

# **VIDYASAGAR UNIVERSITY**



## **Curriculum for 3-Year BSc (General) in**

## **Economics**

**Under Choice Based Credit System (CBCS)  
[w.e.f 2018-2019]**

# VIDYASAGAR UNIVERSITY

## B Sc (General) in Economics

[Choice Based Credit System]

Year	Semester	Course Type	Course Code	Course Title	Credit	L-T-P	Marks		
1	I	SEMESTER-I					CA	ESE	TOTAL
		Core-1 (DSC-1A)		Microeconomics	6	5-1-0	15	60	75
		Core-2 (DSC-2A)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		Core-3 (DSC-3A)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		AECC-1 (Elective)		English	2	1-1-0	10	40	50
				<b>Semester - I : Total</b>	<b>20</b>				<b>275</b>
	II	SEMESTER-II							
		Core-4 (DSC-1B)		Macroeconomics	6	5-1-0	15	60	75
		Core-5 (DSC-2B)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		Core-6 (DSC-3B)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		AECC-2 (Elective)		Environmental Studies	4		20	80	100
				<b>Semester - 2 : Total</b>	<b>22</b>				<b>325</b>

Year	Semester	Course Type	Course Code	Course Title	Credit	L-T-P	Marks		
2	III	SEMESTER-III					CA	ESE	TOTAL
		Core-7 (DSC-1C)		Features of Indian Economy	6	5-1-0	15	60	75
		Core-8 (DSC-2C)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		Core-9 (DSC-3C)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		SEC-1		TBD	2	1-1-0/ 1-0-2	10	40	50
				Semester - 3 : Total	20				275
	IV	SEMESTER-IV							
		Core-10 (DSC-1D)		Development Economics	6	5-1-0	15	60	75
		Core-11 (DSC-2D)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		Core-12 (DSC-3D)		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		SEC-2		TBD	2	1-1-0/ 1-0-2	10	40	50
				Semester - 4 : Total	20				275

Year	Semester	Course Type	Course Code	Course Title	Credit	L-T-P	Marks		
3	V	SEMESTER-V					CA	ESE	TOTAL
		DSE-1A		Discipline-1(Economics)	6	5-1-0	15	60	75
		DSE-2A		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		DSE-3A		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		SEC-3		TBD	2	1-1-0/ 1-0-2	10	40	50
				Semester - 5 : Total	20				275
	VI	SEMESTER-VI							
		DSE-1B		Discipline-1(Economics)	6	5-1-0	15	60	75
		DSE-2B		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		DSE-3B		Other Discipline/TBD	6	4-0-4/ 5-1-0	15	60	75
		SEC-4		TBD	2	1-1-0/ 1-0-2	10	40	50
				Semester - 6 : Total	20				275
				Total in all Semester :	122				1700

**CC** = Core Course , **AECC** = Ability Enhancement Compulsory Course , **GE** = Generic Elective , **SEC** = Skill Enhancement Course , **DSE** = Discipline Specific Elective , **CA**= Continuous Assessment , **ESE**= End Semester Examination , **TBD**=To be decided , **CT** = Core Theory, **CP**=Core Practical , **L** = Lecture, **T** = Tutorial , **P** = Practical , **MIL** = Modern Indian Language , **ENVS** = Environmental Studies ,

## **List of Core Courses and Electives**

### **Core Course (CC)**

- DSC-1A: Microeconomics  
DSC-1B: Macroeconomics  
DSC-1C: Development Economics  
DSC-1D: Features of Indian Economy

### **Discipline Specific Electives (DSE)**

- DSE - 1: Economic Development and Policy in India–I  
Or  
DSE - 1: Money & Banking  
Or  
DSE - 1: Environmental Economics  
Or  
DSE - 1: Applied Statistics  
Or  
DSE - 1: Econometrics  
DSE - 2: Economic Development and Policy in India–II  
Or  
DSE - 2: Public Finance  
Or  
DSE - 2: Economic History of India (1857-1947)  
Or  
DSE - 2: Basic Statistics  
Or  
DSE- 2: Project Work

### **Skill Enhancement Course (SEC)**

- SEC- 1: Basic Computer Applications  
Or  
SEC- 1: Indian Financial System  
Or  
SEC- 1: Indian Official Statistics  
SEC- 2: Computer Application in Economics  
Or  
SEC- 2: Business Project Proposal  
Or  
SEC- 2: Financial Economics  
SEC- 3: Research Methodology  
Or  
SEC- 3: Contemporary Economic Issues  
Or  
SEC- 3: Indian Stock Market Trading  
SEC- 4: Data Analysis  
Or  
SEC- 4: Entrepreneurship Development  
Or  
SEC- 4: Insurance Market and its Products

## Core Courses (CC)

**DSC-1A (CC-1): Microeconomics**

**Credits 06**

**DSC1AT (CC-1): Microeconomics**

### **Course Contents:**

#### **1. Consumer's Behaviour:**

- A. Utility: Total and Marginal Utility- Law of Diminishing Marginal Utility – Law of Demand.
- B. Indifference Curve: Definition, Characteristics. Consumer's equilibrium, Price effect, Income effect and Substitution effect.
- C. Elasticity of Demand – price and income elasticity, cross price elasticity of demand, Measurement of price elasticity.

#### **2. Producer's Behaviour:**

- A. Production Function: AP, MP and their derivation from TP Curve, Returns to Factor and Returns to Scale.
- B. Cost of Production: Real cost and Opportunity cost – Fixed and Variable cost. Shape of cost curves -- short run and long run. Relation between Average cost and Marginal cost.
- C. Total Revenue, Marginal Revenue and Average Revenue – Relation between TR, AR and MR curves. Relation between AR, MR and Price elasticity of Demand.

#### **3. Market Morphology:**

- A. Perfect competition, Monopoly, Monopolistic Competition, Oligopoly and Duopoly (concepts only).
- B. Short run and Long run equilibrium of firm and industry under Perfect competition, Price discrimination.
- C. Price and Output determination under Monopoly.

#### **4. Theory of Distribution:**

- A. Marginal Productivity Theory of Distribution, Factor price determination.
- B. Rent: Ricardian Theory and Modern Theory.
- C. Wage: Distinction between Money and Real wage – Factors determining Real wage – Role of Trade Unions in wage determination under competitive set up.
- D. Interest: Real and money Interest – Loanable fund and Liquidity Preference Theory of Interest.
- E. Profit: Alternative Theories of Profit.

