



SAVITRIBAI PHULE PUNE UNIVERSITY
(Formerly University of Pune)

S.Y.B.A. Economics Syllabus
(Faculty of Humanities)

(Choice Based Credit System and Semester System)

Implemented from Academic Year- 2020-21

| Paper | Semester | Title of the Paper |
|--------------|-----------------|---------------------------|
| G -2 | III & IV | Financial System |
| S -1 | III & IV | Micro Economics |
| S -2 | III & IV | Macro Economics |

S.Y.B.A. Economics Syllabus Committee

| Sr. No. | Name | Designation |
|----------------|-----------------------|--------------------|
| 01 | Dr. Sambhaji B. Kale | Chairman |
| 02 | Dr. Manasi Kurtkoti | Coordinator |
| 03 | Prof. Dr. Suhas Avhad | Member |
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| 07 | Dr. Jaywant Bhadane | Subject Expert |
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| 09 | Dr. Vishwajeet Kadam | Subject Expert |
| 10 | Mr. Shayam Satarle | Subject Expert |

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| 11 | Dr. Hamdani Rizwana | Subject Expert |
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S.Y.B.A. Economics (Revised Syllabus)
Choice Based Credit System (CBCS)

Year of Implementation : From June 2020

G -2. Financial System

Preamble:

A financial system is a network of financial institutions, financial markets, financial instruments and financial services to facilitate the transfer of funds. It serves as a backbone of any economy. This paper aims to provide knowledge about the financial system in the country. It also aims to introduce international financial institutions operating in the global economy. The present era is the one with huge changes, development and challenges in every sector. This paper on financial system will also highlight some of the important changes taking place in the Indian financial sector.

Objectives (Course Outcomes) of the Paper:

- To understand fundamentals of modern financial system.
- To understand the recent trends and developments in banking system.
- To understand the role of the Reserve Bank of India in Indian financial system.
- To provide the knowledge of various financial and non-financial institutions.
- To provide the students the intricacies of Indian financial system for better financial decision making.

Method of Teaching:

Classroom lectures, Use of ICT, YouTube lectures, Online PPTs, Group Discussions, Teacher driven Power Point Presentations

Pattern of Examination : 70:30

- i) University Examination of 70 marks with internals of 30 marks. ii)
Pattern of Question Paper : Patter for 70 marks
- Question Number 1:8 Questions to be answered out of 10 with total marks 16
 - Question Number 2:4 Questions to be answered out of 6 with total marks 16
 - Question Number 3:3 Questions to be answered out of 4 with total marks 18
 - Question Number 4:2 Questions to be answered out of 3 with total marks 20
- iii) Duration for 70 marks : 3 Hours.
- iv) Patter for 30 marks:
- Internal exam (20 marks)
 - PPT, Oral Exam, Assignments, Micro field work (10 Marks)

**Semester III
Financial System I**

| Unit | Name and Contents | Number of Lectures |
|-------------|--|---------------------------|
| 1 | Indian Financial System | 12 |
| 1.1 | Introduction: Meaning, Nature, Role and Importance of Indian Financial System. | |
| 1.3 | Structure of Indian Financial System. | |
| 1.4 | Characteristics and Functions of Components of Indian Financial System. | |
| 2 | Banking in India | 10 |
| 2.1 | Commercial Banks (Public Sector Banks, Private Sector Banks, Foreign Banks): Management, Organization and Functions. | |
| 2.2 | Regional Rural Banks and Co-operative Banks: Evolution, Management and Organization, Loan Management, Functions, Problems and Measures to solve the problem. | |
| 3 | Financial Markets in India | 12 |

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| 3.1 | Classification of Financial Market. | |
| 3.2 | Indian Money Market: Features, Functions and Instruments. | |
| 3.3 | Indian Capital Market: Features, Functions and Instruments. | |
| 3.4 | Foreign Exchange Market: Role and Importance. | |
| 4 | Important Financial Institutions | 14 |
| 4.1 | Meaning and Importance of Financial Institutions. | |
| 4.2 | Stock Markets: NSE and BSE: Meaning & Functions. | |
| 4.3 | Non-Banking Financial Intermediaries: Meaning and Functions. | |
| 4.4 | Role and Functions of Financial Institutions in India with reference to UTI, LIC, GIC | |

