DEPARTMENT OF ECONOMICS
HIMACHAL PRADESH UNIVERSITY
SUMMER HILL SHIMLA-171005

M.A.BUSINESS ECONOMICS   (COURSES)

First semester

Course-I   Microeconomics

Course-II   International Economics

Course-III   Elementary Mathematical Economics

Second semester

Course-IV   Macro Economics

Course-V   Money and Banking

Course-VI   Basic Statistics

Third semester

Course-VII   Principles of Marketing Management

Course-VIII   Principles of Management and Organisational Behaviour

Course-IX   Principles of Business Finance

Fourth semester

Course-X   Project Appraisal and Investment Planning

Course-XI   Operation Research and Business Decisions

Course-XII   Industrial Economics

M.A. Business Economics

Semester -1

ignificance of assumption in economic models, of economic models. Theory of Demand: Utility analysis of demand; Indifference curves theory; Income and substitution effects: The Slutsky theorem;   Compensated demand curves; The revealed preference theory.

Unit-II

Theory of Production : Stages of production, function; Returns to factor proportions ; Return to scale;   Elasticity of substitution; Technical progress and production function ; Cost and Revenue Analysis (traditional and modern theories of cost). Equilibrium of the firm-marginal analysis: Optimum factor combination and product combination

Unit-III

Market Structures and Pricing Process : Equilibrium of firm and industry under perfect competition ; Monopoly; bilateral monopoly; and Monopolistic competition ; Excess capacity and imperfect competition: Pricing and output behaviour under oligopoly : Collusive and non-collusive models: Extensions of the oligopoly : models : Models of Bamuol, Marris and willamson.

Unit-IV

Theory of Distribution: The Marginal Productivity Theory of Distribution; The adding up Problem and Eulers theorem. Modern theory of distribution.   Theory of Rent : Ricardian and Modern. Theories of Interest : Classical, Neo-classical, Keynesian and IS-LM courve theories   Theories of Wages : Wage determination under perfect and imperfect competition; wage determination under trade unionism.   Theories of profits. Classical, Marxian and Kaleskis theories.

Unit- V

Welfare   Economics : Marshallian and Robbinsian concepts Pigouian Welfare Economics.   New Welfare Economics: Paretos optimum and externalities; Compensation principle and social welfare function.

SUGGESTED READINGS

- ...J.(1982) Economic Theory and Operations ...d, Prentice Hall of India, New Delhi.

- Friedman. M. (1953). Essays in Positive Economics, Chicago University Press, Chicago.

- Koutsoyiannis, A. (1985). Modern Microeconomics, Macmillan, London.

- Gould, J.P. and C.E. Ferguson. Micro-Economic Theory. Irwin, Homewood , Illinois.

- Deaton, A. S. & J. Muellbauer (1980). Economics and Consumer Behaviour, Cambridge University Press, Cambridg3.

- Gravel H. and R. Rees (1981). Microeconomics, Longman, London

- Hirshleifer, J. (1976). Price Theory and Applications., Prentice Hall, New Delhi.

- Varian, H. (1978). Microeconomic Analysis, W.W. Nortion, New York.

- Green, H.A.J. Consumer Theory. Philips L. Applied Consumption Analysis.

- Kreps , D.M. (1992). A Course in Micro Economic Theory., Prentice Hall of India, New Delhi.

Unit-II

- Da Costa, G.C. (1980) . Production, Prices and distribution, Tata Mc Graw Hill, New Delhi

- Ferguson, C.E. (1968). Microeconomic Theory. Cambridge University Press, London.

- Jones, H. G. (1976). An Introduction to the Modern Theories of Economic Growth, Mc Grow Hill Koga-Kusha, Tokyo.

- Koutsoyiannis, A. (1986) . Modern Microeconomics, Macmillan, London.

- Gold, J.P. and C.E. Ferguson. Micro Economic Theory, Irwin Homewood.

- Koutsoyiannis, A. (1985) . Modern Microeconomics, Macmillan, London

- Henderson, R. and Quandt, R. Micro Economics Theory.

- Stigler, G. (1966) , The Theory of Price, 3e, Macmillan Co., New York.

- Friedman, R. Price Theory. Kalyani Publishers, Ludhiana.

- Archibald, G.C. , Ed.   (1971), Theory of the Firm, Penguin Rooks, Harmondswroth.

- Da Costa, G. C. (1980), Production, Prices and Distribution, Tata Mc. Graw-Hill,   New Delhi.

- Kamerschen, D.R. (Ed), (1969). Readings inMicroeconomics, John Wiley and Sons, New York.

- Kogiku, K. C. (1971). Microeconomics Models, Harper andRow, New York.