#### **5. General concepts of Welfare Economics:**

Graphical presentation of Pareto optimality

**Suggested Readings:**

1. Samuelson, P.A and William. D. Nordhaus,: Economics , McGraw Hill Book Co. Singapore.
2. Lipsey, R.G: An Introduction to positive Economics, Weidenfeld and Nicholson, London.
3. Ferguson and Gould: Microeconomic Theory, published by All India Traveller Book Seller.

**DSC-1B (CC-2): Macroeconomics****Credits 06****DSC1BT (CC-2): Macroeconomics****Course Contents:****1. The National Income and products accounts**

- Definition, concepts and measurement of GNP, NNP, GDP, NDP, NI, DI, GNP deflator, GDP deflator and price indices.
- Different methods of measuring national income – product method, income method and expenditure method.
- Problems of using national income as a measure of Economic welfare.
- Problems of measuring national income in any country
- Circular flow of income – equilibrium condition – concepts of injection, withdrawal etc.

**2. Money market**

- Motives of holding money – Transactions, Precautionary and Speculative motives.
- Keynesian liquidity preference theory – indeterminacy of rate of interest in the liquidity preference theory – the liquidity trap.
- Supply of money – Different sources of money supply – M1, M2, M3, and M4 – functions of money

**3. Simple Keynesian theory of income and employment:**

Concept of effective demand – Keynesian consumption function, relation between average propensity to consume and marginal propensity to consume – Simple Keynesian static multiplier theory – investment

**4. IS-LM model:**

IS – LM model- construction of IS and LM curves – shapes – determination of equilibrium values of rate of interest and level of income.

**5. The classical system**

- The Classical view of macroeconomics in respect of the determination of employment, output and prices – Say's law of market..
- The Classical quantity theory of money and its criticisms – Fischer's transaction version - Cambridge cash balance version.

## 6. Theory of inflation

- Concept of inflation - Demand pull inflation and cost push inflation – comparison between them.
- Inflationary gap – Limitations of it.
- Consequences of inflation – measures to control inflation.

## 7. Banking

- Functions of Commercial Banks
- Functions of Central Bank
- Credit creation by Commercial Banks – credit creation multiplier.
- Credit control by Central Bank – Different methods of credit control.

### Suggested Readings:

1. Gupta S.B: Monetary Economics, S.Chand and Co. New Delhi.
2. Sampat Mukherjee and Debesh Mukherjee – Samakalin Arthabidya – New Central Book Agency, Kolkata.
3. Haridas Acharya – Adhunik Arthaniti – Prativa Publication, Kolkata
4. Alok Ghosh and Anil Basak – Arthaniti - Prativa Publication, Kolkata

## DSC-1C (CC-3): Development Economics

Credits 06

## DSC1CT (CC-3): Development Economics

### Course Contents:

#### Meaning of Economic Development and Growth:

Distinction between Economic Growth and Economic Development. Net National Income and Per Capita Income as Growth Indicators construction and interpretation of HDI; international variations in development measures; comparing development trajectories across nations and within them, Dependency school of development.

#### Economic Growth:

An overview and policy implications of one sector growth models- Harrod- Domar, and Solow; Sources of economic growth, international comparisons, Development Planning and its necessity–balanced vs. Unbalanced Growth

#### Poverty and Inequality:

Inequality axioms; a comparison of commonly used inequality measures; Gender Inequality – Gender Development Index, connections between inequality and development; poverty measurement, HPI; poverty traps and path dependence of growth processes.

#### Political Institutions and the State:

Definition of institutions, Evolution of Political and Economic Institutions; The determinants of democracy; alternative institutional trajectories and their relationship with economic



performance; within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption.

### **Foreign investment:**

Different forms, Their Roles in Economic Development

### **Suggested Readings:**

1. Debraj Ray, Development Economics, Oxford University Press, 2009.
2. Partha Dasgupta, Economics, a Very Short Introduction, Oxford University Press, 2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press, 2006.
4. Kaushik Basu, The Oxford Companion to Economics in India, OUP, 2007.
5. Kaushik Basu, Analytical Development Economics, OUP
6. Amartya Sen, Development as Freedom, OUP, 2000.
7. Todaro, M.P: Economic Development in the Third World, Longman, New York.
8. Salvatore, D and E. Dowling: Development Economics, Schaum's Outline Series in Economics, Mc Grawhill, New York.
9. Meier, G.M. (ed) : Leading Issues in Economic Development, Oxford University Press, New York

## **DSC-1D (CC-4): Features of Indian Economy**

**Credits 06**

## **DSC1DT(CC-4): Features of Indian Economy**

### **Course Contents:**

#### **1. Structure of Indian Economy:**

- Sectoral distribution of National Income and its change since inception of Planning.
- Occupational pattern in India-A trend analysis since 1901.
- Inequalities in Income distribution.
- Economic reforms and reduction of poverty; Poverty eradication programmes and their effectiveness.
- Structure and quality of employment in India; Government undertaken different schemes to reduce unemployment and underemployment.

#### **2. Human resources and economy development:**

- Size and growth rate of population in India.
- Changes in sex composition since inception of planning.
- Population policy and population projections for India.

#### **3. Agriculture:**

- Causes for low productivity.
- Targeted public distribution system.
- New agricultural policy; Green revolution and its prospects.

- Land reforms and its appraisal.
- Effects of GATT on Indian Agriculture.

#### **4. Industry:**

- Review of Industrial growth under planning.
- Role of small-scale industries and policy perspective to help them.
- Role of trade union and social security measures in India.

#### **5. Banking:**

- Role of Indian Commercial Banks and Reserve Bank of India.
- Monetary Policy of the Reserve Bank of India.
- Profitability of banks in India.
- Call money market, Repo, reverse repo rate, TBs, CDs.

#### **6. Indian Public Finance:**

- Sources of Revenue and Expenditure of Union and State Government.
- Union-State Financial Relation.
- Centre-State Conflict on Finances.

#### **7. Foreign trade**

- Volume and direction of India's foreign trade in the post-Liberalization period.

#### **Suggested Readings:**

1. Dutta R. and K.P.M. Sundaram: Indian Economy, S. Chand and Co. New Delhi
2. Misra S.K.V. K. Puri: Indian Economy, Himalayas Publishing Co. Mumbai.
3. Agarwal A.N: Indian Economy, Vikash Publishing Co. Delhi
4. Gupta, S.B.: Monetary Planning in India, Oxford University Press, Delhi.
5. P. N. Dhar: Indian Economy

### **Discipline Specific Electives (DSE)**

#### **DSE - 1: Economic Development and Policy in India–I**

**Credits 06**

#### **DSE1T: Economic Development and Policy in India–I**

#### **Course Contents:**

##### **1. Issues in Growth, Development and Sustainability**

##### **2. Factors in Development**

Capital formation (Physical and Human); technology; institutions.

