



MANONMANIAM SUNDARANAR UNIVERISTY,
TIRUNELVELI-12

SYLLABUS

UG - COURSES – AFFILIATED COLLEGES

Course Structure for B. A. Economics

(Choice Based Credit System)

(with effect from the academic year 2021-2022 onwards)



Semester-VI				
Part	Subject Status	Subject Title	Subject Code	Credit
III	Core	Macroeconomics - II	CMEC61	4
III	Core	Public Finance –II	CMEC62	4
III	Core	Money and Banking	CMEC63	4
III	Core	Indian Economy	CMEC64	4
III	Major Elective - 2	Economics of Development and Planning/ Industrial Economics	CEEC61/ CEEC62	4
III	Major Project	Group Project	CMEC6P	7



Total Marks: 100 Internal Exam: 25 marks + External Exam: 75 marks

A. Scheme for internal Assessment:

Maximum marks for written test: **20 marks**

3 internal tests, each of **1 hour** duration shall be conducted every semester.

To the average of the **best two** written examinations must be added the marks scored in. The **assignment** for 5 marks.

The break up for internal assessment shall be:

Written test- 20 marks; Assignment -5 marks Total - 25 marks

B. Scheme of External Examination

3 hrs. examination at the end of the semester

A – Part : 1 mark question two - from each unit

B – Part : 5 marks question one - from each unit

C – Part : 8 marks question one - from each unit

➤ **Conversion of Marks into Grade Points and Letter Grades**

S.No	Marks	Letter Grade	Grade (GP)	point	Performance
1	90-100	O	10		Outstanding
2	80-89	A+	9		Excellent
3	70-79	A	8		Very Good
4	60-69	B+	7		Good
5	50-59	B	6		Above Average
6	40-49	C	5		Pass
7	0-39	RA	-		Reappear
8	0	AA	-		Absent

➤ **Cumulative Grade Point Average (CGPA)**

$$CGPA = \frac{\Sigma (GP \times C)}{\Sigma C}$$

- **GP** = Grade point, **C** = Credit
- CGPA is calculated only for Part-III courses
- CGPA for a semester is awarded on cumulative basis

➤ **Classification**

- First Class with Distinction : CGPA \geq 7.5*
- First Class : CGPA \geq 6.0
- Second Class : CGPA \geq 5.0 and $<$ 6.0
- Third Class : CGPA $<$ 5.0



MACROECONOMICS – II

Course Objectives:

This course will help the students

- To understand the types of investment and the factors affecting investment.
- To learn about the business cycle and theories of the business cycle.
- To acquire knowledge in the concept of Multiplier.
- To become familiar with the working of the Accelerator.
- To enhance their knowledge of macroeconomic policies.

Unit I: Investment Function

Meaning – Types – The present value criterion of investment – MEC - Determinants of Investment - Factors affecting investment.

Unit II: Trade cycle

Meaning - Characteristics - Phases - Causes and effects of business cycle - Theories of Business cycle: Schumpeter's Innovations Theory - Hicks's Theory of Business cycle – Measures to control business cycle.

Unit III: Multiplier

Meaning - Working of the multiplier – Assumptions - Leakages - Criticisms – Importance.

Unit IV: Accelerator

Meaning – Working of the Accelerator - Assumption – Importance – Limitations – Super Multiplier.

Unit V: Macro Economic Policy

Monetary Policy: Objectives - Instruments - Expansionary and Restrictive monetary policy – Role of monetary policy in a developing economy. Fiscal policy: Objectives - Instruments - Compensatory fiscal policy - Role of fiscal policy in a developing economy.

References:

1. Ahuja, H.L., Macroeconomics Theory and Policy, S.Chand & Company Ltd, New Delhi, 2016.
2. Edward Shapiro, Macroeconomic Analysis, Galgotia Publications Pvt Ltd, New Delhi, 2001.
3. Eugene Diulio, Schaum's Outline of Macroeconomics, McGraw Hill Publisher, 2020.
4. Jhingan, M.L, Macro Economic Theory, Vrinda Publication (p) Ltd, 2016.
5. Mithani, D.M., Macroeconomics, Himalaya Publishing House, 2019.
6. Richard T. Froyen, Macroeconomics: Theories and Policies, Pearson Publisher, 2012.

