

UNIVERSITY OF MUMBAI



**Syllabus for the S.Y.B.Sc
Program: B.Sc
Course: ECONOMICS**

(As per Credit Based Semester and Grading System
with effect from the academic year 2012–2013)

COURSE CODE: USECO-301: ADVANCE ECONOMIC THEORY-I

Preamble: The paper deals with four areas of Economics: Microeconomics, Macroeconomics including Open- economy macroeconomics, International Trade Theory and Public Economics.

SEMESTER–III is devoted to Microeconomics and begins with the analysis of Oligopolistic markets since perfectly competitive and monopolistically competitive markets forms have been dealt with in the earlier paper (Paper I) of the course. Game Theory and Economics of Information have been introduced and adequately dealt with in Section.

UNIT-I: Price and Output Determination under Oligopoly (10 Lectures)

Features of Oligopoly Market, Cournot's Model, Kinked Demand Curve Hypothesis,
Collusion: Cartels and Price Leadership, Game Theory: Nash Equilibrium and

Prisoner's Dilemma

UNIT-II: Theory of Factor Pricing (11 Lectures)

Factor Pricing in Perfectly and Imperfectly Competitive Markets, Economic Rent, Wage Determination under Collective Bargaining, Bilateral Monopoly, Loanable Fund Theory, Risk Uncertainty and Profit

UNIT-III: General Equilibrium and Social Welfare (12 Lectures)

Interdependence in the Economy – General Equilibrium and its Existence-The Pareto Optimality Condition of Social Welfare, Marginal Conditions for Pareto Optimal Resource Allocation, Perfect Competition and Pareto Optimality

UNIT-IV: Economics of Information (12 Lectures)

Economics of Search: Search Costs, Information Failure and Missing Markets
Asymmetric Information: The Market for Lemons: Adverse Selection: Insurance Markets, Market Signaling, The Problem of Moral Hazard, The Principal-Agent Problem, Efficiency Wage Theory.

References

1. Koutsoyannis R, (2009)Modern Microeconomics, Macmillan, London.
2. Salvatore D, (2006): Microeconomics: Theory and Applications , New Delhi Oxford, University Press.
3. Eric Rasmusen, (2007), Games and Information, Oxford: Blackwell Publishing
4. H. R. Varian, (1992), Microeconomic Analysis, WW Norton & Co.
5. Beg M A & Dash M K (2010): Managerial Economics, Ane Books Pvt. Ltd.

COURSE CODE: USECO-302: GROWTH AND DEVELOPMENT-I

Preamble: The two papers on growth and development aim at introducing concepts, theories, processes and policies regarding growth and development. The meaning of development as it has evolved over the years is clarified. The contemporary as well as classic theories of growth, development and underdevelopment are considered in detail. Theories and issues related to population, poverty and human resources are considered. Urban and rural aspects of the development process are studied and so too are the international aspects of development. The approach has been to cover all important areas of development economics.

UNIT-I:Meaning of Development (12)

Development and related concepts: economic growth, economic development, human development, sustainable development, Sen's views on development, Millennium Development Goals (MDGs); Measurement: Income indicators and their limitations, Human Development Index, Gender-related Development Index.

UNIT-II:Theories of Development (14)

Rostow's stages of growth, Big push, Critical Minimum Effort, Coordination Failure and Multiple equilibria, Harrod-Domar growth model, Structural change and Lewis' model of unlimited supplies of labour, Solow's growth theory, Schumpeter's theory of development.

UNIT-III:Issues in Development (10)

Rural-urban divide, development and environment, inclusive growth, rural credit, microfinance, infrastructure in development.

UNIT-IV:Poverty, Inequality and Development (14)

Measurement of poverty, Head-Count Index and Poverty Gap Indices, policy options for alleviation of poverty, measurement of income inequality, economic growth and income inequality – Kuznet's inverted U hypothesis, impact of inequality on development.

References:

1. Todaro, Michael P. and Stephen C. Smith. *Economic Development*, 8e. Delhi: Pearson Education, 2003.
2. Misra, S.K. and Puri. *Growth and Development*. Mumbai: Himalaya Publishers, 2005.
3. Thirlwall, A.P. *Growth and Development* 8e. New York: Palgrave MacMillan, 2005.
4. Meier, Gerald M. and James E. Rauch. *Leading Issues in Economic Development*, 8e. New Delhi: OxfordUniv. Press, 2006.