Unit-IV

- American Economics Association (1950), Readings in the Theory ofIncome Distribution, George Allen and Unwin, London.

- Bronfrenbrenner, M. (1971). Income Distribution   : Theory Macmillan, London.

- Da Costa, G. C. (1980). Producdtion Prices and Distribution, Tata McGraw-Hill, New Delhi.

- Koutsoyiannis, A. (1985) Modern Microeconomics, Macmillan, London.

- P.R.G. Layard and A.A. Wallers, Micro Economics Theory, McGraw-Hill, New York.

Unit-V

- American Economic Association (1979). Readings in Welfare Economics, R.D. Irwin and Co., Homewood , IL.

- Bruce, N. and R. Boadway (1984). Welfare Economics, Basil Blackwell , Oxford.

- Mishan, E.J. (1969) . Welfare Economics: An Assessment, North-Holland, Amsterdam.

- Guirk, J. and R. Saposoick (1963). Introduction to General Equilibrium and Welfare Economic, McGraw-Hill, New York.

- Kotsoviannis, A. (1985). Modern Microeconomic, Macmillan,

  ....De V. (1957). Theoretical Welfare Economics. (
  ....University Press.) Vikas Publishing House, New

COURSE-II

INTERNATIONAL ECONOMICS

Unit-I

Need for a separate theory of international trade. Theories of international trade classical, Neo-classical, Heckscher-Ohlin and Factor price, equalization theories. Empirical verification of Classical and Heckscher-Ohlin theories, Factors reversal and leontief paradox. Emmanuels theory of unequal exchange.

Unit-II

Impact of dynamic factors on international trade changes in tastes, technology, factor endowments. Rybeznski theorem and transportation costs. Derivation of offer curves-Marshall-Edgeworth, Mill and Meade. Terms of trade and measurement of gains from trade. Secular deteriorate in the terms of trade of developing countries. Aid versus trade controversy.

Unit-III

Commercial Policy: Free trade versus protection. Theory of tariffs; partial effects and effects on income distribution. Stolpher-Samuelson theorem. Optimum tariff, nominal and effective tariffs, infant industry tariff. Quotas and other quantitative restrictions. State trading. Multiple exchange rates. Trade policies of developing countries. Theory of custom union . trade creation and trade diversion. The SAARC and the WTO framework. The WTOs and the developing countries.

Unit-IV

International Monetary Theory : Balance of payments and its adjustment. Maintenance of internal balance-Elasticities and absorption approaches. Exchange rate determination and adjustments. Foreign trade multiplier. Foreign repercussions and stability problem. Flexible versus fixed exchange rate system.

Unit-V

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Capital requirements of developing countries. ...t of International Monetary system since the 1970s ...m, International reserves and problems of liquidity, ...SDRs. Short-term International finance-its nature ...ude; its merits and demerits for the developing

SUGGESTED READINGS

Unit-I

- American Economic Association (1970). Reading in the Theory of International Trade, George Allen and Unwin, London.
- Chacholiad, S. M. (1978). International Trade Theory and Policy, McGraw Hill, Kegakusha, Tokyo.
- Clement, M.O., R.P. Fister and K. Rothwell, (1967), Theoretical Issues in International Economics, Constable, Publications, London
- Kindelberger, C.P., (1976), International Economics, R.D. Irwin, Homewood.
- Hellar, R.H. ( ), International Trade Theory and Evidence, Prentice Hall of India, New Delhi.
- Roy, P.N., (1986), International Trade Theory and Practice, Willey Eastern Ltd., New Delhi.
- Sodersten, B., (1980), International Economics, 2nd Edition, Macmillian, London.

Unit - II

- American Economic Association, (1968), Readings in International Economics, Allen and Unwin, London.
- Bhagwati, Jagdish, (1969), Trade Tariff and Growth.
- Ellsworth, P.T. and Clarke Leith, (1975), The International Economics, Richard D. Irwing Inc., Homewood.
- Meier, G.M. (1970) . Leading Issues in Economics Development, Oxford University Press, Delhi.
- Roy. P. N. (1986) . International Trade Theory and Practice, Willy Eastern Limited, New Delhi.
- Sodersten, Bo. (1970) . International Economics. Macmillan Press, London.
- Harbert G. Gurbej (1977) . International Economics, Richard D., Irwin, Homewood, Illinois.

Unit-III

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- American Economic Association, (1968), Readings in ational Economic, Allen and Unwin, London.

- wati, J. (1968) . Theory and Practice of nercial Policy, Princeton University Press, New

- holiades. M. (1975). International Trade Theory and Policy, McGraw Hill Kogakusha, Tokyo.

- Lipsay, R.G. (1970). The Theory of Customs Union, Wiedenford and Necolson, London.

