SOPHIA COLLEGE FOR WOMEN (EMPOWERED AUTONOMOUS)

Affiliated to the University of Mumbai

Programme: Humanities

ECONOMICS (Major and

Minor) F.Y.B.A

Syllabus for the Academic Year 2025-2026

based on the National Education Policy 2020

SOPHIA COLLEGE FOR WOMEN (EMPOWERED AUTONOMOUS)

DEPARTMENT OF ECONOMICS

COURSE DETAILS FOR MAJOR

	SEMESTER 1	SEMESTER 2
TITLE	Introduction to Microeconomics	Introduction to Macroeconomics
TYPE OF COURSE DSE/DSC	DSC	DSC
CREDITS	4	4

COURSE DETAILS FOR MINOR:

	SEMESTER 1	SEMESTER 2
TITLE	Principles of Macroeconomics	Principles of Microeconomics
TYPE OF COURSE DSC/DSE	DSC	DSC
CREDITS	4	4

SOPHIA COLLEGE FOR WOMEN (EMPOWERED AUTONOMOUS)

Preamble:

In the study of economics, understanding the principles of Microeconomics, Macroeconomics, Indian Economy, Development Issues of Maharashtra's Economy, Human development is crucial for comprehending the complexities of growth and development process. The course on International and Environmental economics will expand the knowledge of students on important global issues and challenges. These courses delve into the fundamental theories, concepts, and practical applications that shape economic decision-making at both micro and macro levels. students will gain valuable insights into the dynamics of markets, government policies, and socio-economic development. Through a blend of theoretical knowledge and real-world case studies, these courses aim to equip students with the analytical tools and critical thinking skills that are important to adapt to the constantly changing world of economics and finance.

PROGRAMME OBJECTIVES

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

PROGRAMME SPECIFIC OUTCOMES

PSO 1	**Gain better understanding about the stream of economics**
PSO 2	**Apply the basic ideas of economic theory to understand the consumers and producers behaviour**
PSO 3	**Enable students to do basic calculation of economic concepts**

PSO 4	**Students will be able to apply their analytical skills, knowledge and improve their ability to respond sensitively while dealing with these socio-economic issues**
PSO 5	**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**

Programme: Humanities **Economics Major**	**Semester – 1**
Course Title: Introduction to Microeconomics	**Course Code: AECO111MJ**

COURSE OBJECTIVES:

1. Introducing concepts in microeconomics.
2. To enable students to understand individuals's economic decision making.
3. To explain how market demand and supply interact to establish equilibrium.
4. It aims to train the students to understand the concept of production.
5. It will enable the students to understand cost concepts, their interrelationship and derive it graphically.
6. It aims to train the students to understand the concept of revenue and derive it in perfect and imperfect market.
7. To enable students to understand the economies of scale that affects a firm's production and revenue

COURSE LEARNING OUTCOMES:

The learner will be able to:

1. Explain microeconomic concepts and apply microeconomic principles in economic decision-making.
2. Analyze and evaluate demand and supply dynamics, conduct demand-supply analysis, and assess the impact of government interventions such as price controls and taxation on market outcomes.

3. Analyze and evaluate production functions, calculate AP and MP, apply the law of variable proportions and law of returns to scale, and determine the producer's equilibrium.
4. Compute and analyze cost and revenue concepts, analyze the behaviour of short-run and long-run cost functions and revenue functions.

