

# TERM WISE SYLLABUS

SESSION-2018-19

CLASS-XII

SUBJECT: ECONOMICS

TERM	CONTENTS
April 2018 to September 2018	<p data-bbox="586 846 1365 888"><b>PART A: Introductory Microeconomics</b></p> <p data-bbox="561 961 984 1003"><b>Unit -1: Introduction:</b></p> <p data-bbox="561 1077 1430 1371">Meaning of microeconomics and macroeconomics ; positive and normative economics. What is an economy? Central problems of an economy : What, how and for whom to produce ; Concepts of Production Possibility Frontier and Opportunity Cost.</p> <p data-bbox="561 1444 1430 1539"><b>Unit-2: Consumer's Equilibrium and demand:</b></p> <p data-bbox="561 1612 1430 1812">Consumer's equilibrium – meaning of utility, marginal utility , law of diminishing marginal utility, Condition of Consumer's equilibrium using marginal utility analysis.</p> <p data-bbox="561 1822 1430 1864">Indifference curve analysis of consumer's</p>

equilibrium-the consumer's budget (budget set and budget line) , Preferences of the consumer (indifference curve, indifference map) and conditions of consumer's equilibrium. Demand, market demand, determinants of demand , demand schedule , demand curve and its slope movement along and shifts in demand curve; Price elasticity of demand ; Factors affecting price elasticity of demand; Measurement of price elasticity of demand –Percentage change method.

### **Unit- 3: Producer Behaviour and Supply :**

Meaning of production function – short run and long run. Total product, Average Product and Marginal Product: Returns to a factor. Cost: Short run costs, total cost, total fixed cost, total variable cost. Average cost: Average fixed cost, average variable cost and marginal cost-meaning and their relationship. Revenue- total, average and marginal revenue-meaning and their relationship.

### **SUMMER BREAK**

**Unit-3:** Producer's equilibrium-meaning and its conditions in terms of marginal revenue-marginal cost approach. Supply, market supply, market schedule, supply curve and its slope, movements along and shifts in supply curve, Price elasticity of supply; measurement of price elasticity of supply-

Percentage-change method.

**Unit-4: Forms of Market and Price Determination under Perfect Competition with simple applications:**

Perfect Competition- Features, Determination of market equilibrium and effects in demand and supply.

Other Market Forms-Monopoly, Monopolistic Competition, Oligopoly- their meaning and features. Simple Applications of tools of Demand and Supply; Price Ceiling and Price Floor.

**PART-B: Introductory Macroeconomics:**

**Unit-5: National Income and Related Aggregates:**

Some basic concepts; consumption goods, capital goods, final goods, intermediate goods; stock and flow; gross investment and depreciation. Circular flow of income(two sector model); Methods of Calculating National Income-Value Added or Product method, Expenditure method, Income method. Aggregates related to National Income: Gross National Product(GNP), Net National Product(NNP), Gross and Net Domestic Product(GDP and NDP) at market price, at factor cost, Real and Nominal GDP, GDP and Welfare

**Unit-6: Money and Banking:**

	<p>Money- its meaning and supply of money- currency held by the public and net demand deposits held by commercial banks.</p> <p>Money creation by the commercial banking system. Central Bank and its functions (example of the Reserve Bank of India): Bank of issue, Government Bank, Banker's Bank, Control of Credit through Bank Rate, CRR, SLR, Repo Rate and Reverse Repo Rate, Open Market Operation, Margin Requirement.</p>
	<p>Revision Work Mid-Term Exam Discussion on Question Papers and their model answers AUTUMN BREAK</p>
<p><b>October 2018 to November 2018</b></p>	<p><b>Unit-7 Determination of Income and Employment:</b> Aggregate demand and its components. Propensity to consume and propensity to save ( average and marginal). Short-run equilibrium output; investment multiplier and its mechanism. Meaning of full employment and involuntary unemployment. Problems of excess demand and deficient demand ; measure to correct them-changes in Government spending,</p>

	<p>taxes and money supply.</p> <p><b>Unit-8: Government Budget and the Economy:</b>  Government budget-meaning, objectives and components. Classification of receipts-revenue receipts and capital receipts; classification of expenditure-revenue expenditure and capital expenditure. Measure of government deficit-revenue deficit, fiscal deficit, primary deficit: their meaning.</p> <p><b>Unit-9: Balance of Payments:</b>  Balance of payments account-meaning and components; balance of payments deficit-meaning. Foreign exchange rate-meaning of fixed and flexible rates and managed floating. Determination of exchange rate in a free market.</p>
<b>December 2018</b>	<p>Discussion on Project Work  Revision of Microeconomics and Macroeconomics  Revision from Support Material  <b>WINTER BREAK</b></p>
<b>January 2019</b>	<p><b>WINTER BREAK</b>  Submission of Project Work  PRE-BOARD EXAMS</p>

<b>February 2019</b>	Discussion of Pre-Board Question Papers and their model solution. Practice from latest CBSE sample papers. Practice of exam-oriented questions frequently asked in board exams.
<b>March 2019</b>	Board Exams 2018-19

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