- Meade, J. E. (1968). Theories of International Economic Policy, Vol. II, Oxford University Press, London.

- Meier, G. M. (1968) The International Economics of Development, Harper and Row, New Delhi.

- Robson, P. (Ed) (1979). International Economic Integration, Penguin, Harmondsworth.

- Roy, P. N. (1968). Internation Trade Theory and Practice, Willey Estern Ltd. New Delhi.

- Sodershan, Bo.(1980) International Economics, 2nd Macmillan, London.

Unit-IV

- Caves, R.E. and Jones (1973) World Trade and Payments: An Introduction, Little Brown Company, Bosten.

- Chacholiades, M. (1978). International Monetary Theory and Policy, McGraw Hill, New York.

- Meade, J.E. (1970) Theory of International Economic Policy, Vol. I. E.L.B. S. London.

- Mundell, R. (1968) International Economics, Macmillan, New York.

Unit-V.

- Heller, R. (1974). International Monetary Economics, Prentice Hall India, New Delhi.

- Machiup. F. (1970) . International Monetary Economics, George Allen and Unwin, London.

- Meier. G.M. (1982) Problems of a World Monetary Order, Zed, Oxford University Press, New York.

- Scamell, W.M. (1975) , International Monetary Policy, Bretton wood and Alter, MacMillen, London.

- Salvtore, D. (1987). International economics, 2/e, Macmillen, New York

- Brown, W.B. and J.S. Hegendorn, (1994). International Economics : Theory and Context. Addison Wesley Publishing Co., New York.

Course-III

ELEMENTARY MATHEMATICAL ECONOMICS

Unit-I   SETS, CONTINUITY AND DIFFERENTIATION:

The concept of Sets; Subsets and Equality of sets, set operations (Union, Intersection and Difference). Type of function (constant, polynomial, rational and non-algebraic). Functions of one Variable: Limits, continuity and differentiations of functions of a single variable. Derivative of a composite function, Parametric function, logarithmic function, Exponential and inverse functions. Concave and convex functions. Derivative of higher order. Partial Derivatives and total derivative Homogenous functions and Eulers Theorem. Maxima and Minima of functions of single variable. Profit maximization and cost minimization. Constrained optimization of function with two variables. Constrained utility maximization, constrained minimization and the interpretation of the Lagrange multiplier.

Unit . II   DIFFERENTIAL   AND   DIFFERENCE EQUATIONS

Introduction, non-linear and linear differential equations of the first order and first degree. Solutions of differential equations when variables are separable, homogenous equations and non-homogenous equations, exact differential equations and linear equations. Solution of linear differential equations of second with constant coefficient.

Finite differences, different equations. Solutions of homogeneous   linear difference equation with constant coefficients, linear first-order difference equations, Linear second order difference equations with constant coefficients.

Application of differential and difference equations in economic models (dynamics of market price, Solow growth model, cob-web model, multiplier-accelerator interaction model, Domar growth model).

Analytic Geometry:

...uction of a Straight Line, section formula, the ... a straight in, the equation of a straight line in ...m, two-point form. Circle : The general equation of ...arabola: equation of a parabola, the points of intersection of line and a parabola. Equation of a rectangular hyperbola. Problems based on applications of analytic geometry in economics.

Integration of function of one variable by parts and substitution. Integration of logarithmic and exponential functions. Definite integral and area between two curves. Simple applications of integration to the relationship between marginal functions and total functions, Consumers surplus and producers surplus. Investment and capital formation and the present value of a continuous flow.

Unit . IV   Matrices and Determinants:

Their properties, addition, subtraction and multiplication of matrices. Transpose of a Matrix. Some special forms of square matrices-Trace, Idempotent matrix, Sub-matrix of a matrix. Inverse of a matrix and solution of equations using both the inverse of a matrix and Cramers rule. Rank of a Matrix (Numerical relating to inverse of a matrix and Cramers rule should to be confined to matrix of order 3x3).

Unit-V   The Input-out-put model:

Its assumptions, technological coefficient matrix, closed and open input . output model, the Hawkins-Simon conditions. Solving the input-output models both open and closed using the inverse matrix.

An Introduction to Linear Programming:

Linear equations, slack variables. Feasible and basic solutions. Degeneracy. Solving the primal and Dual with simplex method. Interpretation of the linear programming results.

SUGGESTED READINGS

- Taro Yamane, Mathematics for Economists: An Elementary Survey, Prentice Hall of Indian, New Delhi .

- R.G.D. Allen. Mathematical Analysis for Economists, MacMillan, India Limited, Delhi.

- Alpha C. Chiang. Fundamental Methods of Mathematical Economic Analysis, McGraw-Hill Bank Company London.