Lectures per week (1 Lecture is 60 minutes)		**4**	
Total number of Hours in a Semester		**60**	
Credits		**4**	
Evaluation System	**Summative Assessment**	**2 Hours**	**50 marks**
	Cumulative Assessment	**--**	**50 marks**

UNIT 1 Introduction to Microeconomic Concept	1.1	Meaning of Economics, Microeconomics & Macroeconomics, Microeconomics: meaning, scope and limitations. Partial and General Equilibrium, positive and normative economics
	1.2	The scarcity Principle: Trade off and opportunity in decision Making
	1.3	Marginal cost-marginal benefit principle, incentive principle
	1.4	The principle of comparative cost advantage, equilibrium principle, market failure and role of government
UNIT 2 Demand, Supply and Market Equilibrium	2.1	Meaning of market
	2.2	Definition of Demand, Demand schedule, equation and graph, determinants of demand, derivation of market demand, movement along the demand curve & shift in demand curve, price elasticity of demand, consumer's surplus
	2.3	Definition of Supply, Supply schedule, equation and graph, determinants of supply, derivation of market supply, movement along the supply curve & shift in supply curve, price elasticity of supply, producer's surplus.

	2.4	Market Equilibrium, adjustment to market equilibrium, price ceiling and price floor.
	2.5	Impact of shift in demand, shift in supply and shift in demand and supply on market equilibrium, impact of indirect tax and subsidy on market equilibrium.
UNIT 3 Production Analysis	3.1	Concept of production, Production function - meaning & types, Cobb-Douglas
	3.2	Law of Variable proportions. Law of Returns to scale
	3.3	Isoquants- meaning, diagram & features. Isocost line- meaning & Graph
	3.4	Producers' equilibrium.
	3.5	Producers' equilibrium.
UNIT 4 Cost and Revenue Analysis	4.1	Cost concept- meaning, types, calculation and derivation of short run cost curves. Graphical presentation and relationship between cost concepts. Relationship between AC & MC
	4.2	Revenue analysis- TR, MR & AR. Nature & graphical relationship between TR,AR & MR in Perfect market & imperfect market
	4.3	Economies of scale- meaning & types. Diseconomies of scale: meaning & types
	4.4	LRAC- meaning, derivation and features

REFERENCES:

1. Perloff Jeffrey, Microeconomics, Pearson Education Asia.
2. Frank Robert, Microeconomics and Behaviour, McGraw-Hill.
3. Mankiw Gregory, Mark Taylor. Principles of Microeconomics, Cengage learning, Inc.
4. Mankiw Gregory. Principles of Microeconomics, Cengage learning, Inc. Fourth edition

SOPHIA COLLEGE FOR WOMEN (EMPOWERED AUTONOMOUS)

Programme: Humanities **Economics Major**	**Semester – 1**
Course Title: Introduction to Macroeconomics	**Course Code: AECO111MN**

COURSE OBJECTIVES:

1. Enable students to understand the concepts of macroeconomics
2. Help Students to understand the meaning and components of the National Income Accounts.
3. Aims to enable students understanding of Keynesian theory
4. It aims to enable students to understand the linkages between different macro variables.

COURSE LEARNING OUTCOMES:
The learner will be able to:

1. Understand macroeconomics, circular flow, business cycles, and inflation.
2. Explain national income concepts, measurement methods, limitations, and Green GDP.
3. Analyze Keynesian consumption and investment functions, multiplier, and accelerator.
4. Describe the functions of the RBI and commercial banks, and explain monetary policy and its instruments.

Lectures per week (1 Lecture is 60 minutes)		**4**	
Total number of Hours in a Semester		**60**	
Credits		**4**	
Evaluation System	**Summative Assessment**	**2 Hours**	**50 marks**
	Cumulative Assessment	**--**	**50 marks**

UNIT 1 Introduction to Macroeconomics	1.1	Macroeconomics- meaning & definition, scope, importance & limitation
	1.2	Concepts- Circular flow in a closed economy
	1.3	Circular flow in an open economy
	1.4	Business cycles- Phases

