



NAGINDAS KHANDWALA COLLEGE

(AUTONOMOUS)

MA ECONOMICS

(Syllabus for Part II - Semester III)

effective from 2017-18

Preamble

The Papers at Semester III aim at specialisation in the various branches of Economics. They assume knowledge of basic concepts and aim at ability and skill enhancement of students.

- 1) There are four Elective Papers of 6 Credits each.**
- 2) Total 24 Credits (6*4).**
- 3) 4 teaching Hours a week for each Paper.**
- 4) A Semester roughly comprises of 15 weeks.**

SEMESTER –III

Elective 01: ECONOMICS OF AGRICULTURAL PRODUCTION AND RURAL MARKETS

CREDITS : 06

MODULE-1: PRODUCTION, RESOURCE USE AND INSTABILITY IN AGRICULTURE: (12 lectures)

Important Production Relationships, Substitution of Inputs and Products, Resource Use and Cost of Cultivation, Price Variability and Income Instability in Agriculture and Rationale for Government Intervention- Buffer Stocks, Minimum Support Prices- Crop Insurance

MODULE-2: AGRICULTURAL PRODUCT MARKETS: (12 lectures)

Features of an Ideal Marketing System, Problems of Agricultural Markets in India, Remedial Measures- Regulated Markets, Co-operatives, Futures Trading, Role of Technology, Cash Crops- Various Issues, Agri- Business and Contract Farming

MODULE-3: RURAL CREDIT MARKETS: (12 lectures)

Characteristics of Rural Credit Markets, Lender's Risk Hypothesis, Default and Collateral, Credit Rationing, Informational Asymmetries, Role of the Unorganised Sector, Co-operative Credit Institutions, Commercial Banks, Regional Rural Banks, NABARD- Microfinance in Rural Credit

MODULE-4: LAND AND LABOUR MARKETS: (12 lectures)

Types of Farming, Analysis of Rural Classes and Inequity in Distribution of Holdings, Lease Market and Share Tenancy, Market interlocking and interlinkages, Free and Unfree Labour, Wage Differentials- Property Rights

References:

Sadhu, A N. and Amarjit Singh(2007): Fundamentals of Agricultural Economics, Himalaya Publishing House

Basu, Kaushik(1998), *Analytical Development Economics*, OUP, New Delhi.

Ray, Debraj (2004), *Development Economics*, OUP, New Delhi.

Elective 02: INTERNATIONAL TRADE: THEORY AND POLICY

CREDITS : 06

MODULE-1: CLASSICAL TRADE THEORY: (12 lectures)

Absolute and Comparative Cost Advantage Theory, Opportunity Cost Approach, Gains from Trade, Terms of Trade, Reciprocal Demand and Offer Curves

MODULE-2: NEO-CLASSICAL TRADE THEORY: (12 lectures)

Heckscher-Ohlin Theory, Leontief's Paradox, Factor Price Equalisation Theorem, Trade and Growth, Technological Progress, Rybczynski Theorem

MODULE-3: MODERN TRADE THEORY: (12 lectures)

Intra-Industry Trade, Imperfect Competition and Trade-The Neo-Heckscher-Ohlin Models-Falvey Model, Neo-Chamberlinian Models-Krugman Model, Oligopolistic Models-Brander-Krugman Model, Reciprocal Dumping Model-Iceberg Model-Trade in Services

MODULE-4: TRADE POLICY: (12 lectures)

Tariffs, Quotas and Other Non-Tariff Barriers, Optimum Tariff, Stolper-Samuelson Theorem, Metzler's Paradox, Theory of Customs Union, Regional Trading Agreements

References:

Krugman P. R. And M. Obstfeld (2000):International Economics Theory and Policy, Addison- Wesley, Delhi

Salvatore D, 2002, International Economics, John Wiley and Sons Singapore

Sodersten Bo and Geoffrey Reed 1994, International Economics, Macmillan, London

Elective 03: INDUSTRIAL ECONOMICS

CREDITS : 06

MODULE-1: Theory of the Firm: (12 lectures)

Firm Structure-Market Structure- Competition and Interdependence- Monopoly Power-Product Differentiation- Oligopoly- Price Leadership- Economies of Scale- Integration-Capital Requirements

MODULE-2: Innovations and Intellectual Property: (12 lectures)

Invention and Innovation- Product and Process Innovation – Schumpeter's Theory- Adoption and Diffusion of Innovations–Effects of Innovation on Welfare and Employment- Market Concentration-Advertising – Intellectual Property Rights

MODULE-3: Financial Analysis: (12 lectures)

Fund Flow Analysis- Ratio Analysis- Balance Sheet- Profit and Loss Account-Investment Decisions- Net Present Value Method-internal Rate of Return-Discounted Payback Period-Optimum Capital Structure-Modigliani-Miller Hypothesis