- l Mukherji and V. Pandit. Mathematical Methods conomic Analysis, Allied Publishers Pvt. Ltd. , New

- Chris Berchenhal and Paul Grount, Mathematics for Modern Economics, Heritage Publishers, New Delhi.

- D. Bose, An Introduction to Mathematical Economics, Himkya Publishing House, Bombay.

- Dorfman, R., Linear Programming and Economic Analysis, McGraw Hill

- Hadley, G. Linear Programming, Narosa Publishing House, New Delhi.

- Baumol, W.J., Economic theory and Operations Analysis, Prentice Hall, New Delhi

- Budniek, Applied Mathematics for Business economics and social Sciences, 2nd Ed., McGraw Hill.

- Dowling. Mathematics for Economists, McGraw Hill

- Nicholson. Mathematics for Business Economics, McGraw Hill.

- Burmeister, E., and R Dobell, Mathematical Theories of Economic Growth.

RO ECONOMICS

Micro Foundations of Macro Economics. The basic classical model of income and employment determination. The basic keynesion model : equilibrium in product and money markets. Multiplier process and the different concepts of multiplier ; balanced budget theorem. Macro Economic Theories of Consumption : Keynesion theory; Relative income, Permanent income, and Life cycle income hypotheses. Pigou effect and real balance effect on consumption demand.

Unit-II

Macro Economic Theories of Investment : The Keynesion Post-Keynesion, New-keynesion, and the financial theory of investment determination. Lage in investment. Portfolio disequilibrium and the transmission mechanism. The Demand for Money ; The classical, keynesion and Post-keynesion approaches.

Unit-III

The supply of Money and Definitions of Money Supply: Inside and outside money, the neutrality of money Equilibrium in money market. The classical and keynesian dichotomies and their resolution by patinkics real balance effect and through IS-LM model respectively. Keynesian and post-keynesian theories of rate of interest.

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Unit-IV

Growth Models : Harrod-Domar model; Neo . classical model; Golden rule of accumulation; Optimal growth turnpikes. Theories of Trade Cycles : Multiplier-Accelerator interaction model, Kaldor and Hicksq models. Determination of General Price Level Classical and Keynesion approaches. Theories of Inflation ; Demand . pull and cost-push inflation; short and long-run phillips curve analysis; The keynesion, the monetarist and the rational expectationists analysis.

Unit-V

Keynesian and monetarist perspectives on monetary, fiscal and income policies. Stabilisation policies : Rules VsDiscretion: lagged effects of policies and role of expectations. Crowding out effect and government budget

constraint. Rational expectations and effectiveness of policies.

SUGGESTED READINGS

Unit-I

Bronson, W.H., (1985). Macro-Economic Theory and Policy, Universal Book Stall, New Delhi.

McConnell, C.R. and H.C. Gupta (1987). Introduction to Macro-Economics, Tata-Mcgraw Hill, Delhi.

Dornbusch, R. and S. Fischer (1987). Macroeconomics, 4e, McGraw-Hill Kogakusha Tokyo.

Edgmand, M.R. (1983). Macroeconomics : Theory and Policy, Prentice Hall of India, New Delhi.

Shapiro, Edward (1984). Macroeconomic Analysis, Galgotia Publication , New Delhi.

Unit-II

Bronson, W.H., (1985). Macro-Economic Theory and Policy, Universal Book Stall, New Delhi.

Dornbusch, R. and S. Fischer (1987). Macroeconomics, 4e, McGraw-Hill Kogakusha Tokyo

Tunankar, P.N. (1972) . Investment : Theories and Evidence, Macmillion , London.

Laidler, D. (1972). Demand for Money Theory and Evidence, Allied Publishers, New Delhi.

Surrey. M. J.C. ed. (1976). Macroeconomic Themes, Oxford University Press, Oxford.

Shapiro, Edward (1984). Macroeconomic Analysis, Galgotia Publication , New Delhi.

Bronson, W.H., (1985). Macro-Economic Theory Universal Book Stall, New Delhi.

Chakravarty, S. (1985). Report of the Reserve Bank of India Committee to Review the Monetary System, Reserve Bank of India, Bombay.

Dornbusch, R. and S. Fischer (1987). Macroeconomics, 4e, McGraw-Hill Kogakusha Tokyo

Gupta, S.B. (1983). Monetary Economics, S. Chand & Co, Delhi.

Surrey, M. J.C. ed. (1976). Macroeconomic Themes, Oxford University Press, Oxford.

Shapiro, Edward (1984). Macroeconomic Analysis, Galgotia Publication , New Delhi.

Unit-IV

Bronson, W.H., (1985). Macro-Economic Theory and Policy, Universal Book Stall, New Delhi.