##### **3. Population and Economic Development**

Demographic trends; urbanisation.

##### **4. Employment**

Occupational structure in the organised and the unorganised sectors; open, under and disguised unemployment (rural and urban) ; employment schemes and their impact.

### **5. Indian Development Experience**

Critical evaluation of growth, inequality, poverty and competitiveness, pre and post reforms era; savings and investment; mobilisation of internal and external finance; monetary and fiscal policies; centre-state financial relations.

#### **Suggested Readings:**

1. Michael P Todaro and Stephen Smith. *Economic Development*, Pearson, 11<sup>th</sup> edition (2011).
2. Uma Kapila, *Indian Economy since Independence*, Academic Foundation, 19th edition (2009).
3. United Nations Development Programme, Human Development Report 2010, Palgrave Macmillan (2010).
4. Government of India, Economic Survey (latest)
5. Government of India, Five Year Plan (latest)
6. Government of India, Finance Commission Report

**Or**

**DSE-1: Money & Banking**

**Credits 06**

**DSE1T: Money & Banking**

#### **Course Contents:**

##### **A. Money**

- Definition of Money – Kinds of Money: Fiduciary/ Debt/ Credit Money – Coins, Paper Currency & Deposit Money - Legal Tender or Fiat Money and Non-legal Tender or Credit Money Proper - Limited & Unlimited Legal Tender – e-Money & Plastic Money – Functions of Money – Money Vs. Near Money – Examples of Near Money - Value of Money – High-powered Money or Monetary Base - Measures of Money Supply.

##### **B. Overview of the Financial System**

- Meaning & the Role/Functions of the Financial System - Constituents of the Financial System: Financial Assets/ Instruments; Financial Intermediaries/ Institutions; and Financial Markets
- Definition & Role of Financial Markets – Classification of Financial Markets: Money Market & Capital Market – Basic Distinction between Money Market & Capital Market
- Definition & Role of Financial Intermediaries – Classification of Financial Intermediaries: Banks and Non- Bank Financial Institutions (NBFIs)

- Financial Assets/Instruments: Distinction between Primary & Secondary Securities – Debt & Equity Instruments of Various Types – Bonds, Shares, Debentures etc. – Distinction between Bonds & Shares

### **C. Money Market**

- Features, Importance & Functions of the Money Market - Characteristics of Developed and Underdeveloped Money Markets
- Components of Money Market: Call Money Market - Commercial Bill Market - Treasury Bill Market – Repo & Reverse Repo Markets.

### **D. Capital Market**

- Features, Importance & Functions of the Capital Market - Characteristics of Developed and Underdeveloped Capital Markets
- Components of Capital Market: Gilt-edged Market and the Industrial Securities Market – Distinction between Primary Market and Secondary Market
- Features, Role & Functions of Stock Market or Stock Exchange

### **E. Banks: Commercial Banks & the Central Bank**

- Definition & Functions of Commercial Banks – Concepts of Primary & Derivative Deposits and the Process of Credit Creation by Commercial Banks – Role of Commercial Banks in Economic Development.
- Definition & Functions of Central Bank – Distinction between Central Bank & Commercial Bank & Monetary Policy: Definition, Goals, Targets, Indicators & Instruments of Monetary Policy – Various Types of Quantitative & Qualitative Instruments of Credit Control.

### **F. Non-Bank Financial Intermediaries**

- Distinction Between Commercial Banks & NBFIs – Validity of the Distinction - Examples of NBFIs – Development Banks, Mutual Funds, Insurance Companies - Central Bank's Control Over NBFIs.

### **G. Financial Markets and Interest Rates Behaviour**

- Real & Nominal Interest Rates – Sources of Interest Rate Differentials – Meaning of Term Structure of Interest Rates - Theories of Term Structure of Interest Rates: The Expectations Theory – The Liquidity or Risk Premium Theory – The Market Segmentation Theory

### **Suggested Readings:**

1. Suraj B. Gupta: Monetary Economics- Institutions, Theory & Policy ( S.Chand & Co)
2. S. Gurusami: Indian Financial System (Tata McGraw Hill).
3. L. M. Bhole: Financial Institutions and Markets (Tata McGraw Hill).
4. R. R. Paul: Monetary Economics (Kalyani Publishers)
5. F. S. Mishkin and S. G. Eakins, Financial Markets and Institutions (Pearson Education)
6. F. J. Fabozzi, F. Modigliani, F. J. Jones & M. G. Ferri: Foundations of Financial Markets and Institutions (Pearson Education).

**Or**

**DSE -1: Environmental Economics**

**Credits 06**

**DSE1T: Environmental Economics**

**Course Contents:**

**1. Introduction**

- Key environmental issues and problems, Link between economy and environment: basic ideas

**2. The Theory of Externalities**

- Market failure in the presence of externalities;

**3. Issues of property right**

- Concept of property rights, the Coase theorem. Distinction among public, private, open access and common property resources

**4. The Design and Implementation of Environmental Policy**

- Overview, Pigouvian taxes and effluent fees, tradable permits, choice between taxes and quotas,

**5. International Environmental Problems**

- Trans-boundary environmental problems; economics of climate change; trade and environment.

**6. Sustainable Development**

- Concepts, rules and measurement.

**Suggested Readings:**

1. Charles, Kolstad, Intermediate Environmental Economics, Oxford University Press, 2<sup>nd</sup> Edition, 2010. .Robert N. Stavins (ed.), Economics of the Environment: Selected Readings, W.W.Norton, 5th edition, 2005.
2. Roger Perman, Yue Ma, James McGilvray and Michael Common, Natural Resource and Environmental Economics, Pearson Education/Addison Wesley, 3rd edition, 2003.
3. Pearce and Turner: Economics of natural resource and environment, Prentice Hall
4. Rabindra Nath Bhattacharyya: Environmental Economics, Oxford.
5. Peter Berck and Gloria Helfand: The Economics of the Environment, Pearson.

**Or**

**DSE-1: Applied Statistics**

**Credits 06**

**DSE1T: Applied Statistics**



## Course Contents:

### Economics Statistics:

Time Series Analysis - economic time series, different components, Illustrations, additive and multiplicative models, determination of trend, analysis of seasonal fluctuations.