Scheme of Examination:

The performance of the learners shall be evaluated into two parts. The learner's performance shall be assessed by Internal Assessment with 40% marks in the first part by conducting the Semester End Examinations with 60% marks in the second part. The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:-

(A) Internal Assessment: 40 Marks (40%)

Sr. No	Evaluation type	Marks
1	Two Assignments/Case study/Project	20
2	One Periodical class Test	10
3	Active participation in routine class instructional deliveries(case studies/ seminars//presentation)	05
4	Overall conduct as a responsible student, mannerism and articulation and exhibit of leadership qualities in organizing related academic actives	05

(B) External Theory examination: 60 Marks (60%)

Question Paper Pattern Semester End Examination

Max. Marks: 60

Time: 2 hours

- Note:
1. All questions are **COMPULSORY**
 2. Each question carries 15 marks.
 3. Draw neat diagrams wherever necessary

Q.1. Answer the following: (From Unit-I)

A (8)

B (7)

OR

B (7)

Q.2. Answer the following: (From Unit-II)

A (8)

B (7)

OR

B (7)

Q.3. Answer the following: (From Unit-III)

A (8)

B (7)

OR

B (7)

Q.4. Answer the following: (From Unit-IV)

A (8)

B (7)

OR

B (7)

COURSE CODE: USECO-303(A): INDIAN FINANCIAL SYSTEM-I
OR
COURSE CODE:USECO-303(B): RURAL ECONOMICS-I
OR
COURSE CODE:USECO-303(3) : INDUSTRIAL AND LABOUR ECONOMICS-I
OR
COURSE CODE: USECO303(D): ECONOMICS OF INSURANCE-I

COURSE CODE: USECO-303(A): INDIAN FINANCIAL SYSTEM-I

Preamble: The post globalised period has brought about remarkable changes in the financial sector .The purpose of this paper is to acquaint students with the working of the system and the recent changes that have taken place. The operations of both the Central Bank and commercial banks .in an open economy had to be reassessed. The opening of the financial markets and the evolution of new instruments should also be an important constituent of the paper. It was also necessary that financial services be discussed separately as a topic.

UNIT-I: OVERVIEW OF THE INDIAN FINANCIAL SYSTEM (15 lectures)

Definition and Meaning of the Financial System - Components of the financial System: Institutions, Instruments, Markets, and Services; Functions and Role of financial system; Financial System and Economic Development - Indicators of Financial Development: FR, FIR, NIR and IR; Financial Sector Reforms: Narasimham Committee Report 1991 and 1998.

UNIT-II: FINANCIAL INSTITUTIONS (20 lectures)

Central Banking: Functions - traditional and promotional – Monetary Policy of the RBI - Transmission Channels of Monetary policy – *interest rate* channel, exchange rate channel and asset price channel.

Commercial banking: Growth of Commercial banking since independence, nationalization of commercial banks and their performance assessment till 1992 and developments thereafter – Classification of assets (with respect to Balance sheet of Commercial Banks.) and the Issue of non-performing assets and their management; Capital Adequacy Norms- Basel Accord 1 and 2; Risk management in Indian banks.

Overview of Development Banking in India - Non Banking Finance Companies: Meaning, Types, Growth and Regulation.

UNIT-III:THE DERIVATIVES MARKET IN INDIA (10 lectures)

Meaning of derivatives and their significance –need for financial derivatives – types of financial derivatives; pricing of derivatives; Derivatives trading in India.

REFERENCES

- 1) PathakBharati (2008): The Indian Financial System –Markets, Institutions, and Services, Second Edition.Pearson education
- 2) Bhole L. M. (2008): Financial Institutions and Markets, Growth and Innovation, Tata McGraw-Hill, New Delhi.
- 3) Bodie, Z. et. el. (2009), Financial Economics, Pearson Education, New Delhi.
- 4) Paul, J. and P. Suresh (2008), Management of Banking and Financial Services, Pearson Education, Delhi.
- 5) Khan, M. Y. (2007): Financial Services, Tata McGraw Hill, New Delhi.
- 6) Hull John (2002): Introduction to Futures and Options Market, Prentice Hall of India, New Delhi.
- 7) Reserve Bank of India (various issues) Report on Currency and Finance, RBI, Mumbai.
- 8) Reserve Bank of India (1997) Occasional Papers, Vol. 18, Nos. 2 & 3, RBI, Mumbai.

