.When there is disguised unemployment marginal productivity of labour is  
a) High b) low c) Zero
- 6.The concept of industrial reserve army occur in  
a) Marx's analysis of capitalism b) Recardian Theory c) Hallhusian Theory
7. According to Hirschman the path to development are  
a) 6 b) 2 c) none of these
- 8.The classical theory is based on  
a) Socialism b) Communism c) Laissez faire
- 9.Kerala rank which position in Gender related Development index.  
(a) First (b) Second (c) Fourth
10. Urban infrastructure includes:  
(a) Water supply and sanitation (b) Telecommunication (c) Rail Road Co-ordinator
11. The hypothesis on Kerala model refers to.  
(a) Peculiar development experience (b) Public policies (c) Social Development
12. The best indicator of economic development of any country is ?  
a)Its agriculture b)Its transport c)Its gross production d)Its per capita income

**(12x1/2=6marks)**

**Part B- Very Short Answer Questions Answer Any Ten Questions**

13. PQLI
14. MPI
15. Low Level Equilibrium Trap
- 16.Rostow's Stage Theory



17. Poverty
18. NITIA yog
19. Missing Women
20. Global Warming
21. Sustainable Development
22. Gender
23. Gini Coefficient
24. Input Output Analysis

**(10x2=20 marks)**

**Part C Short Essay Or Paragraph Questions Answer Any Six Questions**

25. Distinguish PCI and HDI
26. Explain the meaning of Growth
27. What are major measures of development?
28. Explain the Theory of Balanced Growth
29. What is the Critical Minimum Effort Theory ?
30. What are the types of Planning?
31. Explain the concept of Lorenz Curve
32. How does climatic change affect economic growth?

**(6X5=30marks)**

**Part D –Essay Questions Answer Any Two Questions**

33. Examine the relevance of Five Year Plans in India
34. Explain elaborately the theories of Economic Development
35. Critically examine the concept of “Economic Development Vs Environment Protection
36. Discuss the status of Indian Women amidst current economic Development of India

**(2X12=24marks)**

**VIMALA COLLEGE (AUTONOMOUS) THRISSUR**  
**VI TH SEMESTER B A DEGREE EXAMINATION**  
**ENVIRONMENTAL ECONOMICS- VEC6E01**

**Time: Three Hours**

**Maximum:80marks**

**Part A Multiple choice questions. Answer all.**

1. Market failure is caused by  
(A) open access (B) Pareto optimality (C) individual participation (D) externalities
2. The Environmental (Protection) Act was framed in the year  
(A) 2005 (B) 1986 (C) 1996 (D) 1976
3. Environmental problems can be solved by  
(A) health education (B) physical education (C) value based environmental education (D) advertisement
4. Clean technologies are  
(A) labour intensive (B) capital intensive (C) land intensive (D) environmentally sound technologies
5. Sustainable development means  
(A) development of UDCs (B) postponement of present consumption (C) meeting the needs of the present generation without compromising the needs of future generations (D) none of the above
6. World Environment Day is observed on  
(A) March 21 (B) April 7 (C) June 5 (D) October 3
7. Present environmental crisis is the result of  
(A) human activities (B) heavy industrialization (C) environmental activities (D) none of the above
8. Heavy industrialization leads to  
(A) sustainable development (B) pollution (C) heavy imports (D) globalization
9. Stockholm Conference was held in the year  
(A) 1970 (B) 1972 (C) 1973 (D) 1974
10. Public goods are  
(A) non-excludability (B) public bads (C) free rider (D) externalities
11. Soil erosion can be prevented by  
(A) afforestation (B) deforestation (C) vegetation (D) all the above
12. What is the Environmental Economics?