Index numbers - criteria for a good index number. Different types of index numbers, Construction of index numbers of prices and qualities. Cost of living index number. Uses and limitations of index numbers.

### Statistical Quality Control:

Importance of statistical methods in industrial research and practice, determination of tolerance limits, general theory of control charts, process and product control, causes of variation in quality, control limits, summary of out of control criteria, charts for attributes-p-chart, np-chart, c-chart; charts for variables, R and s-charts, principles of acceptance sampling, problem of lot acceptance, producer's and consumer's risks, single sampling instruction plan and its OC and ASN functions, concepts of AQL, LTPD, AOQL, ATI functions; Dodge and Romig Tables.

### Demographic Methods:

Sources of demographic data - census, register, ad hoc surveys, hospital records, demographic profiles of Indian census, questionnaire, errors in these data and their adjustment.

Measurements of Mortality - CDR, SDR (w.r.t. age and sex), IMR, standardized death rate, complete life table, its main features and uses.

Measurements of fertility and reproduction - CBR, General, Age-specific and total fertility rates, GRR, NRR.

### Suggested Readings:

1. A.M. Goon, M.K. Gupta and B. Dasgupta, *An Outline of Statistical Theory* (Vol. I), 4th Ed., World Press, Kolkata, 2003.
2. S.C. Gupta and V.K. Kapoor, *Fundamentals of Mathematical Statistics*, 11th Ed., Sultan Chand and Sons, 2007.
3. P. Mukhopadhyay, *Mathematical Statistics*, 2nd Ed. Books and Allied (P) Ltd., 2000.
4. F.E. Croxton and D.J. Cowden, *Applied General Statistics*, Prentice Hall of India, 1969.
5. M.G. Kendall and A. Stuart, *The Advanced Theory of Statistics* (Vol. III), Macmillan Publishing Co. Inc., 1977.
6. D.C. Montgomery, *Introduction to Statistical Quality Control*, John Wiley and Sons, New York, 1996.

Or

**DSE-1: Econometrics**

**Credits 06**

**DSE1T: Econometrics**

## Course Contents:

Nature and Scope of Econometrics. Statistical Concepts Normal distribution; chi-square, t and F-distributions; estimation of parameters; properties of estimators;

**Testing of hypotheses:** defining statistical hypotheses; distributions of test statistics; testing hypotheses related to population parameters; Type I and Type II errors; power of a test; tests for comparing parameters from two samples.

**Simple Linear Regression Model:** Two Variable Case Estimation of model by method of ordinary least squares; properties of estimators; goodness of fit; tests of hypotheses; scaling and units of measurement; confidence intervals; Gauss-Markov theorem; forecasting. Multiple Linear Regression Model Estimation of parameters; properties of OLS estimators; goodness of fit -  $R^2$  and adjusted  $R^2$  ; partial regression coefficients; testing hypotheses – individual and joint; functional forms of regression models; qualitative (dummy) independent variables.

**Violations of Classical Assumptions:** Consequences, Detection and Remedies Multicollinearity; heteroscedasticity; serial correlation. Specification Analysis Omission of a relevant variable; inclusion of irrelevant variable; tests of specification errors.

#### **Suggested Readings:**

1. Jay L. Devore, *Probability and Statistics for Engineers*, Cengage Learning, 2010.
2. John E. Freund, *Mathematical Statistics*, Prentice Hall, 1992.
3. Richard J. Larsen and Morris L. Marx, *An Introduction to Mathematical Statistics and its Applications*, Prentice Hall, 2011.
4. D.N. Gujarati and D.C. Porter, *Essentials of Econometrics*, 4th Ed., McGraw Hill, International Edition, 2009.
5. Christopher Dougherty, *Introduction to Econometrics*, 3rd Ed., Oxford University Press, 2007.
6. Jan Kmenta, *Elements of Econometrics*, 2nd Ed., Khosla Publishing House, 2008.

## **DSE - 2: Economic Development and Policy in India–II**

**Credits 06**

### **DSE2T: Economic Development and Policy in India–II**

#### **Course Contents:**

#### **1. Agriculture: Policies and Performance**

- Production and productivity; credit; labour; markets and pricing; land reforms; regional variations.

#### **2. Industry: Policies and Performance**

- Production trends; small scale industries; public sector; foreign investment.

#### **3. Foreign Trade: Trends and Policies**

- Balance of trade and balance of payments; India and the World Trade Organisation.



**Suggested Readings:**

1. Uma Kapila, *Indian Economy since Independence*, Academic Foundation, 19<sup>th</sup> edition (2009).
2. Government of India, *Economic Survey* (latest)
3. Government of India, *Five Year Plan* (latest)

Or

**DSE - 2: Public Finance**

**Credits 06**

**DSE2T: Public Finance**

**Course Contents:****1. Fiscal Functions**

- Overview of Fiscal Functions. Tool of Normative Analysis, Pareto Efficiency, Equity and Social Welfare

**2. Public Goods:**

- Characteristics; Exclusion Principle; Non-Applicability of exclusion Principle; Market Failure and Externalities.

**3. Principles of Taxation:**

- Benefit and Ability to Pay Approach-Direct and Indirect Taxation-Regressive, Progressive, Proportional Taxation. Public Debt- Internal and External-Burden of Debt.

**4. Issues from Indian Public Finance:**

- Current Issues of India's Tax System
- Working of (Monetary and) Fiscal Policies
- Analysis of Budget and Deficits
- Fiscal Federalism in India
- State and Local Finance

**Suggested Readings:**

1. R .A. Musgrave and P. B. Musgrave, *Public Finance in Theory & Practice*, Mc Graw-Hill Publications 5th Edition
2. Mahesh Purohit. *Value Added Tax: Experience of India and Other Countries*. Gayatri Publications.
3. Kaushik Basu and A Maertens(ed). *The Oxford Companion to Economics in India*. OUP.
4. M. M. Sury. *Government Budgeting in India*. Commonwealth Publishers
5. Government of India. *Report of 13th Finance Commission*.
6. *Economic Survey*. Government of India(latest)
7. *State Finance: A Study of Budgets*. RBI (latest)



8. J. E. Stiglitz: Economics of Public Sector (W.W. Norton & Company, 3rd Edn. 2000)
9. A. Ghosh & C. Ghosh: Public Finance (Prentice-Hall India, 2nd Edn. 2014)
10. Subrata Ganguly - Public Finance
11. Datt and Sundharam: Indian Economy (S. Chand, Latest Edition)
12. Misra and Puri: Indian Economy (Himalaya Publishing House, Latest Edition)

**Or**

**DSE - 2: Economic History of India (1857-1947)**

**Credits 06**

**DSE2T: Economic History of India (1857-1947)**

**Course Contents:**

**1. Introduction: Colonial India: Background and Introduction**

Overview of colonial economy.

