



**SOPHIA COLLEGE, (AUTONOMOUS)**

Affiliated to

**UNIVERSITY OF MUMBAI**

**Programme: B.A. ECONOMICS**

**Programme Code: AEEO**

**F.Y.B.A.**

(Choice Based Credit System with effect from the year 2018-19)

### Programme Outline: FYBA (SEMESTER I)

Course Code	Unit No	Name of the Unit	Credits
SBAECO101		MICRO ECONOMICS-I (PAPER I)	3
	1	Basic Principles and Concepts of Micro Economics	
	2	Markets, Demand and Supply, Price Equilibrium	
	3	Production, Cost and Revenue Analysis	

### Programme Outline: FYBA (SEMESTER II)

Course Code	Unit No	Name of the Unit	Credits
SBAECO201		MACRO ECONOMICS-I (PAPER I)	3
	1	Concepts and Definitions	
	2	Consumption, Investment and Employment	
	3	External Sector	

**Preamble:** This course is designed to introduce the students to the basic building blocks of microeconomics and macroeconomics. The microeconomics course familiarizes students with the basic concepts of Micro economics, theories and its application. The macroeconomics course familiarizes students with the basic concepts of Macroeconomics using an open economy framework, theories and its application. The students should be able to build on these constituents in the later years so as to be able to analyse the relevance of microeconomics and macroeconomic theory to policies and decision making

## **PROGRAMME OBJECTIVES**

<b>PO 1</b>	<b>Enhance students' understanding of the contemporary socio-economic issues at the local, national and international level</b>
<b>PO 2</b>	<b>Apply critical thinking in pursuit of everyday living</b>
<b>PO 3</b>	<b>Develop an in-depth understanding of various theories in economics and to impart skills in data analysis and interpretation</b>
<b>PO 4</b>	<b>Use analytical skills acquired through the programme to seek gainful employment</b>

## **PROGRAMME SPECIFIC OUTCOMES**

<b>PSO 1</b>	<b>Gain better understanding about the stream of economics</b>
<b>PSO 2</b>	<b>Apply the basic ideas of economic theory to understand the consumers and producers behaviour</b>
<b>PSO 3</b>	<b>Enable students to do basic calculation of economic concepts</b>
<b>PSO 4</b>	<b>Students will be able to apply their analytical skills, knowledge and improve their ability to respond sensitively while dealing with these socio-economic issues</b>
<b>PSO 5</b>	<b>Students will be able to critically analyse the implications of governments policies and have opinion on the same based on their competent knowledge in economics and skills in data analysis</b>

## SEMESTER 1

NAME OF THE COURSE	MICRO ECONOMICS-I (PAPER I)	
CLASS	FYBA	
COURSE CODE	SBAECO101	
NUMBER OF CREDITS	3	
NUMBER OF LECTURES PER WEEK	4	
TOTAL NUMBER OF LECTURES PER SEMESTER	36	
EVALUATION METHOD	INTERNAL ASSESSMENT	SEMESTER END EXAMINATION
TOTAL MARKS	50	50
PASSING MARKS	20	20

### COURSE OBJECTIVES

CO 1.	To acquaint students with the basic concepts of microeconomics
CO 2.	Apply knowledge of microeconomics to real world situation
CO 3.	Acquire basic quantitative skills for calculating data

### COURSE LEARNING OUTCOMES:

CLO 1.	Students will be able to explain human behavior by applying the basic principles of microeconomics.
CLO 2.	Students will be able to apply the graphical approach to obtain equilibrium price and quantity in a competitive market.
CLO 3.	Students will be able to demonstrate with the help of graphs, the impact of government intervention on the market equilibrium.

UNIT 1	<b>Basic Principles and Concepts of Micro Economics</b>
1.1	10 basic principles of Economics. Micro & Macro- economic
1.2	Managerial Economics
1.3	Positive & Normative economics. Partial & General equilibrium
1.4	Price index number- Construction and types of price index. Graphs, functions and slope
UNIT 2	<b>Markets, Demand and Supply, Price Equilibrium</b>
2.1	Meaning of Market- Demand theory- Individual and market demand- Changes and Shift of demand, elasticity of demand, types of demand elasticity
2.2	Supply theory- Individual and market supply- Changes and Shift of supply
2.3	Determination of equilibrium price - changes in market equilibrium
2.4	price ceiling, price floor. Concept of consumer surplus.
UNIT 3	<b>Production, Cost and Revenue Analysis</b>
3.1	Production function- meaning & types- Law of Variable proportions- Returns to Scale
3.2	Isoquants- features of Isoquants
3.3	Concepts of Revenue- TR, AR and MR. LRAC & its derivation, features of LRAC
3.4	Short run cost concepts and its derivation. Cobb-Douglas production function

#### REFERENCES:

- Ahuja H.L., Advanced Economic Theory
- Dwivedi, D.N. Micro Economics: Theory and Applications
- Lipsey and Chrystal, Economics
- Mankiw, N.G., Principles of Economics
- Salvatore, D. Micro Economics

Additional Reference list would be provided in class.

#### **ASSESSMENT DETAILS:**

##### **Internal Assessment (50 marks)**

Students will have to appear for an internal assessment test which will be objective based on a topic given.

**Semester End Examination – External Assessment (50 marks)**

**SEMESTER 2**

NAME OF THE COURSE	MACRO ECONOMICS-I (PAPER II)	
CLASS	FYBA	
COURSE CODE	SBAECO201	
NUMBER OF CREDITS	3	
NUMBER OF LECTURES PER WEEK	4	
TOTAL NUMBER OF LECTURES PER SEMESTER	36	
EVALUATION METHOD	INTERNAL ASSESSMENT	SEMESTER END EXAMINATION
TOTAL MARKS	50	50
PASSING MARKS	20	20

**COURSE OBJECTIVES**

CO 1.	To acquaint students with the basic concepts of macroeconomics
CO 2.	Apply knowledge of macroeconomics to real world situation
CO 3.	Acquire basic quantitative skills for calculating national income data

**COURSE LEARNING OUTCOMES**

CLO 1.	Students will be able to explain human behavior by applying the basic principles of macroeconomics.
CLO 2.	Students will be able to apply the graphical approach to understand Keynesian theory.
CLO 3.	Students will be able to understand and analyze national income data and balance of payment balance sheet

UNIT 1	<b>Concepts and definitions</b>
1.1	National Income Accounting concepts, GDP, GNP and PCI, NNP, GDP Deflator, Real & Nominal quantities, GDP at purchasing power parity
1.2	Circular flow in closed & open economy
1.3	Business cycles, Inflation, Meaning, types & causes- Monetary policy, types & objectives- Fiscal policy, meaning, objectives and instruments
1.4	Estimation of National income in India.
UNIT 2	<b>Consumption, Investment and Employment</b>
2.1	Say's law of market. Theory of Effective demand. Consumption function.
2.2	Investment function- Multiplier.
2.3	Accelerator- MEC & Rate of interest.
2.4	Relevance of Keynesian theory.
UNIT 3	<b>External Sector</b>
3.1	Trade theory, Absolute & Comparative Advantage theory
3.2	Concept of BOP, its Structure- Types of Disequilibrium in BOP- Measures to Correct it.
3.3	FOREX market, its function and players. Exchange rate determination.
3.4	Fixed & Flexible Exchange rates

**REFERENCES:**

- Ahuja H.L., Macroeconomics Theory & Policy
  - Dwivedi, D.N. Macroeconomics Theory & Policy
  - Mankiw, N.G., Principles of Macroeconomics
- Additional Reference list would be provided in class.

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**Semester End Examination – External Assessment (50 marks)**