M.Com Core Course in Economics Semester I and II

COURSE: CORE COURSE IN ECONOMICS

PAPER: ECONOMICS FOR BUSINESS DECISIONS

(Choice Based Credit System   with Effect from the Academic Year 2018-19)

1. **Name of the Programme:**   **: M.COM**

2. **Paper Code**   **: RJCPCOM101**

3. **Course Name**   **: Core Course in Economics**

4. **Paper Name**   **: Economics For Business Decisions**

5. **Semester wise Paper Contents**   **: Enclosed the Copy of Syllabus**

6. **References**   **: Enclosed in the Syllabus**

7. **Credit Structure**   **: 06 Credits per Semester**

8. **No. of lectures**   **: 60 Lectures for Four Units**

9. **No. of lectures per week**   **: 04 Per Week**

10. **Scheme of Examination**   **: 60:40 Pattern**

Syllabus of Programme M.COM (First Year)

(With Effect from the Academic Year: 2018-19)

M.Com Core Course in Economics Semester I and II

Syllabus of Programme of M.COM (First Year)
(With Effect from the Academic Year: 2018-19)
CORE COURSE IN ECONOMICS
PAPER: RJCPCOM101
SEMESTER –I

PAPER CODE	COURSE AND PAPER NAME	LECTURES	CREDITS	MARKS
RJCPCOM101	**CORE COURSE IN ECONOMICS (ECONOMICS FOR BUSINESS DECISIONS)**	**60**	**06**	**60**

Preamble:
This paper is designed to equip the students with basic tools of economic theory and practical applications. The paper aims at familiarizing the students with the understanding of the economic aspects of current affairs and thereby prepares them to analyze the market behaviour with economic way of thinking. In addition to providing an insight into application of economic principles in business decisions, it also intends to widen analytical ability of the students and to provide them a foundation for further study of economics. In order to make the study practical oriented, the paper requires discussion of some cases involving the use of concepts of Business Economics.

Unit 1: Basic Principles in Business Economics   **(15 lectures)**
Meaning and scope of Business Economics –twin principles of scarcity and efficiency; incremental and Marginal principle; profit maximisation principle; market economy and invisible hand; production possibility frontier; Opportunity cost - accounting profit and economic profit; market failure, externality, public goods and economic role of Government

Unit 2: Demand and Supply Analysis   **(15 lectures)**
- Determinants of demand – market demand function - theory of attributes, snob appeal, band wagon and Veblen effect and demand function. Law of supply- elasticity of supply
- Applications of elasticity of demand and supply to economic issues : Paradox of bumper harvest- tax on price and quantity - minimum floor and maximum ceilings : minimum wages controversy and Administered price control
- The theory of consumer choice - Consumer preference and budget constraint - equilibrium position of tangency with the help of Indifference curve analysis- effect of changes in price and income on consumer equilibrium

Unit 3: Production Decisions and Cost Analysis: **(15 lectures)**
- Production function - short run and long run - Law of variable proportion, returns to scale, scale economies, scope economies- least cost factor combination for a given

M.Com Core Course in Economics Semester I and II

PAPER: MACROECONOMIC CONCEPTS AND APPLICATIONS

(Choice Based Credit System   with Effect from the Academic Year 2018-19)

1. **Name of the Programme:**   : M.COM

2. **Paper Code**   : RJCPCOM201

3. **Course Name**   : Core Course in Economics

4. **Paper Name**   :Macroeconomic Concepts and Applications

5. **Semester wise Paper Contents**   : Enclosed the Copy of Syllabus

6. **References**   : Enclosed in the Syllabus

7. **Credit Structure**   : 06 Credits per Semester

8. **No. of lectures**   : 60 Lectures for Four Units

9. **No. of lectures per week**   : 04 Per Week

10. **Scheme of Examination**   : 60:40 Pattern

Syllabus of Course M.COM (First Year)

(With Effect from the Academic Year: 2018-19)

CORE COURSE IN ECONOMICS

M.Com Core Course in Economics Semester I and II

RJCPCOM201	CORE COURSE IN ECONOMICS (MACROECONOMIC COCEPTS AND APPLICATIONS)	60	06	60

Preamble:
The heavily application oriented nature of macroeconomics subject is introduced in order to enable the post graduate students to grasp fully the theoretical rational behind policies at the country as well as corporate level. This paper helps the students to receive a firm grounding on the basic macroeconomic concept that strengthen analysis of crucial economic policies.

Unit 1: Aggregate Income and Its Dimensions (15 lectures)
Aggregate Income and its dimensions: National income aggregates - and measurement; - GNP, GDP, NDP, Real and nominal income concepts, measures of inflation and price indices - GDP deflator, - Nominal and real interest rates- PPP income and HDI

Unit 2: Keynesian Concepts of ADF and ASF (15 lectures)
Keynesian concepts of Aggregate Demand (ADF), Aggregate Supply (ASF), Interaction of ADF and ASF and determination of real income; Inflationary gap
Policy trade- off between Inflation and unemployment – Phillips' curve – short run and long run-

Unit 3: Economic Policy Implications in the IS-LM Framework (15 lectures)
The IS-LM model: Equilibrium in goods and money market; Monetary and real influences on IS-LM curves, Economic fluctuations and Stabilisation policies in IS-LM framework - Transmission mechanism and the crowding out effect; composition of output and policy mix, IS-LM in India

Unit 4: International Aspects of Macroeconomic Policy (15 lectures)
International aspects of Macroeconomic policy: Balance of payments disequilibrium of an open economy - corrective policy measures -Expenditure changing policies and expenditure switching policies BOP adjustments through monetary and fiscal policies -The Mundell-Fleming model - Devaluation, revaluation as expenditure switching policies - effectiveness of devaluation and J - curve effect

References:
1) Dornbusch. R, Fisher.S., Macroeconomics, Tata McGraw-Hill 9th edition
2) D'Souza Errol., Macroeconomics, Pearson Education 2008
3) Gupta G.S., Macroeconomics Theory and Applications, Tata McGraw-Hill, New Delhi 2001
4) Dwivedi D.N., Macroeconomics theory and policy, Tata McGraw-Hill, New Delhi 2001

M.Com Core Course in Economics Semester I and II

1	MCQ	20
2	MCQ	20

(B) Semester End Examination:60 Marks
Maximum Marks: 60 Marks

Time: 2 Hours

Note: 1) Attempt all questions.

2) All questions carry equal marks.

3) Answer any two from each question.

Question Number	Unit	Particulars	Answer	Marks
Q.1	1	A) Full Length B) Full Length C) Full Length	Any Two	15
Q.2	2	A) Full Length B) Full Length C) Full Length	Any Two	15
Q.3	3	A) Full Length B) Full Length C) Full Length	Any Two	15
Q.4	4	A) Full Length B) Full Length C) Full Length	Any Two	15