COURSE CODE: USECO-303(B):RURAL ECONOMICS-I

Preamble: The place of rural economics in the overall economic literature is unique in the context of the Indian economy. The development programmes in India are centered around the rural area. The paper is intended to highlight the working and significance of the rural economy along with the institutional involvement in implementing the government programmes. Agriculture, allied sectors, the non-farm sector and Co-operative movement is the thrust area of the paper.

UNIT-I:FEATURES OF RURAL ECONOMY: (15Lectures)

Characteristics and composition of rural economy – Linkages of farm and non-farm sector – Indicators of rural development – Agripreneurship and agribusiness – Diversification of Rural Economy: Agriculture and allied activities (fisheries, horticulture, floriculture); Forestry in India.

UNIT-II:THEORETICAL PERSPECTIVES: (15 Lectures)

Sectoral overview of development – Fei-Rains model, Kuznet curve, HDI, HPI – Spread and Backwash Effects – Dualism – Regional Imbalance – Balanced and Unbalanced Growth.

UNIT-III:INDIA'S AGRICULTURAL ECONOMY: (15 Lectures)

Role and Importance of Agriculture in Economic Development – Trends in Agricultural growth and Agricultural Productivity – Agricultural Instability and Agricultural Pricing Policy – New Agricultural Strategy – Sustainable Agriculture- Emerging Trends in Agricultural Technology: Dry Land Farming, Use of Bio-technology techniques.

REFERENCES:

- Bardhan P. (1984), Land, Labour and Rural Poverty, Oxford University Press, New Delhi.
Bilgram S. A. R. (1996), Agricultural Economics, Himalaya Publishing House, New Delhi.
Chadha G. K. and A. N. Sharma (1977), Growth, Employment and Poverty: Change and Continuity in Rural India, Vikas Publication, New Delhi.
Dantwala M. L. et.al. (1991), Indian Agricultural Development Since Independence, Oxford & IBH, New Delhi.
Government of India (1976), Report of the National Commission on Agriculture, New Delhi.
Gulati A and T. Kelly (1999), Trade Liberalization and Indian Agriculture, Oxford University Press, New Delhi.
Memoria, C.B. (recent edition) Agricultural Problem of India, KitabMahal, New Delhi.
Rao C. H. Hanumantha (1994), Agricultural Growth, Rural Poverty and Environmental Degradation in India, Oxford University Press, New Delhi.
Rao C. H. Hinumantha (1975), Agricultural Growth, Rural Poverty and Environmental Degradation in India, Oxford University press, New Delhi.

COURSE CODE: USECO-303 (C) :INDUSTRIAL AND LABOUR ECONOMCS-I

Preamble: This paper intends to provide knowledge about the study of Industrial Development and Industrial Relations in India. The issues pertaining to the labour market, wage theories, employment policies, trade unions and collective bargaining in a globalize economy have become vitally important for developing countries. This paper exposes students to theoretical as well as empirical issues relating to industrial development and the labour market with special reference to India.

UNIT-I: INTRODUCTION (Lectures 15)

Nature and Scope of Industrial Economics;; Problems in Industrial Economics; A framework of Industrial Economics - Concept and Organization of a firm - Forms and characteristics of industrial organization: Sole proprietorship, Partnership, Joint Stock Company, Co-operative sector and MNCs.

UNIT-II:LOCATION AND DISPERSION THEORIES (Lectures 15)

Location Theory: Basic Elements of Location Decisions; Location Models - Theories of industrial location: Weber, Sargent and Florence Theories - Factors affecting industrial location - Constraints on growth - Factors affecting industrial productivity and capacity utilization ; Diversification; Integration and merger of industrial units; Dispersion and problem of regional imbalance.

UNIT-III:INDUSTRIAL PRODUCTIVITY AND INDUSTRIAL DEVELOPMENT IN INDIA: (Lectures 15)

Concept and measurement of productivity – Productivity in Indian industries; Meaning, causes and measures of Industrial sickness – Changing structure of the Indian industry since Independence; Role of state with special reference to MRTP Act; Industrial Policies and economic reforms; industrial growth and pattern; Impact of WTO on Indian industry.