Course Outcomes:

After the completion of the course, the students will be able to

CO 1: Identify the determinants of investment.

CO 2: Demonstrate the phases of the trade cycle and summarize the measures to control the business cycle.

CO 3: Analyse the working of the Multiplier and Accelerator.

CO 4: Explain and evaluate the role of macroeconomic policy in a developing economy.

CO 5: Recommend suitable policy measures during the inflation period.



PUBLIC FINANCE – II

Course Objectives:

This course will help the students

- To identify the different types of goods.
- To be aware of the procedure of budgeting.
- To get an insight into the fiscal policy tools.
- To recognize the problems of local bodies in India.
- To gain more knowledge on Finance Commissions.

Unit I: Public Goods

Meaning – Types – Pure – Partial – Private – Merit Goods – Characteristics of Public goods - Failure of Market economy.

Unit II: Budget

Meaning – Purpose - Types – Procedure of budgeting — Zero Base Budgeting – Performance Budgeting - Highlights of the Current year's budget.

Unit III: Fiscal Policy

Meaning - Objectives – Techniques – Functional Finance – Contra Cyclical fiscal policy – Role of Fiscal Policy in a developing Country - Limitations.

Unit IV: Local Bodies

Meaning and Structure of local Finance – Difference between State Finance and local Finance – Sources of revenue of local bodies – Problems of local bodies in India.

Unit V: Finance Commission

Meaning – Functions– Procedure and Powers of the Commission – An overview of FCs in India – Major recommendations of 14th and 15th Finance Commissions.

References:

1. Bhatia, H.L., Public Finance, Vikas Publishing House, 2020.
2. Goel, S.L., Public Financial Administration, Deep & Deep Publications Pvt.ltd, 2002.
3. Jhingan, M.L., Money, Banking, International Trade and Public Finance, Vrinda Publications, 2013
4. Richard A.Musgrave and Peggy B.Musgrave, Public Finance in Theory and Practice, 2017.
5. Tyagi, B.P., Public Finance, Jai Prakash Nath & Co, 2015

Course Outcomes:

After the completion of the course, the students will be able to

CO 1: List out the features of public goods and differentiate the goods.

CO 2: Classify the budget, explain the procedure of budgeting, and point out the key highlights of the current year budget.

CO 3: Identify the instruments of fiscal policy adopted by the government in the current scenario.

CO 4: Categorize the revenue of local bodies, compare local finance with state finance, and analyse the problems of local bodies.

CO 5: Evaluate the recommendations of finance commissions.



MONEY AND BANKING

Course Objectives:

This course will help the students

- To understand the evolution of money.
- To acquire more knowledge on the monetary standard.
- To become familiar with the causes and consequences of inflation.
- To get an understanding of the functions of different types of banking.
- To enhance their knowledge of modern banking practices.

Unit I: Barter System and Evolution of Money

Meaning of Barter System - Difficulties of Barter System - Evolution of Money- Meaning and Definition of Money-Function of Money-Kinds of Money-Qualities of good money-Merits and Demerits of Money.

Unit II: Monetary Standard and Value of Money

Meaning - Types of Monetary Standard - Gold Standard - Monometallism – Bimetallism- Gresham's Law-Functions of Gold Standard-Causes and Failures of Gold Standard – Paper Currency Standard - Merits and Demerits of Paper Currency Standard - Principles of Note Issue - Velocity of Circulation of money - Fisher's Quantity theory of money - Cambridge equation of exchange-Keynes' Savings and Investment Theory.

Unit III: Inflation and Deflation

Meaning-Definition-Features-Kinds of Inflation-Causes of Inflation- Effects of Inflation- Methods of controlling Inflation. Deflation-Methods of controlling Deflation- Stagflation.

Unit IV: Commercial Banking and Central Banking

Definition of Banking-Types of Banking: Unit Banking-Merits and Demerits, Branch Banking- Merits and Demerits, Commercial Banks- Functions - Role of Commercial Bank in a developing economy-Credit Creation, Central Banking-Functions of Reserve Bank of India -Credit Control.

Unit V: Modern Banking

Definition- Functions of Modern Banking-E-Banking-NEFT-RTGS-IMPS-Mobile Banking- Debit Cards-Credit Cards – G Pay.