**2. Macro Trends**

National Income; population; occupational structure.

**3. Agriculture**

Agrarian structure and land relations; agricultural markets and institutions – credit, commerce and technology; trends in performance and productivity; famines.

**4. Railways and Industry**

Railways; the de-industrialisation debate; evolution of entrepreneurial and industrial structure; nature of industrialisation in the interwar period; constraints to industrial breakthrough; labor relations.

**5. Economy and State in the Imperial Context**

The imperial priorities and the Indian economy; drain of wealth; international trade, capital flows and the colonial economy – changes and continuities; government and fiscal policy.

**Suggested Readings:**

1. Lakshmi Subramanian, “*History of India 1707-1857*”, Orient Blackswan, 2010, Chapter 4.
2. Sumit Guha, 1991, ‘Mortality decline in early 20th century India’, *Indian Economic and Social History Review (IESHR)*, pp 371-74 and 385-87.
3. Tirthankar Roy, *The Economic History of India 1857-1947*, Oxford University Press, 3rd edition, 2011.
4. J. Krishnamurty, *Occupational Structure*, Dharma Kumar (editor), The Cambridge Economic History of India, Vol. II, (henceforth referred to as CEHI), 2005, Chapter 6.
5. Irfan Habib, *Indian Economy 1858-1914*, A People’s History of India, Vol.28, Tulika, 2006.

6. Ira Klein, 1984, —When Rains Fail: Famine relief and mortality in British India, *IESHR* 21.
7. Jean Dreze, *Famine Prevention in India in Dreze and Sen (eds.) Political Economy of Hunger*, WIDER Studies in Development Economics, 1990, pp.13- 35.
8. John Hurd, *Railways*, CEHI, Chapter 8, pp.737-761.
9. Rajat Ray (ed.), *Entrepreneurship and Industry in India*, 1994.
10. AK Bagchi, —Deindustrialization in India in the nineteenth century: Some theoretical implications, *Journal of Development Studies*, 1976.
11. MD Morris, *Emergence of an Industrial Labour Force in India*, OUP 1965, Chapter 11, Summary and Conclusions.
12. K.N. Chaudhuri, *Foreign Trade and Balance of Payments*, CEHI, Chapter 10.
13. B.R. Tomlison, 1975, *India and the British Empire 1880-1935*, IESHR, Vol.XII.
14. Dharma Kumar, *The Fiscal System*, CEHI, Chapter 12.
15. Basudev Chatterjee, *Trade, Tariffs and Empire*, OUP 1992, Epilogue. Background reading
16. Irfan Habib, *Indian Economy 1858-1914 (A People's History of India)*, Vol.28, Tulika 2006.
17. Daniel Thorner, *Agrarian Prospect in India*, 1977.
18. L. Visaria and P. Visaria, *Population*. CEHI, Chapter 5.

**Or**

**DSE - 2: Basic Statistics**

**Credits 06**

**DSE2T: Basic Statistics**

**Course Contents:**

**1. Meaning and scope of statistics:**

Variable, Attribute, Primary and Secondary Data, Population and Sample, Census and Sample Survey, Classification of data and Tabulation.

**2. Frequency Distributions:**

Frequency distribution of an Attribute, Frequency distribution of a discrete variable, Frequency distribution of a continuous variable, Construction of Frequency distribution from raw data, Cumulative Frequency distribution.

**3. Charts and Diagrams:**

Meaning and functions of Graphs – Types of Charts and Diagrams – Line Diagram, Bar Diagram, Pie Diagram, Pictogram, Statistical Map, Frequency Polygon, Histogram, Step Diagram, Ogive or Cumulative Frequency Polygon, Frequency Curve.

**4. Measures of Central Tendency:**

Arithmetic Mean (AM), Geometric Mean (GM), Harmonic Mean (HM), Median, Mode (Definitions, formulae and simple numerical problems).

**5. Measures of Dispersion:**

Meaning and necessity, Range, Quartile Deviation (QD), Mean Deviation (MD), Standard Deviation (SD), Coefficient of Variation (CV), (Concepts only).

**Suggested Readings:**

1. Goon. A.M, Gupta M.K. and Dasgupts. B.. Basic Statistics , M. Das and Co., Calcutta.
2. Das, N.G., Statistical Methods, The EWorld Press Pvt. Ltd., Calcutta.
3. Gupta, S.P., Statistical Methods, Sultan Chand and Sons, New Delhi.
4. Raj Kumar Sen, Sankha Totya, Paschhim Banga Rajya Pustak Parshad.
5. Sailesh Bhusan Choudhury, Arijit Choudhury, Biswanath Das., Rasi Bigganer Mul Totya (First Part), Paschhim Banga Rajya Pustak Parshad.

**Or**

**DSE -2: Project Work**

**Credits 06**

**Skill Enhancement Course (SEC)**

**SEC-1: Basic Computer Applications**

**Credits 02**

**SEC1T: Basic Computer Applications**

**Credits 01**

**Course Contents:**

**1. File Creation and Management System**

- The File Tree; File Naming Conventions;

**2. Word Processing**

- Basic features of Text formatting; Creating documents; Heading Styles; Creating Reference Lists

**3. Spread Sheet Solutions**

- Basic features of Spreadsheets; Data entry, Mathematical Functions, Financial functions, Statistical Functions, Creating simple Line, Bar and Pie charts;

**4. Presentations**

- Creating Presentations; Pasting Charts etc in Presentations; Exporting Presentations as PDF

**SEC1P: Practical**

**Credits 01**

1. File Creation and Management System
2. Word Processing
3. Spread Sheet Solutions
4. Presentations

**Suggested Readings:**

1. Data Analysis using Microsoft Excel – Ash Narayan Sah, Excel Books India

2. Excel 2010 ,r Dummies Colin Banfield, John Walkenbach

**Or**

**SEC-1 : Indian Financial System**

**Credits 02**

**SEC1T : Indian Financial System**

**Course Contents:**

**1. Definition of Money Market:**

- Basic Concepts of Call money market, Commercial Bills market, Treasury Bills market, Short-Term loan market, Features and objectives of Money Market, Features of Developed Money Market

**2. Commercial and the Central Bank**

- Nature and function of Central Bank and the money supply-different concept of money supply and their uses-credit creation and credit multiplier-theories of asset management- Role of commercial banks in development
- Central Bank's functions- Central Bank and money market– Techniques of management-bank rate policy, open market operations and variable reserve ratio and selective instruments of credit control.