	1.5	Inflation- meaning, types & causes. Effects of inflation. Measures to control inflation
UNIT 2 National Income Accounting	2.1	National Income definition, Concepts of National Income & its measurement -GNP-NNP-GDP-NDP. GDP Deflator
	2.2	Per-capita Income-Disposable Income-NI at Factor Cost-NI at Market Cost-nominal and Real Income
	2.3	Methods of measuring National Income -Difficulties/ limitation of NI data
	2.4	Estimation of NI in India. Concept of Green GDP
UNIT 3 Determination of Income and Employment	3.1	Say's law of market, Introduction to Keynes macroeconomics concept- Concept of Effective demand- Consumption function- APC & MPC, Factors influencing consumption function
	3.2	Investment Function concept -Induced Investment and Autonomous Investment, Rate of interest and MEC
	3.3	Multiplier- meaning & working. Factors affecting multiplier & limitations to multiplier process.
	3.4	Accelerator
UNIT 4 Banking sector and monetary Policy	4.1	Central Bank- Functions (in context of RBI).
	4.2	Commercial Bank- meaning & functions. New changes in banking operations
	4.3	Monetary policy- meaning & objectives
	4.4	Instruments of monetary policy- Quantitative & qualitative.

REFERENCES:

1. Case, Karl E and Ray C Fair, Principles of Economics, Pearson Education, Inc.8th edition, 2007.
2. Datt & Sundharam Indian Economy (71st Edition, S.Chand & Company)
3. G. Mankiw-Macroeconomics. (New Age International)
4. H L. Ahuja-Macroeconomic Theory. (S. Chand & Company)

5. M. L. Jhingan-Macro Economic Theory
6. M. L. Seth-Macroeconomics(Lakshminarayan Agarwal)
7. Samuelson P.A-Economics (18th Edition, McGraw hill)
8. Sikdar, Soumyen, Principles of Macroeconomics, 2nd edition, Oxford University Press, India
9. www.rbi.org

Programme: Humanities **Economics Major**	**Semester – 2**
Course Title: Principles of Macroeconomics	**Course Code: AECO122MJ**

COURSE OBJECTIVES:

1. Analyze the interrelationships between key macroeconomic indicators.
2. Grasp the significance of the circular flow of income in an economy.
3. Understand the different measures of national output.
4. Comprehend the mechanisms leading to equilibrium Income.
5. Examine the working of an investment multiplier.
6. Understand the functioning of central banks, monetary policy tools, and their effects.

COURSE LEARNING OUTCOMES:
The learner will be able to:

1. Analyze and evaluate key macroeconomic concepts, including GDP and GNP growth, price levels and inflation, interest rates, and unemployment metrics, using relevant indicators and theoretical frameworks.
2. Compute GDP and various national income aggregates and explain circular flow of income.
3. Critically analyze classical theory of income and employment, explain, compute, and analyze concepts like effective demand, consumption and investment functions, equilibrium income, the multiplier, and accelerator theory, to understand their impact on economic activity.
4. Describe and assess the structure of India's banking sector, the functions of the RBI and commercial banks, recent developments in banking operations, and the objectives and instruments of monetary policy.

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Lectures per week (1 Lecture is 60 minutes)		**4**	
Total number of Hours in a Semester		**60**	
Credits		**4**	
Evaluation System	**Summative Assessment**	**2 Hours**	**50 marks**
	Cumulative Assessment	**--**	**50 marks**

UNIT 1 Introduction to Macroeconomics and its variables	1.1	Macroeconomics- meaning & definition, scope, importance & limitation
	1.2	GDP ,GNP and their growth
	1.3	Price level and inflation: The Consumer Price Index & GDP deflator.
	1.4	Interest rate- Nominal and Real.
	1.5	Unemployment: Calculating the unemployment rate(data with reference to India); Okun's law & Phillips curve.
UNIT 2 National Income Accounting	2.1	Circular flow in a closed and open economy
	2.2	Measuring GDP at market Prices: Value Added, Expenditure and Income method of measuring GDP
	2.3	GNP, GDP and GNP at factor cost, NDP and NNP at factor cost, Personal Income, Disposable Income, Per Capita Income
	2.4	Estimation of NI in India. Limitations of measuring GDP.
UNIT 3 Determination of Income and Employment	3.1	Say's law of market, Keynesian Supply Curve, Introduction to Keynes macroeconomics concept- Concept of Effective demand- Consumption function- APC & MPC, Factors influencing consumption function
	3.2	Investment Function concept -Induced Investment and Autonomous Investment, Rate of interest and MEC
	3.3	Multiplier- meaning & working. Factors affecting multiplier & limitations to multiplier process.