References:

1. Jhingan, M.L., & Jhingan, B.K., Monetary Economics, Vrinda Publications, 2019.



2. Seth, M.L., Money, Banking, International Trade and Public Finance, Lakshmi Narain Agarwal, 2020.
3. Sundaram, K.P.M., Money, Banking and International Trade, 2005.
4. Vaish, M.C., Money, Banking and International Trade, New Age Publishers, 1985.
5. Narayanan Nadar, E., Money and Banking, PHI Publisher, 2013.

Course Outcomes:

After the completion of the course, the students will be able to

CO 1: Define Money and list out the qualities of good money.

CO 2: Classify the monetary standard and demonstrate the theories of money.

CO 3: Identify the causes of inflation and explain the methods of controlling inflation.

CO 4: Analyse the functions of different types of banking.

CO 5: Evaluate modern banking practices and make use of the best one.

INDIAN ECONOMY

Course Objectives:

This course will help the students

- To understand the concept of Demographic Transition and HDI.
- To acquire more knowledge on agriculture and industry in India.
- To know the progress of Education, health indicators, and public expenditure on health.
- To enrich their knowledge of the transport sector.
- To gain more knowledge of banking and IT services.

Unit I: Introduction

Features of Indian Economy - Human Resources - Demographic Transition - Causes and Measures of controlling Population - Human Development Index (HDI) – Meaning and Measurement - Problem of Poverty and Unemployment – Causes and Remedial Measures.

Unit II: Agriculture and Industrial Sector

Importance of agriculture- Crop pattern – Causes for low productivity – Rationale for Second Green Revolution - Agricultural development under Five Year Plans – Organic Farming. Role of Industries in economic development - Industrial Policy since 1991- Role of Public sector —Performance of Public sector –Private sector – Role of Private Sector.



Unit III: Education and Health Sector

Education-Progress of Education in India -School - Higher Education -Technical Education - Vocational Education. Health Indicators in India -Health Expenditure in India -National Rural Health Mission –National Urban Health Mission Programmes-Objectives and Achievements.

Unit IV: Transport Sector

Role of Transport in Economic Development –Types of Transport - Importance (Railway,Roadways, Shipping and Civil Aviation).

Unit V: Banking and IT Services

Development of Banking Institutions: IFCI, ICICI, IDBI: Features.

IT industry: Structure, Growth and contribution to GDP - Role and Importance of IT & ITES in India - Recent Developments. (10L)

References:

1. Ishwar C.Dhingra -The Indian Economy, Sultan Chand and Sons, 2014.
2. Meier. G.M., Rauch, J.E., Leading Issues in Economic Development, Oxford University Press, 2005.
3. Puri, V.K., & Misra, S.K., Indian economy, Himalaya Publishing House, 2017.
4. Ramesh Singh, Indian economy, McGraw Hill Education, 2018.
5. Ruddar Datt and Sundharam K.P.M., Indian Economy, Sultan Chand, New Delhi, 2018.
6. Sankaran,S., Indian Economy, Margham Publications, 2014.

Course Outcomes:

After the completion of the course, the students will be able to

CO 1: Recollect the determinants of development, identify the factors responsible for poverty and unemployment in India.

CO 2: Illustrate the performance of agriculture and industry in recent years.

CO 3: Explain the progress of the education and health sector.

CO 4: Examine the role of transport in the economic development of India.

CO 5: Assess the growth of the IT industry and its contribution to GDP.



ECONOMICS OF DEVELOPMENT AND PLANNING

Course Objectives:

This course will help the students

- To know the characteristics of the Indian Economy.
- To acquire more knowledge about obstacles to economic development.
- To learn various theories of economic development.
- To be familiarised with the growth models.
- To get an overview of five-year plans in India.

Unit I: Introduction

Economic development - Economic growth – Difference between economic development and economic growth - Measurement of economic development – Characteristics of Underdeveloped Countries – Determinants of Development: Economic and Non-Economic forces.

Unit II: Obstacles to Economic Development

Vicious circle of poverty - Low rate of Capital formation - Social-Cultural constraints – Market imperfections - Agricultural constraints - Human Resources constraints.

Unit III: Theories of Economic Development

Marx - Schumpeter - Big push - Balanced and Unbalanced Growth - Leibenstein Critical Minimum Effort Theory.