MODULE-4: Indian Industry: (12 lectures)

Trends in Industrial Growth in India since 1991- Industrial Location Policy- Small Scale Industries- Role- Performance and Policy- Public Sector Enterprises – Privatisation and Disinvestment- Competitiveness of Indian Industries-Competition Policy- Foreign Direct Investment- Make in India

References:

Hay J and Morris D J (1985) Industrial Economics- Theory and Evidence, Oxford University Press

Koutsoyiannis A. (1985): Modern Microeconomics, Macmillan

Mookherjee Dilip (eds.) (1998): Indian Industry- Policies and Performance, Oxford University Press, Delhi

Shepherd W.C. (1985): The Economics of Industrial Organisation, Prentice Hall , London

Elective 04: BANKING: THEORY AND POLICY

CREDITS : 06

MODULE-1: OVERVIEW OF BANKING : (12 lectures)

Financial Intermediation - Role of Banking in the Financial system –
Assets and Liabilities of Commercial Banks- Sources and Uses of Funds-
Liquidity versus Profitability-Structure of the Banking system

MODULE-2-: COMPETITION IN BANKING: (12 lectures)

Banking Sector Reforms -Private Sector Banks -Foreign Banks --
Competition and Financial Stability - - Recent Developments in Banking-
electronic banking- Diversification -Universal Banking

MODULE-3: CENTRAL BANKING AND REGULATION: (12 lectures)

Functions of a Central Bank- Monetary Policy Instruments- Transmission
Mechanism- Banking Crises-Need and Scope for prudential regulation-
Basel Accord – Risk Based Regulatory Capital and Other Indicators-
Deposit Insurance- -- NPAs-SARFAESI

MODULE-3: INDIAN BANKING: (12 lectures)

Co-operative Banks- Regional Rural Banks-SBI and its Associates-
Commercial Banking 1969- 1991--- Performance of Public Sector Banks in
the Post Reform Period- Changes in Priority sector lending- Financial
Inclusion- Microfinance Institutions

References:

Berger, A., P Molyneux and J. Wilson (2010) The Oxford Handbook of Banking,
Oxford University Press, New York

Ramakrishna, G. And K. Rao(2008): Performance of Public Sector Banks after Reforms,
Serials Publications, New Delhi

Examination Pattern 60: 40

The performance of the learners will be evaluated in two Components.

One component will be the Continuous Internal Evaluation (CIE) component carrying 40% marks and the second component will be the Semester End Examination (SEE) component carrying 60% marks.

The allocation of marks for the Continuous Internal Evaluation (CIE) and Semester End Examination will be as shown below:-

A) Continuous Internal Evaluation (CIE): 40 % (40 marks)

Sr. No.	Particular	Marks
1	Class test - 45 mins. duration	20
	(Attempt Any two out of three Questions) (10 Marks each)	
2	Project	10
3	Active participation in routine class instructional deliveries and overall conduct as a responsible learner, mannerism and articulation and exhibit of leadership qualities in organizing related academic activities	10

B) Semester End Examination (SEE): 60 % (60 marks)

- 1) Duration: The examination shall be of 2 Hours duration
- 2) Question paper pattern
 - There shall be four questions each of 15 marks.
 - All questions shall be compulsory with internal choice.
 - There will be one Question on each Unit.

Question Paper Pattern

Maximum Marks: 60

Questions to be set: 04

Duration: 2 Hrs.

All Questions are Compulsory Carrying 15 Marks each.

Question No	Particular	Marks
Q 1	Three questions to be asked : A B C Any Two to be attempted From Unit-I	15 Marks 7 ½ Marks Each
Q 2	Three questions to be asked : A B C Any Two to be attempted From Unit-II	15 Marks 7 ½ Marks Each
Q 3	Three questions to be asked : A B C Any Two to be attempted From Unit-III	15 Marks 7 ½ Marks Each
Q 4	Three questions to be asked : A B C Any Two to be attempted From Unit-IV	15 Marks 7 ½ Marks Each

Passing Standard

- The learners shall obtain minimum of 40% marks (i.e. 16 out of 40) in the Continuous Internal Evaluation (CIE) and 40% marks in Semester End Examination (i.e. 24 Out of 60) separately, to pass the course and minimum of Grade D to pass a particular semester.
- A learner will be said to have passed the course if the learner passes the Continuous Internal Evaluation (CIE) and Semester End Examination together.

ATKT in Continuous Internal Evaluation (CIE)

Students failing to clear the Continuous Internal Evaluation (CIE) will have to submit a project on a topic approved by the subject teacher.

The allocation of marks will be as follows:

- Written Assignment – 20 marks
- Presentation- 10 marks
- Viva – 10 marks