- A) The branch of economics that studies how environmental and natural resources are developed and managed.
- B) The branch of economics that shows how to exploit natural resources as quickly as possible.
- C) The psychological study of relationships between humans and natural resources.
- D) All answers above are correct. ( 12x1/2=6marks)

**Part B- Very Short Answer Questions Answer Any Ten Questions**

- 13. Environmental Economics
- 14. Market failure
- 15. Pollution
- 16. Climate change
- 17. Green House Effect
- 18. CBCSS
- 19. Externalities
- 20. Ozone depletion
- 21. Sustainable Development
- 22. Social Welfare Economics
- 23. Urbanization
- 24. Moral suasion

(10x2=20 marks)

**Part C Short Essay Or Paragraph Questions Answer Any Six Questions**

- 25. Explain the trade off game method
- 26. Explain the major methods to control pollution
- 27. What is the Limits to Growth Model
- 28. Explain the objectives of Sustainable Development
- 29. What is 'Environmental Cost of Economic Growth?'
- 30. What are the basic problems of pollution control?
- 31. Explain the basic theory of Environmental Economics
- 32. How externalities affect sustainable development

(6X5=30marks)

**Part D –Essay Questions Answer Any Two Questions**

- 33. Examine the major environmental problems in India
- 34. Explain elaborately the cost benefit analysis in controlling pollution
- 35. Explain the international conventions in relation to environmental pollution
- 36. Discuss the ways and means to develop the economy in a eco-friendly manner.

(2X12=24marks)

VIMALA COLLEGE (AUTONOMOUS) THRISSUR  
FIFTH SEMESTER B A DEGREE MODEL EXAMINATION  
OPEN COURSE –ECONOMICS  
VEC5 DO1 INTERNATIONAL TRADE AND FINANCE

Time: Two Hours

Maximum : 40 Marks

**Part A**  
**Objective Type Questions**

**Answer All Questions**

- 1 The theory of Absolute advantage was developed by .....  
a) Ricardo b) Adam Smith c) Ohlin d) Marshall
2. Modern theory of international trade is associated with ----  
a)Ricardo b)Adam Smith c) Heckscher –Ohlin d)J S Mill
3. Unilateral payments are called ..... Payments  
a) Debt payments b) Transfer payments c) credit payments d)equal payments
4. The PPP Theory was put forward by.....  
a) Gustav Cassel b) Ohlin c) Adam Smith d)J S Mill
5. Flexible exchange rate is also known as ---- exchange rate  
a) Fixed exchange rate b)Managed exchange rate c) Floating exchange rate c)  
Pegged
6. The deliberate action taken by the government to reduce the value of a country's currency is called  
a)Devaluation b)Revaluation c)Depreciation d)Appreciation
7. Balance of trade takes in to account only the ----- items of international trade  
a)Invisible items b)Visible items c) both visible & invisible items d) None of the above
8. The value of currency unit was defined in terms of gold under.....  
a) Brettonwood Standard b) Gold Standard c) Fixed exchange rate d) Managed floating  
(8 x 1/2 =4 Marks)

**Part B - Very short Answer Questions**  
**Answer any five Questions**  
**Each question carries 2 mark**

9. Free Trade
10. Mint Parity
11. Devaluation
12. Fixed Exchange rate
13. Quota
14. Flexible Exchange Rate
15. Define Balance of Payment

**(5 x 2 = 10 Marks )**

### **Part C**

**Short Essay or Paragraph**  
**Answer any Four questions**  
**Each question carries 4 mark**

16. Explain Comparative Cost Advantage theory
17. Distinguish Internal and International trade
18. What are the arguments for free trade
19. What are the arguments for Flexible exchange rate?
20. Explain Purchasing Power Parity Theory
21. Explain Absolute Cost Advantage theory

**(4 x 4 =16 Marks)**

### **Part D**

**Essay Questions**  
**Answer Any one Question**  
**Each question carries 10 mark**

19. Explain the components of BOP? Explain the measures to correct BOP Equilibrium
  20. Explain the modern theory of International trade
- (1 x 10 =10 Marks)**