Unit IV: Models of Growth

Rostow's stages of Economic growth - Harrod-Domar model – Joan Robinson model – Solow model.

Unit V: Economic Planning

Meaning – Objectives - Planning by Direction - Planning by Inducement - Planning under Capitalism - Planning under Socialism - Centralized and decentralized planning - Planning under Mixed economy - Achievements and failures of five-year plans in India- NITI Aayog.

References:

1. Agrawal, A.N., & Agarwal, M.K., Indian Economy: Developmental Problems and Policies, New Age International Publishers, 2019.
2. Jhingan, M.L., & Jhingan, B.K., The Economics of Development and Planning, Vrinda Publications (P) Ltd., New Delhi, 2019.
3. Meier, G.M., Rauch, J.E., Leading Issues in Economic Development, Oxford University Press, 2005.
4. Puri, V.K., & Misra, S.K., Economics of Development and Planning – Theory



and Practice, Himalaya Publishing House, 2020.

5. Ruddar Datt and Sundharam K.P.M., Indian Economy, Sultan Chand, New Delhi, 2018.
6. Taneja, M.L., & Myer, R.M., Economics of Development and Planning, Vishal Publishing Co, 2017.

Course Outcomes:

After the completion of the course, the students will be able to

CO 1: Differentiate economic development and growth and point out the determinants of economic development.

CO 2: Illustrate the obstacles to economic development.

CO 3: Analyse the theories of economic development.

CO 4: Critically examine the growth models.

CO 5: Describe the need for planning, appraise the five-year plans in India and explain about NITI Aayog.

INDUSTRIAL ECONOMICS

Course Objectives:

This course will help the students

- To understand the need for industrial development and factors affecting industrialisation.
- To acquire knowledge about the determinants of industrial location.
- To know the role of financial institutions in industrial development.
- To have an insight into the problems encountered by the industries.
- To gain more knowledge on the industrial policy adopted by India.

Unit I: Introduction

Concepts and definition of Industrialization - Need and importance of industrial development - Factors affecting industrialization - Production - Productivity: Total factor productivity – Labour productivity-Capital productivity.

Unit II: Industrial Location

Meaning - Determinants of Industrial location: Technical factors - Economic and Infrastructural factors - Other factors. Theory of industrial location: The Central Place theory-Renner's theory- Economic theory of industrial location: Weber's theory- The market area theory of Tord Palander- Trends of industrial location in India.

Unit III: Industrial Finance

Meaning - Importance – Role of industrial finance - Institutional finance - Types - Functions of IFCI, IDBI, SIDBI, ICICI, SFCs, SIDC, Commercial banks, etc. in



industrial development- Trend and problems of industrial finance in India.

Unit IV: Problems of Industrial Development

Problems: Financial - Labour - Infrastructure and raw material - Problems of MSMEs - Problems of large-scale industries: Iron and Steel industry -Textile industry - Jute industry - Sugar industry - Cement industry - Problems of modern industries - Probable solutions for the problems.

Unit V: Industrial Policy in India

Industrial Policy Resolution 1948 - Insights of Industrial Policy Resolution 1956 - New licensing policy and procedures 1970 - The main features of Industrial Policy 1977 - Industrial Policy statement of 1980- A glimpse on new Industrial Policy 1991 - Recent Industrial Policy of India.

References:

1. Barthwal, R.R, Industrial Economics, An Introductory Textbook, New Age Internationals, New Delhi, 2017.
2. Desai, S.S.M., & Nirmal Bhalerao, Industrial Economy of India, Himalaya Publishing House, 2010.
3. Ranjana Seth, Industrial Economics, Ane Books Pvt. Ltd, New Delhi, 2010.
4. Ruddar Dutt & K.P.M. Sundaram, Indian Economy –, S. Chand & Co. New Delhi, 2018.
5. Sivayya & Das, Indian Industrial Economy, Chand & Com, New Delhi, 1984.

Course Outcomes:

After the completion of the course, the students will be able to

CO 1: List out the importance of industrial development.

CO 2: Demonstrate the theories of industrial location.

CO 3: Examine the problems of industrial finance in India and analyse the role of financial institutions in industrial development.

CO 4: Evaluate the different types of problems encountered by the industries in India and recommend measures to solve them.

CO 5: Appraise the industrial policy introduced in India since independence.