Semester IV Financial System II

| Unit | Name and Contents | Number of Lectures |
|----------|--|--------------------|
| 1 | Reserve Bank of India | 12 |
| 1.1 | Structure and Role of RBI in Indian Economy | |
| 1.2 | Major Functions of RBI. | |
| 1.3 | Monetary Policy: Tools and their Limitations. | |
| 2 | Other Financial Regulators in India | 10 |
| 2.1 | SEBI: Role and Functions. | |
| 2.2 | IRDA: Role and Functions. | |
| 3 | International Financial Institution | 14 |
| 3.1 | Role, Structure, Objectives and Functions of IMF. | |
| 3.2 | Role, Structure, Objectives and Functions of World Bank. | |
| 3.3 | Role, Structure, Objectives and Functions of Asian Development Bank. | |
| 3.4 | Role, Structure, Objectives and Functions of BRICS Bank. | |

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| 4 | Recent Developments in Indian Financial Sector | 12 |
| 4.1 | Objectives and Outcomes of Changing Landscape of Banking Sector in India. | |
| 4.2 | Insolvency and Bankruptcy Code. | |
| 4.3 | Alternate Source of Finance. | |
| 4.4 | Risk Management in Banking Sector. | |

Basic Reading List:

1. The Indian Financial System, Markets, Institutions and Services, Bharati V. Pathak, Kindle Edition.
2. Indian Financial System, Jaydeb Sarkhel, Seikh Salim, McGraw-Hill India Pvt. Ltd. Chennai, 2018.
3. Indian Banking, R. Parmehwaram & S. Natrajan, S. Chand Publishing, Delhi.
4. Non-Banking Financial Companies in India: Functioning & Reforms, Jafor Ali Akhan, New Century Publications, 2010
5. Indian Financial Markets, Ajay Shah, Michael Gorham and Susan Thomas, Elsevier, 2008.
6. The Story of the Reserve Bank of India, Rahul Bajoria, Kindle Edition. **Advanced**

Reading List:

1. Securities Market and Products: Mr. Sunder Sankaran, Taxman Publication Pvt. Ltd. New Delhi.
2. Financial System & Economic Reforms: P. Mohan Rao, Deep & Deep Publication Pvt. Ltd. New Delhi 2008.
3. Indian Banking Towards 21st Century : Chawla A.S. & others, Deep & Deep Publications, New Delhi.
4. Black Money & Indian Economy: Bhadane J R, International Publications, 2018.
5. Financial Institutions And Markets: Jitendra Mahakund and L.M. Bhole, McGraw Hill India, 2017.

S.Y.B.A. Economics (Revised Syllabus)
Choice Based Credit System (CBCS)

Year of Implementation : From June 2020

S -1. Micro Economics

Preamble

As a foundation course, in this Paper, student is expected to understand the definition, nature and scope of economics, method and approaches to the study of Economics. The chapters incorporated in this Paper deal with the theory of consumer's behavior, theory of demand and supply, analysis of production function, cost and revenue analysis, market structures and the equilibrium of a firm and industry. In addition, the principles of factor pricing and commodity pricing and welfare economics have been included.

Objectives of the Paper:

- To develop an understanding about subject matter of Economics. □ To impart knowledge of microeconomics.
- To clarify micro economic concepts
- To analyze and interpret charts, graphs and figures
- To develop an understanding of basic theories of micro economics and their application.
- To demonstrate that the theories discussed in class will usually be applied to real-life situations.
- To help the students to prepare for varied competitive examinations

Method of Teaching:

