

**The Kelkar Education Trust's
V G Vaze College of Arts, Science and Commerce
(Autonomous)**



**The Kelkar Education Trust's
V G Vaze College of Arts, Science and Commerce
(Autonomous)**

Syllabus for SYB.Com

(June 2023 Onwards)

Program: BCom

Semester 3

Course: Business Economics – III (Macroeconomics)

| Course Code | Paper Title | Credit |
|--------------------|--|---------------|
| | Business Economics – III (Macroeconomics) | 02 |



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1. Syllabus as per Choice Based Credit System

| | | |
|--|---|---|
| i) Name of the Programme | : | S.Y.B.Com. Business Economics |
| ii) Course Code | : | |
| iii) Course Title | : | Business Economics – III (Macroeconomics) |
| iv) Semester wise Course Contents | : | Copy of the syllabus Enclosed |
| v) References and additional references | : | Enclosed in the Syllabus |
| vi) Credit structure | : | |
| No. of Credits per Semester | : | 02 |
| vii) No. of lectures per Unit | : | |
| viii) No. of lectures per week | : | 02 |
| ix) No. of Tutorial per week | : | --- |
| | | Semester End Exam:60 marks (4 Questions of 15 marks) |
| | | Internal Assessment 40 marks: Test 15 marks, Project/ Assignment 15 marks |
| 2 Scheme of Examination | : | Class Participation: 10 marks |
| 3 Special notes, if any | : | No |
| 4 Eligibility, if any | : | As laid down in the College Admission brochure / website |
| 5 Fee Structure | : | As per College Fee Structure specifications |
| 6 Special Ordinances / Resolutions, if any | : | No |



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Programme: SYBCom

Semester: 3

| Teaching Scheme (Hrs/Week) | | | | Continuous Internal Assessment (CIA) 40 marks | | | | | End Semester Examination | Total |
|----------------------------|---|---|---|---|-------|-------|-------|-----|--------------------------|-------|
| L | T | P | C | CIA-1 | CIA-2 | CIA-3 | CIA-4 | Lab | Written | |
| 3 | - | - | 4 | 15 | 15 | 10 | - | - | 60 | 100 |

Max. Time, End Semester Exam (Theory) -2Hrs.

Prerequisite: Basic Concepts of Macro Economics

Course Objectives

1. To introduce basic principles & Concepts of Macroeconomics.
2. To understand the various methods of National Income Accounting & Circular Flow of Income.
3. To study how economy face the fluctuations & how it is controlled with the help of fiscal and monetary policy.
4. To understand the Aggregate Demand, Aggregate Supply, Consumption & Investment behavior.
4. To understand the role of government in the economy with the help of fiscal & monetary policy.
5. To study the causes of inflation & unemployment, its effect and how to control it?
6. To understand the theories of demand and supply of money.
7. To create interest about the macroeconomics & its applications.

Course Content

| Unit No. | Module No. | Content | Lectures |
|-----------------------|------------|---|----------|
| 1:Introduction | I | <p>Macroeconomics: Meaning, Scope and Importance.</p> <p>Circular flow of income and expenditure in closed and open economy</p> <p>Methods and difficulties in the measurement of National income, Accounting- conventional and Green GNP and NNP concepts -National Income and Economic Welfare.</p> <p>Trade Cycles: Features and Phases, How to Control?</p> <p>Classical Macro economics: Say's law of Markets - Features, Implications and Criticism</p> | 10 |



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|---|----|---|----|
| 2: Basic Concepts of Keynesian Economics | II | The Principle of Effective Demand Consumption Function: Meaning, Assumptions, Properties and Implications. Investment function and Marginal Efficiency of capital, Investment Multiplier effect on Income and Output: Assumptions, Working, Leakages, Criticism and Importance. | 12 |
|---|----|---|----|