**3. Non-Banking Financial Intermediaries (NBFIs)**

- Distinction between commercial banks and NBFIs- validity of the distinction-Central bank's control over the NBFIs.

**4. Introduction to Capital Market**

- Basic Concept of organized and unorganized Capital Market Distinction between Primary Market and Secondary market. Differences between Share and Bond

**5. Operations of Indian Stock Market**

Stock Exchanges in India–national and regional, Market Players, types of traded instruments, Trading–floor based and screen based, Stock Indices, Credit rating and Credit rating agencies.

**6. Capital Market Regulatory Authority**

- Role and Functions of Regulatory Authorities
- Securities and Exchange Board of India (SEBI)

**Suggested Readings:**

1. S.B.Gupta: Monetary Economics Institutions, Theory and Policy.
2. E. Gordon, K.Natarajan: Financial Markets and Services.
3. Varshney & Mittal: Indian Financial System
4. A. M. Mithani: Money Banking International Trade and Public Finance. (Chapters 11, 13, 14, 16, 17, 18).

5. Desai, V.: The Indian Financial System.
6. Bharati Pathak: Indian Financial System, 4th Edn. Pearson

**Or**

**SEC- 1: Indian Official Statistics**

**Credits 02**

**SEC1T: Indian Official Statistics**

**Course Contents:**

**1. Introduction:**

What is Official Statistics? Methods of Collecting Official Statistics, Aims and Objectives, Indian Statistical System: Main functions of Statistical System in Indian, Institutional Framework- Official Organizations for collecting/compiling/ publishing national/state level data on different variables

**2. Economic Census:**

Economic Statistics, Population Statistics, Employment Statistics, Agriculture Statistics, Financial Statistics - Main Publications, Who collects - Periodicity and Features

**3. Economic Survey:**

Understanding Economic Survey

**4. Sources of demographic data:**

Registration of Vital events. Rates and ratios. Measures of mortality. Measures of fertility and Reproduction. Use of demographic data for policy formulation.

**5. International Statistical System:**

Comparison of major macro variables - National Income/GDP. Selected topics from: Purchasing power parity; Indicators relating to Energy, environment, Gender, Industry, National accounts, Social Statistics and Trade.

**Suggested Readings:**

1. M. R. Saluja: Indian Official Statistical Systems.
2. CSO (MOSPI) Publication: Statistical System in India.
3. United Nations publications
4. RBI: Handbook of Statistics for the Indian Economy (various years)
5. Economic Survey, Govt. of India, Ministry of Finance (various years)
6. R. Ramkumar: Technical Demography.
7. K. Srinivasan: Demographic Techniques and Applications.
8. B. D. Mishra: An Introduction to the Study of Population.
9. H. S. Shryock: The Methods and Materials in Demography.
10. Economic Survey (latest), Government of India, Ministry of Finance.

## **SEC-2: Computer Application in Economics**

**Credits 02**

### **SEC2T: Computer Application in Economics**

**Credits 01**

#### **Course Contents:**

##### **A. File Creation and Management System**

- The File Tree - File Naming Conventions

##### **B. Word Processing**

- Basic Features of Text formatting - Creating Documents - Heading Styles - Creating Reference Lists.

##### **C. Introduction to Excel/Spreadsheet for Economic Analysis of Data**

- Types of Data – Time Series, Cross Section –Excel Basic – Data Entry & Creation of Tables - Formula and Functions - Sort and Filter.

##### **D. Graphical Representation of Data Sets**

- Pie Chart, Bar Chart, Histogram, Frequency Polygon, Ogive, Bivariate Scatter Diagram.

##### **E. Using Spreadsheet / Excel for Calculation of Descriptive Statistics**

- Mean Median, Mode, Standard Deviation, Simple Correlation, and Regression.

##### **F. Presentations**

- Creating Presentations - Pasting Charts etc in Presentations - Exporting Presentations as PDF.

## **SEC2P: Practical**

**Credits 01**

1. File Creation and Management System
2. Word Processing
3. Excel/Spreadsheet for Economic Analysis of Data
4. Graphical Representation of Data Sets
5. Using Spreadsheet / Excel for Calculation of Descriptive Statistics
6. Presentations

#### **Suggested Readings:**

1. Ash Narayan Sah: Data Analysis Using Microsoft Excel (Excel Books India)
2. Gray Koop: Analysis of Economic Data (John Wiley & Sons Ltd)
3. Richard L.Kerns: Essentials of Microsoft Windows, Word & Excel (Prentice Hall India)
4. V. RajaRaman: Fundamentals of Computers (PHI, New Delhi)
5. Stephan Levine & Krehbiel Berenson: Statistics for Managers Using Microsoft Excel (PHI Learning)
6. A. Leon & M. Leon: Introduction To Computers with MS Office (TMH)

Or

**SEC-2: Business Project Proposal**

**Credits 02**

**SEC2T: Business Project Proposal**

**Course Contents:**

1. Identification of business opportunity: Idea of a good business opportunity, Business opportunities in India, The RAMP (Return, Advantage, Market and Potential) model for business opportunity evaluation.
2. Purpose of a business plan, contents of a business plan: Marketing plan, Operations plan, Financial plan, Presenting a business plan
3. Procedure for setting up a business project: Meaning of project , project identification and selection, project report , its significance and contents, formulation of a project report
4. Project evaluation and selection: The payback period, Net present value (NPV), Internal rate of return (IRR), Benefit-cost ratio
5. Project financing: Equity financing, Angel Financing, Debt financing, other sources

**Suggested Readings:**

1. S.S Khanka--- Entrepreneurial Development, S.Chand & Company Ltd
2. Poornima .M. Charantimath – Entrepreneurship Development and small business enterprises, Pearson
3. Prasanna Chandra: Project Preparation, Appraisal and Implementation; Tata McGraw Hill, New Delhi, 7th edition, 2009
4. Maylor : Project Management; Pearson Education (FT), 3rd edition, 2005
5. Desai : Project management and entrepreneurship; Himalaya Publishing House, 1st edition, 2002
6. Users’ manual for MS Project, Microsoft
7. Dasgupta and Pearce : Cost benefit analysis: theory and practice,

Or

**SEC-2: Financial Economics**

**Credits 02**

**SEC2T: Financial Economics**

**Course Outline**

**1. Deterministic cash-flow streams**

Basic theory of interest; discounting and present value; internal rate of return; evaluation Criteria; fixed-income securities; bond prices and yields; interest rate sensitivity and duration; immunisation; the term structure of interest rates; yield curves; spot rates and forward rates.