Classroom lectures, Use of ICT, YouTube lectures, Online PPTs, Group Discussions, Teacher driven Power Point Presentations

| Semester III | | |
|--------------------------|--|---------------------------|
| Micro Economics I | | |
| Unit | Name and Contents | Number of Lectures |
| Unit 1 | Introduction | 10 |
| 1.1 | Meaning, Nature, Scope, Importance of Micro economics | |
| 1.2 | Basic Economic Problems | |
| 1.3 | Tools of economic analysis- Functional Relationship, Schedules, Graphs and Equations. | |
| 1.4 | Variables- Dependent and Independent Variable, Endogenous and Exogenous | |
| Unit 2 | Theory of Consumer Behavior | 14 |
| 2.1 | Utility – Meaning and Types Cardinal Approach: Law of Diminishing Marginal Utility, Law of Equi-Marginal Utility, Consumer’s Equilibrium | |
| 2.2 | Ordinal Approach: Indifference Curve Analysis- Meaning and Definition, Characteristics of Indifference Curve, Consumer’s Equilibrium | |
| Unit 3 | Theory of Demand | 12 |
| 3.1 | Meaning of Demand, Determinants of Demand | |
| 3.2 | The Law of Demand & Its Exceptions, Market Demand | |
| 3.3 | Elasticity of Demand –Meaning and Types 3.3.1 Price Elasticity of Demand: Meaning, Types, Methods of Measurement 3.3.2 Income Elasticity of Demand: Meaning and Types 3.3.3 Cross Elasticity of Demand: Meaning and Types | |
| 3.4 | Supply and Demand: Meaning and Types | |
| Unit 4 | Supply and Production Analysis | 12 |
| 4.1 | Meaning, Definition and Determinants of Supply | |
| 4.2 | The Law of Supply | |
| 4.3 | Elasticity of Supply: Meaning and Types | |
| 4.4 | The Production Function: Meaning and Definition | |

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| 4.5 | Total, Average and Marginal Production | |
| 4.6 | The Law of Variable Proportions | |
| 4.7 | The Law of Returns to Scale | |
| Semester IV Micro Economics II | | |
| Unit 1 | Cost and Revenue Analysis | 8 |
| 1.1 | Cost Concepts : Fixed Costs, Variable Costs, Total Cost, Average Cost, Marginal Cost, Economic Cost and Accounting Cost, Opportunity Cost | |
| 1.2 | Short-Run and Long Run Costs curves | |
| 1.3 | Revenue Concept: Total Revenue, Average Revenue & Marginal Revenue | |
| Unit 2 | Market Structure | 16 |
| 2.1 | Meaning & Classifications of Market Structure | |
| 2.2 | Perfect Competition: Meaning, Characteristics, Equilibrium of Firm and Industry in Short Run and Long Run | |
| 2.3 | Monopoly: Meaning, Characteristics, Short and Long Run Equilibrium. Price Discrimination | |
| 2.4 | Monopolistic Competition: Meaning, Characteristics, Short & Long Run Equilibrium of firm and Industry, Selling cost- Meaning | |
| 2.5 | Oligopoly: Meaning and Characteristics | |
| 2.6 | Duopoly: Meaning and Characteristics | |
| Unit 3 | Factor Pricing | 16 |
| 3.1 | Marginal productivity theory of distribution | |
| 3.2 | Rent: Ricardian Theory of Rent, Modern Theory of Rent, Quasi Rent | |
| 3.3 | Wages: Modern Theory of Wages, Supply Curve of Labour | |
| 3.4 | Interest: Keynesian Liquidity Preference Theory, Loanable Fund Theory | |
| 3.5 | Profit: Risk and Uncertainty Theory, Innovation Theory | |
| Unit 4 | Introduction to Welfare Economics | 08 |
| 4.1 | Welfare Economics: Definition and Meaning | |
| 4.2 | Pigovian Welfare Economics | |

Reference Books:

1. Mansfield, E., Microeconomics, W.W. Norton and Company, New York.
2. Koutsoyiannis, A., Modern microeconomics, Macmillan, London.
3. Lipsey & Cristal, Introduction to Positive Economics, Oxford Press.
4. Jack Hirshlifer, Price Theory and Applications, Prentice Hall of India Pvt. Ltd. Delhi
5. Ahuja H.L. : Modern Micro Economics, S. Chand & Company Ltd New Delhi
6. Jhingan M.L., Micro Economic Theory, Virinda Publication, Delhi.
7. K.K. Dewett, Modern Economics Theory, S. Chand Publications, New Delhi.
8. KPM Sundaram and E.N.Sundaram, Micro Economics, S.Chand Publication, New Delhi.
- 9 Seth M.L. : Micro Economics, Lakshmi NarainAgrawal Publisher