Jones, H.G. (1976). An Introduction in Modern Theories of Economic Growth, McGraw Hill Kogikusha Tokyo.

Scarfe, B.L. (1977). Cycles, Growth and inflation, McGraw Hill, New York.

Sen, A.K. (Ed.) (1970). Growth Economics, Penguin. Harmondsworth.

Shapiro, Edward (1984). Macroeconomic Analysis, Galgotia Publication , New Delhi.

Kotwal, O.P. (1987). Theories of Inflation. A critical Survey. Tata McGraw-Hill publishing Co. New Delhi.

Unit-V

Dorbnbusch, R. and S. Fischer (1987). oeconomic, 4ed. McGraw-Hill Kogakusha, Tokyo.

Evans, M.K. (1960), Macroeconomic Activity. er and Row. New York.

Hall, R.E. and J.B. Tayler (1986) . Tayler (1986). Macroeconomics, W. W. Norton New York.

Turnovsky, S.J. (1977). Macroeconomic Analysis and Stabilisation Policy. Cambridge University Press, Cambridge.

Course: VI
BASIC STSTISTICS

Unit: I

Measure of Central Tendency, Dispersion, Skewness ... Correlation; Meaning and methods of measuring ... Karl Pearson's method, Spearman's Rank ... coefficient, Limitations of Correlation analysis. ...ession; relation between correlation coefficient and ... coefficients, Fitting of regression equations, ...or of estimates.

Unit: II
The General Linear Regression Model

An Introduction to the matrix formulation and solution of the general linear regression Model. Solution for a model with one dependent and two independent variables. Prediction for simple regression models of demand, supply, production and cost. Multiple and partial correlations and regressions. Relationship between the measures of multiple correlation and measures of partial correlation, Beta coefficients.

Unit III
Elements of Probability Theory

The Concept of Probability Distribution and a Density function. Mathematical expectation, Binomial distribution, the Normal distribution, Some properties of the normal distribution. Sampling and sample designs: simple random sampling, stratified random sampling, systematic sampling and cluster sampling. Large samples. Tests of significance. Limitation of sampling; procedure of testing hypothesis: Region of acceptance and rejection, two tailed and one tailed tests, Type I and Type II errors. Non Parametric Tests: The sign test, rank sum test, the Mann-Whitney U test, advantages and limitations of non parametric tests.

Unit IV
Tests of Significance

Standard error of the mean, Student's 't' distribution and its properties, Use of the 't' distribution to test hypothesis of the population means. Chi Square: general features of Chi Square (χ^2), chi square as a test of goodness of fit, chi square as a test of independence. Contingency table and Yates' correction for continuity, testing homogeneity of several independent estimates of population variance. Analysis of variance; meaning, assumptions and techniques of analysis of variance, one way and two way analysis of variance problem. Inter relationship between 't', Chi square and F tests.

Unit V
Analysis of Time Series

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ing and components of time series, Methods of
trend . the semi average method, the moving
ethod and the least squares method. Fitting of
second and third degree equations. Fitting of the
ponential curve, Gompertz curve and the logistic
surement of Seasonal, Cyclical and irregular
variations.

Index numbers: Meaning, problems in construction of index numbers. Classification of index numbers, unweighted price index numbers, relative of aggregate method and average of price relatives, Weighted price index numbers: Laspeyres, Paasches and Fishers ideal index numbers. Time reversal test and factor reversal test and chain based index numbers. Uses and limitations of index numbers.

Note:
1   All proofs to be avoided. Questions should be application oriented.

SUGGESTED READINGS

Taro Yamane. Statistics, Harper International.

M.R. Spiegel. Theory and Practice of Probability and Statistics, Schaums outline ser es, McGraw Hill.

A.L. Nagar and R.K. Das. Basic Statistics, Oxford University Press, New Delhi.

George Snedecar and W.G. Chockrane. Statistical Methods. Oxford & IBH, New Delhi.

F.E. Croxton, D.J. Cowden and Sidney Klein. Applied General Statistics, Prentice Hall of Indian, New Delhi.

S.P. Gupta. Statistical Methods, Sultan Chand & Sons, New Delhi.

S.P. Singh. (1996). Statistics. S. Chand & Company, New Delhi.

B.L. Agarwal, (1977). Basic Statistics, New Age International Limited, New Delhi.

H.M. Walker and J. Lev. (1953) . Statistical Inference, Holt, Rimehart and Winston, Oxford and IBH Publishing Company, Calcutta.

Damodar No. Gujarati. Basic Econometrics, Second Edition, L.R. Klein. Introduction to Econometrics .

Course-VII

MANAGEMENT AND ORGANISATIONAL

function; Evolution of Management Thought; Management Approaches; Social and Ethical Issues in Management; Concept, Importance and Process of Strategic Management.

