

For the Year 2026

# **Economics/Business**

## **Economics – 309**

### **Syllabus for**

### **NCET**

Economics/Business

Note:

*There will be one Question Paper which will have 28 questions out of which 25 questions need to be attempted.*

## Course I Introductory Microeconomics

### **Unit I: Introduction, Theory of Consumer Behaviour**

- What is microeconomics?
- Central problems of an economy
- **Consumer's Equilibrium:** meaning and attainment of equilibrium through Utility Approach: One and two commodity cases, Consumers Budget and Optimal choice of the consumer.
- **Demand:** market demand, determinants of demand, demand schedule, demand curve, movement along and shifts in the demand curve, price elasticity of demand, measurement of price elasticity of demand – percentage, total expenditure, factor determining price elasticity of demand for a good.

### **Unit II: Production and Costs.**

- Production function: Short run and Long run production function
- Shapes of TP, MP and AP curves
- Cost and Revenue: Concepts of costs; short-run cost curves (fixed and variable costs; total, average and marginal costs); concepts of revenue – total, average and marginal revenue and their relationship. Producer's equilibrium – with the help of MC and MR.

### **Unit III: The Theory of the firms under perfect competition**

- Features of perfect competition
- Profit maximization.
- Price determination under perfect competition – equilibrium price, effects of shifts in demand and supply.
- Supply: market supply, determinants of supply, supply schedule, supply curve movement along and shifts in supply curve, price elasticity of supply, measurement of price elasticity of supply.

### **Unit IV: Market Equilibrium and Simple Applications**

- Market equilibrium, excess demand, excess supply,
- Applications:=- Price ceiling and Price flooring.

## Course II Introductory Macroeconomics

### **Unit I: Introduction and National Income Accounting**

- **What is macroeconomics?**
  - Basic concepts in macroeconomics:
  - Circular flow of income; Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method
- **Aggregates related to National Income:**
  - Factor Cost, Basic Prices and Market Price.
  - GDP and Welfare

### **Unit II: Money and Banking**

- Meaning and functions, supply of money - Money Creation and Money Multiplier.
- Central bank and its functions (example of the Reserve Bank of India)
- Policy tools to control money supply.

### **Unit III: Determination of Income and Employment**

- Aggregate demand and its components.
- Determination of Income in two sector model.
- Problems of excess demand and deficient demand; measures to correct them - changes in government spending, taxes and money supply
- Multiplier mechanism.

### **Unit IV: Government Budget and the Economy**

- **Government budget** - meaning, objectives and components
- **Classification of receipts** - revenue receipts and capital receipts;
- **Classification of expenditure** – revenue expenditure and capital expenditure.
- **Balanced, Surplus and Deficit Budget** – measures of government deficit.

### **Unit V: Open Economy Macroeconomics**

- **Balance of payments account** - meaning and components;
- **Balance of payments** – Surplus and Deficit
- **Foreign exchange rate** - meaning of fixed and flexible rates and managed floating. Merits and demerits of exchange rate regimes.
- Determination of exchange rate.
- Managed Floating

## **Course III: Indian Economic Development**

### **Unit I: Development Policies and Experience (1947-90)**

- A brief introduction of the state of Indian economy on the eve of independence.
- Indian economic system and common goals of Five Year Plans
- Main features, problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade.

### **Unit II Economic Reforms since 1991: Macroeconomics: Meaning.**

- **Economic Reforms since 1991:**

- Features and appraisals of liberalisation, globalisation and privatisation (LPG policy);

### **Unit III: Current challenges facing the Indian Economy**

- **Human Capital Formation:** How people become resource; Role of human capital in economic development; Growth of Education Sector in India
- **Rural development:** Key issues - credit and marketing - role of cooperatives; agricultural market system, Agriculture diversification; alternative farming - organic farming
- **Employment:** Growth and changes in work force participation rate in formal and informal sectors; problems and policies
- **Environment and Sustainable Development:** Definition and Functions, State of India's environment, Strategies for sustainable development.

### **Unit IV: Development Experiences of India: A comparison with neighbours.**

- A comparison with neighbours.
- **Issues:** economic growth, population, sectoral development and other Human Development Indicators.
- Development Strategies.