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|---|-----|---|----|
| 3: Post Keynesian Development in Macro Economics | III | <p>Derivation of IS & LM, IS & LM slope & shifts, Equilibrium in Goods and Money market (IS-LM equilibrium)</p> <p>Inflation: Concept, Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy - policy measures to curb inflation- monetary policy and inflation targeting.</p> <p>Philips curve (Short Run and Long Run) Stagflation: meaning, causes, and consequences</p> <p>Supply side economics: Basic propositions and critical appraisal</p> | 12 |
| 4: Money Demand & Money Supply | IV | <p>Money Demand Theories: Quantity Theory of Money Demand Classical Money Demand Neo-Classical Money Demand Keynesian Theory of Money Demand (Liquidity Preference) Friedman's Approach.</p> <p>Money Supply: Determinants of Money Supply, Constituents of Money Supply - Factors influencing Velocity of Circulation of Money</p> | 11 |
| Total No. of Lectures | | | 45 |

Beyond the Syllabus

Paper presentations, Group Discussion, book reviews and visits to Institutes/ industry

Semester III: Business Economics – Paper III (Paper Pattern)

Duration: 2 hours

60 Marks

Q.1 Answer any 2 (Unit1)

15 Marks

- A
- B
- C

Q.2 Answer any 2 (Unit2)

15 Marks

- A
- B
- C

Q.3 Answer any 2 (Unit3)

15 Marks

- A
- B
- C



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Q.4 Answer any 2 (Unit4)

15Marks

A

B

C



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| Students should be able to... | |
| Course Outcomes | |
| CO1 | Students Understands the national income accounting & how to control fluctuations of economy. |
| CO2 | To develop an ability to analyze cause-effect relationship between macroeconomic variables (Aggregate Demand, Consumption, Investment) |
| CO3 | Understand problems of economy and how to solve it? (Inflation, unemployment, Supply side management) |
| CO4 | To understand why people demand money and how monetary authority is involved to control the money supply. |
| CO5 | The main outcome of this course is to expose Students of Commerce to basic Macro Economic concepts and inculcate an analytical Approach to the subject Matter |

Recommended Resources

| | |
|------------------------|---|
| Reference Books | <ol style="list-style-type: none">1. Alvin H. Hanson , A Guide to Keynes, Mac Graw- Hill Education, 1953.2. Ackley.G (1976), Macro Economic Theory and Policy, Macmillan Publishing Co. New York.3. Ahuja. H.L., Modern Economics — S. Chand Company Ltd. New Delhi, 2014.4. Ahuja. H.L., Macro Economics — S.Chand Company Ltd. NewDelhi, 2010.5. Blanchard Olivier (2013), Macro Economics, Englewood Elitt, Prentice Hall6. Bouman John, Principles of Macro Economics and Practice Problems7. Dornbush, Rudiger, Fisher Stanley and Startz, Richards Macroeconomics, Thirteenth edition 2017 Tata-Mac Graw Hill, New Delhi.8. Samuelson & Nordhas.: Economics (Tata McGraw Hills, New Delhi, Nineteen Edition 2009)9. Pal Sumitra, Managerial Economics cases and concepts(Macmillan, NewDelhi,2004)10. Friedman Hilton (1953) Essays in Positive Economics, University of Chicago Press, London11. Gregory .N. Mankiw, Macroeconomics, New York: Worth PublishersTenth Edition (2019)12. Jhingan, M.L., Principles of Economics — Vrinda Publications (P)Ltd. |
|------------------------|---|

Syllabus Prepared by:

1. Mr. Prasannajeet Bhave: Chairperson, Syllabus Committee
Head & Assistant Professor
Department of Business Economics
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| 2. Mr. Arun Keskar. Department of Business Economics V. G. Vaze College, Mulund East, Mumbai | Member, Syllabus Committee Assistant Professor |
| 3. Dr. Avinash Shendre Head & Associate Professor Department of Economics Pragati College, Dombivali | VC Nominee, Syllabus Committee |
| 4. Dr. Manasi Gore Associate Professor Department of Economics University of Pune | 1 st Subject Expert, Syllabus Committee |
| 5. Dr. Krishna Shahane Head & Professor Department of Economics Bitco College, Nashik | 2 nd Subject Expert, Syllabus Committee |
| 6. Dr. Shivaji Pawar Head & Assistant Professor Department of Economics MCC College, Mulund West, Mumbai | Subject Expert Outside College, Syllabus Committee |
| 7. Ms. Trusha Shinde Assistant Professor Department of Accountancy | Alumni , Syllabus Committee |