## **2. Single-period random cash flows**

Random asset returns; portfolios of assets; portfolio mean and variance; feasible combinations of mean and variance; mean-variance portfolio analysis: the Markowitz model and the two-fund theorem; risk-free assets and the one-fund theorem.

## **3. Capital Asset Pricing Model (CAPM)**

The capital market line; the capital asset pricing model; the beta of an asset and of a portfolio; Security market line; use of the CAPM model in investment analysis and as a pricing formula.

### **Suggested Readings:**

1. David G. Luenberger, *Investment Science*, Oxford University Press, USA, 1997.
2. Richard A. Brealey and Stewart C. Myers, *Principles of Corporate Finance*, McGraw-Hill, 7th edition, 2002.
3. Burton G. Malkiel, *A Random Walk Down Wall Street*, W.W. Norton & Company, 2003.
4. Simon Benninga, *Financial Modeling*, MIT Press, USA, 1997

## **SEC-3: Research Methodology**

**Credits 02**

### **SEC3T: Research Methodology**

#### **Course Contents:**

##### **Unit-1**

1. Understanding the Nature of Research
2. Formulation of the Research Topic
3. Review of Literature

##### **Unit-2**

1. Approaches to Research and Research Strategy
2. Research Ethics
3. Using Secondary Data
4. Using Primary Data – Collecting Data through Observations/ Interviews/ Questionnaire

##### **Unit-3**

1. Sample Selection Methods
2. Analysing Data
3. Writing Project Report - Referencing Styles



**Suggested Readings:**

1. Ranjit Kumar: Research Methodology - A Step by Step Guide for Beginners (Sage Publications, 4th Edn.)
2. Uwe Flick: Introducing Research Methodology - A Beginner's Guide to Doing a Research Project, (Sage Publications)
3. J. Bethlehem: Applied Survey Methods- A Statistical Perspective (Willey)
4. Wilkinson & Bhandarkar: Research Methodology.

Or

**SEC-3: Contemporary Economic Issues****Credits 02****SEC3T: Contemporary Economic Issues****Course Contents:****A. Understanding Economic Development**

- Conceptual Issues about the Relationship between Growth & Development
- Evolution of the Concept of Economic Development & its Measurement:
- Traditional View of Development - Use of National & Per Capita Income as Index of Economic Development
- Modern View of Development: PQLI & Basic Needs Approach in the Seventies – Concept of Human Development & Introduction of “Human Face” in the Nineties – Construction & Use of Human Development Index (HDI) for Measuring & Comparing Levels of Development – Concept of Human Deprivation – The Human Poverty Index (HPI) – Gender Related Development Index (GDI)
- Sen’s Capabilities Approach to Development – Development as Freedom & Poverty as a Measure of Capability Failure. Alternative Concepts of Development: Top-Down Development, Participatory Development, Inclusive Development & Sustainable Development

**B. Understanding Fiscal Policy & Government Budget**

- Meaning & Objectives of Fiscal Policy – Need for Govt. Spending & Areas of Govt. Spending
- Government Budget-Types, Structure & Elements: Balanced, Surplus, and Deficit Budgets - Expenditure & Receipts – Concepts of Current & Capital Account
- Classification of Expenditure: Capital Expenditure & Revenue expenditure – Plan & Non-Plan Expenditure
- Sources of Revenue: Tax & Non-Tax Revenue.
- Tax Revenue: Types of Tax – Direct Tax & Indirect Tax – Concepts of VAT & Goods and Services Tax (GST).
- Non-Tax Revenue: Earnings from Public Undertakings, Interest on Loans.
- Concepts of Budget Deficit: Fiscal Deficit, Primary Deficit & Revenue Deficit – Impact of Fiscal Deficits on Economy & Needs to Control Fiscal Deficits.

- Understanding the Process of Budget Making in India – Analysis of Budget in Terms of Different Parameters like Trends in Deficits, Proposed Sources of Revenue & Expected Growth in Revenue, Expenditure Pattern and the thrust areas of the Budget.

### **C. Some Contemporary Issues of the Indian Economy**

Competing & Complementary roles of agriculture & industry in economic development of India.

- Urban bias in Development strategies and the Migration & Urbanization Dilemma.
- Problems of Land acquisition and Industrialisation.
- Growth of Service Sector & Service-led Growth.
- Food Security, Food Procurement & PDS.
- The Parallel Economy in India: Concept of Black Money – Estimates – Sources – Impacts – Measures to Tackle Black Money.

### **Suggested Readings:**

1. Michael P. Todaro & Stephen C. Smith: Economic Development (Pearson, 10th Edn.)
2. Debraj Ray: Development Economics (Oxford University Press, 2009)
3. Musgrave: Theory of Public Finance
4. H.L. Bhatia. Public Finance. (Fifteenth Revised Edition).
5. Sampat Mukherjee: Contemporary Development Economics (New Central Book agency)
6. Datt and Sundharam: Indian Economy (S. Chand, Latest Edition)
7. Misra and Puri: Indian Economy (Himalaya Publishing House, Latest Edition)
8. Pranab Mukherjee (2012): “ Budget Making” in K. Basu & A. Maertens (Eds), The New Oxford Companion to Economics in India (OUP)
9. Uma Kapila (2016): “Fiscal & Budgetary Developments”, in Indian Economy Since Independence (Academic Foundation, Latest Edn.)
10. “ Understanding the Budget Concepts & Terminologies”, in Centre for Budget & Governance Accountability Website

**Or**

### **SEC-3: Indian Stock Market Trading**

**Credits 02**

### **SEC3T: Indian Stock Market Trading**

#### **Course Contents:**

#### **1. A Review of Share Market**

**Market segments:** Primary Market, Secondary Market.

**Key indicators of Stock Markets:** Index, Market Capitalisation, Turnover.

**Participants:** Investors: Hedgers, Speculators, Arbitragers, Stock Brokers: Eligibility.  
Members: Eligibility Criteria for Membership, Suspension & Expulsion of Membership,

Sub-brokers: Eligibility, Registration and Cancellation of Registration. (Examples from NSE).