References:

1. Barthwal, R. R. (1985), Industrial Economics, Wiley Eastern Ltd., New Delhi.
2. Desai, B. (1999), Industrial Economy in India, Himalaya Publishing House, Mumbai.
3. Hay. D. and D.J. Morris (1979), Industrial Economics: Theory and Evidence. Oxford University Press, New Delhi.
4. Kuchhal, S.C. (1980). Industrial Economy of India, Chaitanya Publishing Houses, Allahabad.
5. Singh, A and AN. Sadhu (1988), Industrial Economics, Himalaya Publishing House, Bombay.
6. Jalan, B. (1996), India's Economic Policy, Viking, New Delhi.
7. Sandesara, J. C. (1992), Industrial Policy and Planning - 1947-1991 : Tendencies, Interrelations and Issues; Sage Publications India Pvt. Ltd., New Delhi.
8. Sen, A. and B. Chatterjee (2001), Indian Economy : Agenda for the 21st Century (Essays in honour of Professor P. A. Brahmananda), Deep and Deep Publications Pvt. Ltd., New Delhi.

COURSE CODE: USECO-303(D): ECONOMICS OF INSURANCE-I

Preamble: To reduce uncertainty and risk in our economic life, an insurance plays an important role. Its role in mobilizing country's saving and canalizing them into capital formation and thereby contribute to economic development of a country is well known. In India, insurance industry is an important

constituent of financial services industry and is a major investment institution and prominent player in the capital market. With opening of the insurance business for the private sector, the interest in the subject has increased. This paper on Economics of Insurance attempts to give a fairly comprehensive view of the subject to the undergraduate students in Economics.

UNIT-I:INTRODUCTION

[15 lectures]

Definition of Insurance; Purpose and need of insurance; insurance as a social security tool; Risk pooling and risk transfer, Social Vs private insurance; Life Vs non-life insurance.

UNIT-II:RISK AND RISK MANAGEMENT

[15 lectures]

Fundamentals of uncertainty and risk; pure risk and speculative risk; Expected utility and decision-making under uncertainty; Expected utility and the demand for insurance; Moral hazard and insurance demand; concept of risk management; Essentials of risk management; Elements of risk management— Risk assessment; Risk control and risk financing. Concept, fundamentals and Types of reinsurance.

UNIT-III: INSURANCE AND ECONOMIC DEVELOPMENT

[15lectures]

Risk management and insurance in economic development, insurance institutions as financial intermediaries; insurance institutions as investment institutions; insurance institutions in Indian capital market.

BASIC READING LIST

- Bailey, R. (Ed.) (1999), Underwriting in Life and Insurance, Loma, Atlanta, Ga.
- Black, K and J. Skipper (2000), Life and Health Insurance, Prentice Hall, New Jersey.
- Bhole, L.M. (2008), The Indian Financial System, Tata McGraw Hill, New Delhi.
- Head, G.L. AND S. Horn II (1991), Essentials of Risk Management, Management Volume I, Insurance Institute of America, Malvem.
- Dionne, G. and S. E. Harrington (Eds.) (1997), Foundations of Insurance Economics, Kluwer Academic Publishers, Boston.
- Gupta, O. S: Life Insurance. Frank Broncos, New Delhi.
- Mishra, M. N; Insurance Principles and practice: S. Chand and Co. New Delhi.
- Mishra, M. N., Insurance Corporation of India. Vol. I, II, III. Jaipur.
- Pathak, B. (2008), Indian Financial System, Pearson Education, New Delhi.
- Pteffer, I. And D.R. Klock (1974), Perspectives on Insurance, Prentice Hall Inc., Engleword, Cliffs.

Scheme of Examination Elective Papers:

The performance of the learners shall be evaluated into two parts. The learner's performance shall be assessed by Internal Assessment with 40% marks in the first part by conducting the Semester End Examinations with 60% marks in the second part. The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:-

(A) Internal Assessment: 40 Marks (40%)

Sr. No	Evaluation type	Marks
1	Two Assignments/Case study/Project	20
2	One Periodical class Test	10
3	Active participation in routine class instructional deliveries(case studies/ seminars//presentation)	05
4	Overall conduct as a responsible student, mannerism and articulation and exhibit of leadership qualities in organizing related academic actives	05

(B) External Theory examination: 60 Marks (60%)

Question Paper Pattern Semester End Examination

Max. Marks: 60

Time: 2 hours

- Note:
1. All questions are **COMPULSORY**
 2. Each question carries 15 marks.
 3. Draw neat diagrams wherever necessary

Q.1. Answer the following:

- A (From Unit-I) (5)
B (From Unit-II) (5)
C (From Unit-III) (5)

Q.2. Answer the following: (From Unit-I)

- A (8)
B (7)

OR

- B (7)

Q.3. Answer the following: (From Unit-II)

- A (8)
B (7)

OR

- B (7)

Q.4. Answer the following: (From Unit-III)

- A (8)
B (7)

OR

- B (7)

SEMESTER IV

COURSE CODE: USECO-401: ADVANCE ECONOMIC THEORY-II

Preamble: The paper deals with four areas of Economics: Microeconomics, Macroeconomics including Open- economy macroeconomics, International Trade Theory and Public Economics.