Unit-II

Managerial Decision Making and Control-Significance of Management Information System in Decision Making; Types and Techniques of Managerial Decisions; Decision Making under Risk. Uncertainty and Conflict. Control Techniques; Quality Control.

Unit-III

Concept of and Approaches in Organisational Behaviour; individual and Group Behaviour, Individual Behaviour and Environment; Role of Motivation-Motivation theories (Maslow, Alderfer, Mechlelland and Nerzberg); stress and behaviour-Sources of Stress, Consequences of Stress, Strategies for coping with stress.

Unit-IV

Organisational Structure and Development; Types and Determinants of Organisational Structure; Change and Organizational Development; Organisational Culture; Need for Development of a Strong, cross-cultural. Organisational Culture; Multinational Management; Management Challenges today.

Unit-V

Leadership and Organisational; Leadership theories; Inter-Group Relations and Conflicts; Nature, Types, Causes and Management of Conflicts; Role of Communication in Organisational Development-Communicational Net-Work Communication Barriers, Guidelines for Effective Communication.

SUGGESTED BOOKS

...agement-Theory & Practice.

...anizational Behaviour.

...nciples of Management.

Dass and Miller. Strategic Management.

Drucler, P. The Practice of Management.

Mersey and Blanchard. Management of Organisational Behaviour.

Hude, E.S. Organizational Development and Change.

Lawless, O.J. Organisational Behaviour.

Luthans, Free. Organizational Behaviour.

Massie, Joseph, L. Essentials of Management.

Newman and Summer. Process of Management.

Robina, S.P. Organizational behaviour.

COURSE-VIII

PRINCIPLES OF BUSINESS FINANCE

Unit-I

objectives of financial management. Sources of ... India. Capital markets. Shares debentures and ... capital market instruments, Lease financing. ... ...sitions. Development banks and lending norms.

Unit-II

Financial statements (balance sheet, Profit and loss account, funds flow statement, Cash flow statement). Financial ratio analysis. Cost-volume-profit analysis. Administration and preparation of budgets. Financial forecasting methods.

Unit-III

Present value of bonds and shares. Divident theories and policy in practice. Firms of dividends. Management of cost of capital. Capital structure theories. Capital budgeting. Risk analysis in capital budgeting. Application of programming techniques in capital budgeting.

Unit-IV

Principles of working capital management. Determinants of working capital. Planning of working capital. Management of cash. Management of inventory. Finance and control of working capital.

Unit-V

Cash flows estimation. Components of cash flows. Managing the cash flows. Determining cost of capital. Cost of equity. Optimum credit policy. Investment timing and duration. Replacement of an existing asset.

SUGGESTED READINGS

J.C. Van Horne. Financial Management and Policy, Prentice Hall of India, New Delhi, 1982.

E. Soloman and J.J. Pingle. Introduction to Financial Management, ___ia, New Delhi, 1982.

___ncial Management, Vikas, New Delhi, 1982.

___ancial Management, Chaitanya Publishing House,

M.Y. Khan and P.K. Jain. Financial Management, Tata McGraw Hill, New Delhi, 1982.

S.R. Archer and C.A.D. Ambrosio. Business Finance: Theory and Management, Macmillan London, 1972.

E.F. Fama and M.H. Miller. Theory of Finance, Holt, Rinehart and Winston, New York, 1972.

Francis. Management of Investments, McGraw Hill, New York.

Francis, Modern Theory of Corporate Finance, McGraw Hill, New York.

COURSE- IX

PRINCIPLES OF MARKETING MANAGEMENT

Unit-I

Analysing marketing opportunities : Concepts, tasks and philosophies. Information anylysis for marketing decisions, Marketing

process. Marketing planning and strategy, Analysing market consumer markets and buying behaviour, Market forecasting. Market segmentation and targeting.

Organising for Marketing Activity : Business goals and marketing organisation. Marketing planning. Marketing decision making, Marketing research. Information system and research process. Marketing logistics.

Unit-III

Planning programme : Product policy decisions. Price decisions. Marketing channel decisions. Physical distribution decisions. Managing operations. Forecasting for operations. Capacity planning and facility layout.

Unit-IV

Export marketing : Identifying foreign markets. Organising international market intelligence. International channels of distribution. Export pricing. Export-import regulations and procedures. Financing of exports and imports. Export marketing risks (credit and marine insurance) . Export· import policy of India. Export marketing institutional infrastructure.
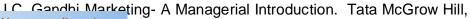
Unit-V

Advertising and sales promotion decisions : Objectives of advertising. Cost of advertising to the consumer. Factors affecting the successful use of advertising. Selection of media. Message design and advertising appeals. Evaluation of advertising effectiveness. Theories of selling, Sales related marketing policies. Sales force selection and training. Assignment of territories and motivation. Evaluation and supervision of sales personnel.