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Syllabus for SYB.Com

(June 2023 Onwards)

Program: B.Com

Semester 4

**Course: Business Economics – IV (Public
Economics)**

| Course Code | Paper Title | Credit |
|--------------------|---|---------------|
| | Business Economics – IV (Public Economics) | 02 |

2. Syllabus as per **Choice Based Credit System**



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|--|---|---|
| i) Name of the Program | : | S.Y.B.Com. Business Economics |
| ii) Course Code | : | |
| iii) Course Title | : | Business Economic 4 (Public Economics) |
| iv) Semester wise Course Contents | : | Copy of the syllabus Enclosed |
| v) References and additional references | : | Enclosed in the Syllabus |
| vi) Credit structure | : | |
| No. of Credits per Semester | : | 02 |
| vii) No. of lectures per Unit | : | |
| viii) No. of lectures per week | : | 02 |
| ix) No. of Tutorial per week | : | --- |
| | | Semester End Exam:60 marks (4 Questions of 15 marks) |
| | | Internal Assessment 40 marks: Test 15 marks, |
| | | Project/ Assignment 15 marks |
| 2 Scheme of Examination | : | Class Participation: 10 marks |
| 3 Special notes, if any | : | No |
| 4 Eligibility, if any | : | As laid down in the College Admission brochure / website |
| 5 Fee Structure | : | As per College Fee Structure specifications |
| 6 Special Ordinances / Resolutions, if any | : | No |



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Programme: SYBCom

Semester: 4

Course : Business Economics - IV

Course Code :

| Teaching Scheme (Hrs/Week) | | | | Continuous Internal Assessment (CIA) 40 marks | | | | | End Semester Examination | Total |
|----------------------------|---|---|---|---|-------|-------|-------|-----|--------------------------|-------|
| L | T | P | C | CIA-1 | CIA-2 | CIA-3 | CIA-4 | Lab | Written | |
| 3 | - | - | 4 | 15 | 15 | 10 | - | - | 60 | 100 |

Max. Time, End Semester Exam (Theory) -2Hrs.

Prerequisite: Basic Public Economic concepts

Course Objectives

- To develop understanding of fundamentals of Public Economics among the student of Business Economics
- To study the role of Govt. in an economy.
- To understand the sources of revenue to govt., its principles, what are the effects of taxation?
- To study that expenditure pattern of the govt., its principles & its effects.
- To understand the concept of deficit financing & public debt.
- To learn about the different types of Fiscal policy, Govt. Budget and financial relations of central & state govt.

| Course Content | | | |
|--|------------|---|----------|
| Unit No. | Module No. | Content | Lectures |
| 1: The Role of Government in an Economy | I | Meaning and Scope of Public finance. Major fiscal functions : allocation, distribution & stabilization Principle of Maximum Social Advantage: Dalton and Musgrave Views, Limitations. Relation between Efficiency, Markets and Governments The concept of Public Goods merit good & private Goods, Club Goods | 10 |
| 2: Public Revenue | II | Sources of Public Revenue: tax and non-tax revenues (GST) Objectives of taxation - Canons of taxation - Types of taxes : direct and indirect Tax Base and Rates of taxation : proportional, progressive and regressive taxation Shifting of tax burden: Impact and incidence of taxation - factors influencing incidence of taxation | 15 |