## 2. Stock Trading

**Broker - Clients Relations :** Client registration documents, Unique Client Code, Margins from the clients, Execution of orders, Contract note, Payments/Delivery of securities to the clients, Brokerage, Segregation of Bank Accounts, Segregation of Demat accounts.

**Sub – Broker – Clients relations:** Relationship with clients, Contract notes, Securities/ Funds.

**Neat System:** Order types, Entering Orders, Order modification, Order cancellation, Order matching, Trade cancellation.

**Market Phases:** (Examples from NSE)

## 3. Clearing and Settlement

Terminologies used In clearing and settlement process, Transaction cycle, Settlement agencies, Clearing and Settlement process, Securities and Funds Settlement, Shortages Handling, Risks in Settlement,

### Suggested Readings:

1. www.nseindia.com
2. www.sebi.gov.in
3. Rules, Regulations and Byelaws of NSEIL & NSCCL
4. Indian Securities Market: A Review - NSEIL publication
5. NSE Newsletter – NSEIL publication
6. L. M. Bhole and J. Mahukud: Financial Institutions and Markets, Tata McGraw Hill, 5th edition, 2011.
7. Larry Harris: Trading and Exchanges –Market Microstructure for practitioners, OUP
8. Modules for NCFM, NSE.
9. R. Nangalia and S. Kothari: Basics of Stock Market, Flame Investment Lab.

## SEC-4: Data Analysis

**Credits 02**

### SEC4T: Data Analysis

#### Course Contents:

#### A. Statistical Data: Classification, Collection & Presentation

- Meaning of Statistical Data – Classification of Data -Variable & Attribute - Primary Data & Secondary Data - Methods of Collection of Data - Population & Sample - Complete Enumeration (Census) & Sample Survey- Random Sampling (Concept only).

- Tabulation & Diagrammatic Presentation of Data – Line, Bar & Pie Diagram.
- Frequency Distribution and its Diagrammatic Presentation: Construction of Frequency Distribution (Simple & Grouped) –Histogram, Ogive & Frequency Polygon.

## **B. Descriptive Statistics**

- Measures of Central Tendency – Mean, Median & Mode (Concepts & Formulae Only)
- Measures of Dispersion – Range, Mean Deviation, Standard Deviation, Co-efficient of Variation (Concepts & Formulae Only)
- Concepts of Skewness & Kurtosis
- Concept of Simple Correlation & Regression

## **C. Analysis of Indian Data**

- Economic Surveys – RBI Bulletins – Handbook of Statistics for the Indian Economy (RBI) – ASI Data – Census Data - Foreign Trade Statistics – NSS Data

## **Suggested Readings:**

1. N. G. Das – Statistical Methods (Tata McGrawhill)
2. Nagar and Das – Basic Statistics for Business and Economics
3. Goon, Gupta and Dasgupta: Basic Statistics
4. R Spiegel and L.J. Stephen: Statistics (Schaum Series)
5. Official Websites of RBI, Govt. of India, CSO, NSS, ASI

**Or**

## **SEC- 4: Entrepreneurship Development**

**Credits 02**

### **SEC4T: Entrepreneurship Development**

#### **Course Contents:**

#### **1. Evolution of the concept of Entrepreneur**

- Basic features - Entrepreneurship and economic development - Growth of entrepreneurship in India—Role of Entrepreneurship in Economic Development, Problem of Rural entrepreneurship in India

#### **2. Entrepreneurship motivation**

- Motivation theories, Maslow's need Hierarchy Theory, McCell and Acquired Needs Theory, Kakinada Experiment

#### **3. Project identification and selection**

- Meaning of project- project report--- planning commission's guidelines for formulating a project report

#### **4. Financial resources for new ventures**

- Sources of finance---capital structure - institutional support to enterprises—national small industries board – state small industries development corporation--- district industries center--- industrial estates

### **5. Growth strategies in small business**

- Stages of growth, Types of growth strategies, Expansion, Diversification, Joint Venture, Merger, Subcontracting

### **6. Sickness in Small Business**

- Concept of industrial sickness, Symptoms of sickness, Causes and consequences of industrial sickness

### **Suggested Readings:**

1. S.S Khanka--- Entrepreneurial Development, S. Chand & Company Ltd
2. Bill Bolton and John Thompson ---- Entrepreneurs: Talent, Temperament and Technique, Butterworth and Heinemann.
3. David .H Holt---Entrepreneurship New Venture Creation
4. N.D.Vohra- Quantitative Techniques in Management , Tata Mcgraw-Hill
5. Sharma - Operations Research, Macmillan India Ltd.
6. Poornima M. Charantimath: Entrepreneurship Development and Small Business Enterprises (2nd Edition) Pearson.

**Or**

### **SEC-4: Insurance Market and its Products**

**Credits 02**

### **SEC4T: Insurance Market and its Products**

### **Course Contents:**

#### **1. Evolution of insurance:**

Meaning of Insurance; Nature, Functions, Different Classifications: Comparison of Life Insurance with other Insurances, Health insurance, Postal Life Insurance, Credit Insurance, Marine Insurance; Insurance organizations in India; Impact of privatization on insurance product diversification; IRDA Act, 1999, The Insurance (Amendment) Act, 2002.

#### **2. Basic Principles of Insurance:**

Key concepts, Economic Principles, Principles of insurance viz. Utmost good faith, Insurable interest, Indemnity, Subrogation, Contribution and Proximity Cause.

Methods of reinsurance: shopping reinsurance, facultative reinsurance, automatic or treaty reinsurance.

#### **3. Claim management in insurance:**

Significance of claims settlement, Claims under various classes of insurance, Disputes, Arbitration and Litigation, Trends in claims.

### **Suggested Readings:**



1. Insurance Institute of India (2011). *Principles of Insurance*, Available at:  
<https://www.insuranceinstituteofindia.com/documents/10156/7b65c3ab-b4a8-426c-bc64-61b36ad41618>, Mumbai
2. Periasamy, P. (2013). *Principles & Practice of Insurance*, 2nd Edition, Himalaya Publishing House
3. Sharma, R.S. (1953). *Insurance Principles and Practice*, Vora, Delhi.
4. Singh, A. *Principles of Insurance Law*, Easter Book Co.
5. Tripathy, N.P. & Pal, P. (2006). *Insurance: Theory & Practice*, 2nd Edition, Prentice –Hall of India P Ltd, New Delhi