SUGGESTED READINGS

Philip Kotler. Marketing Management: Analysis Planning and Control , Prentice Hall of India, New Delhi.

W.J. Stanton. Fundamentals of Marketing. 10/e adition, Tata McGrow Hill, New Delhi.

J.C. Gandhi Marketing- A Managerial Introduction. Tata McGrow Hill,

stfall and S.P. Starch. Marketing Research- Text d D. Irwin, Homewood II, 1981

Majumdar, Marketing Research- Text Applications and Case Studies, Willy Eastern, New Delhi.

COURSE-X

PROJECT APPRAISAL AND INVESTMENT PLANNING

Unit-I

Project formulation : Project ideas, feasibility studies, project formulation. Project implementation and control. Management information system for control of projects. Time preference for money. Discontinuing and compounding. Net present value.

Unit-II

...stment criteria (cost-benefit at market prices).
...fit analysis (social objectives shadow pricing
...osts and benefits and choice of techniques).
...iew of OEGD, UNIDO and World Bank approaches
...ack period and internal rate of return.

Unit-III

Application of probability in investment decision Uncertainty and capital budgeting. Expected marginal value approach-Utility approach.

Unit-IV

Present value of bonds and shares. Portfolio theory and risk. Diverse portfolio selection and uncertainty International portfolio investment and foreign exchange risks.

Unit-V

Investment evaluation criteria. Determining cash flow for investment analysis. Weighted average cost of capital and investment evaluation. Investment timing and duration. Replacement of existing assets. Investment decisions under capital rationing. Capital budgeting sensitivity analysis. Sequential investment decision. Strategic aspects of investment decision.

SUGGESTED READINGS

Barua Raghunathan and Verma. Portfolio Management, Tata McGraw Hill, New Delhi

Jordon Fisher, Security Analysis and Portfolio Management , Prentice Hall. New Delhi.

Prasanna Chandra. Project Preparation, Appraisal and Implementation, Tata McGraw Hill, New Delhi 1980

R.L. Pitale. Project Appraisal Techniques, Oxford & IBH, New Delhi, 1980.

P. Das Gupta, S. Marglin and A.K. Sen. Guidelines for Project ... Nations, New York, 1972.

... J.A. Mirrless. Project appraisal and Planning for ... es, Heinemann, London, 1974.

... Deren and E.H. Silva. The Economics of Project Analysis : A Practitioners Guide, Economics of Development Institute of World Bank, Washington, D.C.

I.M. Pandey, Financial Management. Vikas Publishing House, New Delhi.

Francis. Management of Investments, McGraw Hill, New York.

Francis. Modern Theory of Corporate Finance, McGraw Hill, New York.

COURSE- XI

OPERATIONS RESEARCH IN BUSINESS DECISIONS

Unit-I

Formulation linear models. Solving linear models of profit maximization and cost minimisation (simplex method). Duality problem. Comparison in neoclassical production theory and linear models (marginal products and marginal costs).

Unit-II

Activity analysis in linear model. Sensitivity analysis Multistage models. Multi-objective and goal programming.

a nonlinear function of a single variable. Quadratic
arable programming Integer programming.

Unit-IV

Optimisation in networks (Transportation problem and
shortest-route models). Dynamic Programming (A simple case and a
multi-period problem) Multi-period and Recursive planning.

Unit-V

Decision theory : Decisions under risk and uncertainty.
Markovian decision process. Game theory : Maximin and Minimax
Principle of game theory. Mixed strategies, graphical solution of2xn
and mx2 games. Interrelation between game theory and linear
programming.

SUGGESTED READINGS

Day, R. H. (1963). Recursive Programming and Production
Response, North Holland Publishing company.

Dixit, A.K. (1976) . Optimisation in Economic Theory, Oxford
University Press.

Intriligator , M.D. (1971) . Mathematical Optimisation and Economic
Theory, Prentice Hall, Englewood cliffs, New Jevsey.

Jacobs, L.R. (1967). An Introduction to Dynamic Programming,
Chepman and Hall, London.

Mulls, Gordon (1984). Optimisation in Economic Analysis, Hiritage
Publishers, New Delhi.

Wagner, H.B. (1975). Principles of Operations Research With [...] nagement Decisions, Prentice Hall, New Delhi.

[...]. Non-Linear and Dynamic Programming. Addision [...] usetts.