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| | | Effects of taxation: Income and Wealth, Consumption, Savings, Investment and Production. | |
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|---|-----|---|----|
| 3: Public Expenditure and Public Debt | III | Public Expenditure: Canons - classification - economic effects of public spending - on production, consumption, distribution, employment and stabilization Theories of Public Expenditure: Wagner's Hypothesis and Wiseman Peacock Hypothesis - Causes for Public Expenditure Growth - Significance of Public Expenditure: Low Income Support and Social Insurance Programmes. Public Debt : Classification-Burden of Debt Finance : Internal and External- Public Debt and Fiscal Solvency | 10 |
| 4: Fiscal policy and Management in India | IV | Fiscal Policy: Meaning, Objectives, constituents and Limitations. Contra cyclical Fiscal Policy and Discretionary Fiscal Policy : Principles of Sound and Functional Finance Budget- Meaning objectives and types - Structure of Union budget – Deficit concepts Intergovernmental Fiscal Relations: fiscal federalism and fiscal decentralization – central state financial relations-14 th & 15 th Finance Commission | 10 |
| Total No. of Lectures | | | 45 |

Beyond the Syllabus

Paper presentations, book reviews and visits to Institutes/ industry

Semester IV: Business Economics – Paper IV (Paper Pattern)

Duration: 2 hours

60 Marks

Q.1 Answer Any 2 (Unit1)

15 Marks

- A
- B
- C

Q.2 Answer Any 2 (Unit2)

15 Marks

- A
- B
- C

Q.3 Answer Any 2 (Unit3)

15 Marks

- A
- B
- C

Q.4 Answer Any 2 (Unit4)

15 Marks

- A
- B
- C



Course Outcomes

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Students should be able to...

| | |
|------------|--|
| CO1 | Students Understand the the role of govt. in an economy |
| CO2 | To expose Students of Commerce that sources of revenue of govt., its principles and its effects. |
| CO3 | Be able to understand the expenditure pattern of the govt., its principles, its effects, if any deficit then how to finance that deficit. |
| CO4 | To know the types of fiscal policies are in practice, imp. Components of the govt. budget and financial relations' of central and state govts. |

Recommended Resources

Reference Books

1. Musgrave, R.A and P.B. Musgrave (2017): Public Finance in Theory and Practice, Tata McGraw Hill, Kogakusha, Tokyo
2. Ahuja H.L.: Modern Economics, 19th edition, 2015, S. Chand & co Pvt. Ltd, New Delhi
3. Ahuja H.L. : Macro Economics, 19th edition, 2015, S. Chand & co Pvt. Ltd, NewDelhi
4. Bhatia H.L.: Public Finance. Vikas Publishing House Pvt. Ltd, Twenty-Ninth Edition, 2018.
5. Hajela T.N: Public Finance – Ane Books Pvt. Ltd. 2009
6. David N. Hyman : Public Finance A Contemporary Application of theory of policy, Krishna Offset, Delhi, Eleventh Edition, 2014.
7. Hoiughton E.W.(2018) : Public Finance, Penguin, Baltimore, Oxford University Press.
8. Jha, R (2009): Modern Public Economics, Route Ledge, London
9. Indian Economy by Datt and Sundaram, S. Chand Publication, 2016.
10. Dr. B. P. Tyagi & Dr. H. P. Singh, Public finance, Jai Prakash Nath & Co Publication, 2019
11. Mithani, D.M (2009): Modern Public Finance, Himalaya Publishing House, Mumbai
12. Singh.S.K. (2014): Public finance in Theory and Practice, S. Chand & co Pvt. Ltd, New Delhi.

Syllabus Prepared by:

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Member, Syllabus Committee



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|---|--|
| 3. Dr. Avinash Shendre Head & Associate Professor Department of Economics Pragati College, Dombivali | VC Nominee, Syllabus Committee |
| 4. Dr. Manasi Gore Associate Professor Department of Economics University of Pune | 1 st Subject Expert, Syllabus Committee |
| 5. Dr. Krishna Shahane Head & Professor Department of Economics Bitco College, Nashik | 2 nd Subject Expert, Syllabus Committee |
| 6. Dr. Shivaji Pawar Head & Assistant Professor Department of Economics MCC College, Mulund West, Mumbai | Subject Expert Outside College, Syllabus Committee |
| 7. Ms. Trusha Shinde Assistant Professor Department of Accountancy | Alumni , Syllabus Committee |