S.Y.B.A. Economics (Revised Syllabus)

Choice Based Credit System (CBCS)

S -2. Macro Economics

Preamble -

Macroeconomics is the branch of economics that deals with the functioning of an economy as a whole. Macroeconomic analysis involves theoretical, empirical as well as policy-related aspects. The theoretical aspect of macroeconomics involves the conceptual as well as theoretical framework of macroeconomics. It deals with various macroeconomic concepts as well as various macroeconomic theories. The theoretical framework of macroeconomics focuses on functioning of an economy in its totality, determination of the level of national income and employment in an economy, role of aggregate demand as well as aggregate supply, role of money, determination of value of money, determination of general price level as well as rate of inflation and business cycles. The empirical aspect of macroeconomics applies macroeconomic theories to the study of real economies and tests the validity of macroeconomic theories. The policy-related aspect focuses on the role of fiscal and monetary policy in achieving macroeconomic objectives with the help of various policy instruments.

This curriculum integrates conceptual, theoretical, empirical and policy-related aspects of macroeconomics. This curriculum introduces the undergraduate students to the field of macroeconomics and enables them to learn the functioning of the economy in a systematic manner.

Objectives –

- To introduce students to the historical background of the emergence of macroeconomics
- To familiarize students with the differences between microeconomics and macroeconomics
- To familiarize students with various concepts of national income
- To familiarize students with keynesian macroeconomic theoretical framework of consumption and investment functions
- To introduce students to the role of money in an economy.
- To introduce students to the conceptual and theoretical frameworks of inflation, deflation and stagflation, Business Cycle .
- To familiarize students with the conceptual and theoretical framework of business cycles

- To introduce students to the role of monetary and fiscal policies in fulfilling the macroeconomic objectives of stability, full employment and growth.
- To introduce students to the various instruments of monetary and fiscal policies

Method of Teaching:

- Classroom lectures, Use of ICT, You Tube lectures, Online PPTs, Group Discussions, Teacher driven Power Point Presentations

| Semester III Macro Economics I | | |
|---|--|---------------------------|
| Unit | Name and Contents of the Chapter | Number of Lectures |
| Unit 1 | Introduction | 12 |
| 1.1 | Meaning, Nature and Scope of Macro Economics | |
| 1.2 | Importance and Limitations of Macro Economics | |
| 1.3 | The difference between Micro Economics and Macro Economics | |
| Unit 2 | National Income | 12 |
| 2.1 | Meaning and Importance of National Income | |
| 2.2 | Various Concepts of National Income – GDP, GNP, NNP, PCI, Personal Income, Disposable Income | |
| 2.3 | Methods of National Income Measurement Difficulties in the Measurement of National Income | |
| 2.4 | Circular Flow of National Income | |
| Unit 3 | Theory of Employment and Output | 12 |
| 3.1 | Classical Theory of Employment , Say’s Law of Market. | |
| 3.2 | Keynes’ Criticism on Classical Theory | |
| 3.3 | Keynesian Theory of Employment – Aggregate Supply Price and | |
| | Aggregate Demand Price, Employment Determination | |
| Unit 4 | Consumption and Investment | 12 |