COURSE . XII

INDUSTRIAL ECONOMICS

Maximum Marks : 100

Unit . 1

The scope of Industrial Economics. Organization of industry. Changing forms of industrial organization. Process of industrialization : Rationale, objectives, strategies and polices. Employment implications of industrialization. Appropriate industrial technology for LDSLs. Industrialization and economic development. Patterns and phases of industrial growth and changes in industrial structure.

Unit . II

Theory of firm and pricing. Objectives of the firm : profit and non-profit maximizing models of the firm. Bans theory of limit pricing;

26

Marginal cost versus full cost pricing; Allocation of costs in case of [...] fare implications of monopoly pricing. Investment [...] nal and modern approaches; risk, uncertainty and [...].

Market structure, conduct and performance and interrelations among them. Industrial concentration: concepts and measurement; Extent, causes and likely effects of concentration. Analysis of diversification, Vertical integration and mergers in industry. Extent of monopoly and concentration in India; Public policy towards industrial concentration and monopoly power in India.

Unit . IV

Industrial location : Theories and factors affecting location; infrastructure for industrialization; Regional growth of industry in India. Tools of public policy. Indian policy for backward areas. Industrial finance in India. Role of term-leading institutions in industrial development of India. Indian capital market.

Unit . V

Issues in Indian industry : Phases of industrial growth and changes in industrial structure n India. Public sector rationale and organization; Public sector pricing policies. The question of efficiency in the context of special constraints; Over-al performance of pubic sector in India. The concept of joint-sector in India. The problems of industrial sickness; Capacity utilization. Foreign collaborations; Multinationals in Indian joint ventures aboard. The recent liberalization trends. Large versus small scale industry debate in India.

SUGGESTED READINGS

Unit . I
Barthwal, R. (1984). Industrial Economics, 2e, Wiley Eastern Ltd., New Delhi.
Sbain, Joe (1967). Industrial Organization, 2e, John Wiley, New York.
Hay, D. H. and D. J. Morris, (1979). Industrial Economics: Theory and Evidence, Oxford University Pres, Oxford.
Byrce D. Marray (1960). Industrial development. A Guide for Accelerating Economic Growth, McGraw Hill Book Company, New York.
Thakur, Srinivas V. (1985). Industrialization and Economic Development, Popular Parkashan, Bombay.
Unit . II
Andrews, p. and T. Wilson, Eds, (1951). Studies in the Price Mechanism, Oxford University Press, London.

Devine, P. J. et. Al. (1978). An Introduction to Industrial Economics, Allen and Unwin, London.

(1979). Modern Microeconomics, 2e, Macmillon,

3). Price-cost and Output, F. Praeger, New York.

delines for Project Evaluation, UNIDO, Publication,

Unit . II

Bain, Joe (1967). Industrial Organization, 2e, John Wiley, New York.

Clarkson., K. W. and R. Miller (1985). Industrial organization, Theory Evidence and Public Policy, McGraw-Hill, Kogkushia, Tokyo.

Hannah, L. & Kay, J. (1977). CONCENTRATION OF modern Industry, Macmillan, London.

Scharer, F. M. (1971). Industrial Market Structure and Economic Performance, Chicago University Press, Chicago.

Unit . IV

Friedrich, S. (1929). Webers Theory of Location of Industry, Chicago University Press, Chicago.

Godbole, M. D. (1973). Industrial Dispersal Policies, Allied Publishers, Bombay.

Isard, W. (1956). Location and Space Economy, John Wiley, New York.

Menou, KSV (1979). Development of Backward Areas Through Incentives, Asia Publishing House, Bombay.

Smith, D. M. (1971). Industrial Location : An Economic and Geographic Analysis, John Wiley, New York.

Gupta, L. C. (1969). The Changing Structure of Industrial Finance in India, Oxford University Press, Delhi.

Khan M. I. (1981). Indian Financial Systems. Allied publishers, New Delhi.

Unit . V

Bhagwati J. and P. Desai (1972). India : Planning for Industrialization. Oxford University Press, London.

Ghosh, P. K. (1977). Government and Industry. Oxford University. Press, Delhi.

Reserve Bank of India (1985). Foreign Collaboration in Indian Industry. R. B. I. Bombay.

Sandesara, J. C. (1982). Industrial Growth in India : Performance and Prospects; Lala Lajpatrai College Bombay.

Ahulwalia, I. J. (19850. INDUSTRIAL growth in India. Oxford University Press, Delhi.

Bagchi, A. and M. Banerjee, eds. (1979). Change and Choice in Indian. Industry. Bagchi Pubications Calcutta.

Brahmananda, P. R. & V. R. Panchamukhi (Eds.), (1987). The Development Process of Indian Economy. Himalaya Publishing House, Bombay.

Das, N. (1969). The Public Sector in India, Vora & Company, Bombay.