	3.4	Accelerator theory
UNIT 4 Banking Sector and Monetary Policy	4.1	Structure of banking sector in India, Central Bank- Functions (in context of RBI).
	4.2	Commercial Bank- meaning & functions. New changes in banking operations
	4.3	Monetary policy- meaning & objectives
	4.4	Instruments of monetary policy- Quantitative & qualitative.

REFERENCES:

1. **Mansfield Edwin, Essential Macroeconomics principles, Cases, Problems, W.W.Norton and Company, Inc, 1st Edition.**

2. **Blanchard Olivier & Johnson R David, Macroeconomics, Pearson, 6th Edition.**

3. **Mankiw Gregory & Taylor Mark, Macroeconomics, Cengage, 4th Edition.**

4. **Ahuja H. L.,Macroeconomics: Theory and Policy, S. Chand & Company, 20th Edition.**

5. **RBI Handbook of Statistics**

Programme: Humanities **Economics Minor**	**Semester – 2**
Course Title: Principles of Microeconomics	**Course Code: AECO122MN**

COURSE OBJECTIVES:

1. Introducing concepts in microeconomics.
2. To enable students to understand individuals's economic decision making.
3. To explain how market demand and supply interact to establish equilibrium.
4. It aims to train the students to understand the concept of production.
5. It will enable the students to understand cost concepts, their interrelationship and derive it graphically.

6. It aims to train the students to understand the concept of revenue and derive it in perfect and imperfect market.
7. To enable students to understand the economies of scale that affects a firm's production and revenue

COURSE LEARNING OUTCOMES:
The learner will be able to:

1. Explain and apply the basic concepts of economics, microeconomics, scarcity, choice, incentives, and the nature of markets.
2. Analyze demand and supply, market equilibrium, elasticity, and consumer and producer surplus.
3. Explain production theory, isoquants, isocosts, producer equilibrium, and the laws of variable proportions and returns to scale.
4. Examine cost and revenue concepts, economies and diseconomies of scale, and the long-run average cost curve.

Lectures per week (1 Lecture is 60 minutes)		**4**	
Total number of Hours in a Semester		**60**	
Credits		**4**	
Evaluation System	**Summative Assessment**	**2 Hours**	**50 marks**
	Cumulative Assessment	**--**	**50 marks**

UNIT 1 Introduction to Microeconomic Concept	1.1	Meaning of Economics, Microeconomics & Macroeconomics, Microeconomics: meaning, scope and limitations. Partial and General Equilibrium, positive and normative economics
	1.2	The scarcity Principle: Trade off and opportunity in decision Making
	1.3	Marginal cost-marginal benefit principle, incentive principle

	1.4	Meaning of Market
UNIT 2 Demand, Supply and Market Equilibrium	2.1	Definition of Demand, Demand schedule, equation and graph, determinants of demand, derivation of market demand, movement along the demand curve & shift in demand curve, price elasticity of demand, consumer’s surplus
	2.2	Definition of Supply, Supply schedule, equation and graph, determinants of supply, derivation of market supply, movement along the supply curve & shift in supply curve, price elasticity of supply, producer’s surplus.
	2.3	Market Equilibrium and changes in it
	2.4	Consumer’s and Producer’s surplus
UNIT 3 Production Analysis	3.1	Concept of production, Production function - meaning & types, PPC, Cobb-Douglas
	3.2	Isoquants- meaning, diagram & features.
	3.3	Isocost line- meaning & Graph, Producer’s equilibrium
	3.4	Law of Variable proportions. Law of Returns to scale
UNIT 4 Cost and Revenue Analysis	4.1	Cost concept- meaning, types, calculation and derivation of short run cost curves. Graphical presentation and relationship between cost concepts. Relationship between AC & MC
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