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| 4.1 | Consumption Function – Meaning, Various Concepts - APC, MPC, Psychological Law of Consumption, Factors Influencing Consumption Function | |
| 4.2 | Saving - APS, MPS. Investment – Meaning, Types, Marginal Efficiency of Capital | |
| 4.3 | The Concept of Multiplier; The Principle of Acceleration | |
| Semester IV Macro Economics II | | |
| Unit 1 | Money | 12 |
| 1.1 | Money – Meaning and Functions | |
| 1.2 | Value of Money – Meaning, Quantity Theory of Money, Cash Balance Approach | |
| 1.3 | Supply of Money – Various Measures of RBI | |
| Unit 2 | Inflation | 12 |
| 2.1 | Inflation – Meaning, Types, Causes – Demand Pull and Cost Push Inflation, Effects | |
| 2.2 | Measures to Control Inflation | |
| 2.3 | Deflation – Meaning, Causes and Effects | |
| 2.4 | Philips Curve, Stagflation – Meaning | |
| Unit 3 | Business Cycles | 12 |
| 3.1 | Meaning, Features and Phases of Business Cycle | |
| 3.2 | Causes and Effects of Business Cycle | |
| 3.3 | Keynes' Theory of Business Cycle | |
| 3.4 | Control of Business Cycles – Monetary and Fiscal Controls | |
| Unit 4 | Macroeconomic Policies | 12 |

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| 4.1 | Objectives of Macroeconomic Policies |
| 4.2 | Monetary Policy - Meaning, Instruments, Advantages and Limitations |
| 4.3 | Fiscal Policy - Meaning, Instruments, Advantages and Limitations |

Reading List :

Basic Reading List –

- 1 David Colander, Macro Economics, McGraw Hill Education Private Limited (Latest Edition)
2. D. N. Dwivedi, Macro Economics: Theory and Policy, McGraw Hill Education Private Limited (Latest Edition)
3. H. L. Ahuja, Macro Economics: Theory and Policy, S. Chand & Company Limited. (Latest Edition)
4. M. L. Jhingan, Macro Economic Theory, Vrinda Publications Private Limited (Latest Edition)
5. Wavare Anil Kumar & V.Kumbhar ,(2019)Macro Economics,Ruby Publisher, Kolhapur, MS, India.
6. N. Gregory Mankiw, Principles of Macroeconomics, Cengage Learning (Latest Edition)
7. Olivier Blanchard & David Johnson, Macroeconomics, Pearson (Latest Edition)
8. Rudiger Dornbusch, Stanley Fischer & Richard Startz, Macroeconomics, Tata McGraw Hill Education Private Limited (Latest Edition)
9. Sampat Mukherjee, Macroeconomics: A Global Text, New Central Book Agency Private Limited (Latest Edition)
10. Stephen Williamson, Macroeconomics, Pearson (Latest Edition)
11. Kute Santosh & Rithe M. , Macro Economics, Prashant Publication,Jalgaon,MS,India
12. श्रीधर देशन ांडे आणि विन यक देशन ांडे, समष्टी अर्थथ स्त्रीय विश्रेषि, हहम रय नब्लरशशगां ह उस(Latest Edition)

Advanced Reading List

1. Ben Fine & Ourania Dimakou, Macroeconomics: A Critical Companion, Pluto Press (Latest Edition)

2. Brian Snowdon & Howard Vane (2003), The Development of Modern Macroeconomics: A Rough Guide, in Macroeconomics: A Reader, (Ed.) Brian Snowdon and Howard Vane, Routledge
3. Brian Snowdon & Howard Vane, Macroeconomics: A Reader, Routledge (Latest Edition)
4. Brian Snowdon & Howard Vane, Modern Macroeconomics: Its Origins, Developments and Current State, Edward Elgar (Latest Edition)
4. David Romer, Advanced Macroeconomics, McGraw-Hill (Latest Edition)
5. Dilip Nachane, Critique of the New Consensus Macroeconomics and Implications for India, Springer (Latest Edition)
6. John McDonald, Rethinking Macroeconomics: An Introduction, Routledge (Latest Edition)
7. Michel De Vroey, A History of Macroeconomics: From Keynes to Lucas and Beyond, Cambridge University Press (Latest Edition)
8. N. Gregory Mankiw, Macroeconomics, Worth Publishers (Latest Edition)
9. Roger Backhouse, Interpreting Macroeconomics: Explorations in the History of Macroeconomic Thought, Routledge (Latest Edition)
10. Sampat Mukherjee, Analytical Macroeconomics: From Keynes to Mankiw, New Central Book Agency Private Limited