SEMESTER-IV deals with Aggregate Demand and Aggregate Supply analysis and extends the IS=LM model to open economy. There is also one module each on International Trade Theory and Public Economics.

Unit-I : IS-LM Model

(12 Lectures)

Money Market Equilibrium: The LM Curve; The Product Market Equilibrium: The IS Curve, The IS and LM curves combined – Factors influencing Equilibrium income and the interest Rate, Monetary influence: Shift in the LM schedule- Real influences : Shift in the IS schedule; Relative Effectiveness of Monetary and Fiscal policy: Policy Effectiveness and the slope of the IS schedule- Policy Effectiveness and the slope of the LM schedule; Derivation of the Macroeconomic (Aggregate) Demand curve from the IS-LM schedule, Aggregate Supply and the Phillip's curve, Determination of Price level and Aggregate Output using AD and AS Curves

Unit-II: Open Economy Macroeconomics

(12 Lectures)

Fixed versus flexible exchange rate regime, Determination of Exchange rate in free Markets, Mundell- Fleming Model- the impossible trinity. The concept of Real Exchange Rate, Purchasing Power Parity Theory. Disequilibrium in the Balance of Payment and Balance of Payment Adjustment: devaluation, reduction in absorption, direct controls, Currency Crisis

Unit-III: International Trade

(10 Lectures)

Classical Theory of International Trade, Haberler's Theory of Opportunity Cost; Heckscher - Ohlin Theory of Trade, Law of Reciprocal Demand and Offer Curves- Equilibrium price in International Trade, Free trade versus Protection in Trade Policy Tariffs and their effects

Unit-IV: Public Economics

(11 Lectures)

Market failure and role of the state, Public Goods, Public Expenditure Theory: Free Rider Problem, Efficiency condition for public goods, Principles of Taxation: Horizontal and Vertical Equity, Ability to pay and Benefit Approach Tax Incidence, Excess Burden of Taxation.

References

- 1 Froyen R T Macroeconomics : Theories and Policies , Delhi Pearson Education Asia, 2001 [Module 1]
- 2 Mankiw N Gregory, Macroeconomics, 6e New York, Worth Publishers 2003, [Module 1,2]
- 3 Dornbusch R S, Fischer and R Startz, Macroeconomics 8e New Delhi Tata Mc Grow Hill 2004 [Module 1,2,3]
- 4 Musgrave R A and P B Musgrave, Public Finance in Theory and Practice, 5e New York, McGraw Hill International Edition, 1989 [Module 4]
- 5 Stiglitz J Economics of Public Sector 3e New York W W Norton and Co 2000, [Module 4]

COURSE CODE: USECO-402: GROWTH AND DEVELOPMENT-II

Preamble: The two papers on growth and development aim at introducing concepts, theories, processes and policies regarding growth and development. The meaning of development as it has evolved over the years is clarified. The contemporary as well as classic theories of growth, development and underdevelopment are considered in detail. Theories and issues related to population, poverty and human resources are considered. Urban and rural aspects of the development process are studied and so too are the international aspects of development. The approach has been to cover all important areas of development economics.

Unit-I Population and Human Resources (14)

Demographic transition, microeconomic household theory of fertility, approaches to population policy, Human Capital and its role in development, Health and Nutrition in development.

Unit-II Structural Transformation (12)

The Kuznets-Clark thesis, Causes of urbanization, migration and development, policies for the urban informal sector, women in the informal sector, Role of agriculture in economic development, policies for rural development

Unit-III International Aspects of Development (14)

Trade strategies for development: export promotion versus import substitution, financing of balance of payments deficits, foreign direct investment and multinational corporations, foreign portfolio investments and developing countries.

Unit-IV Agencies of Development (10)

Market, State, and Voluntary sector as agencies of development, Types of Planning – Changing role of development planning, Models of development planning, Gender budgeting. Role of International Agencies in development – World Bank and IMF – structural adjustment and stabilization, WTO

References:

1. Todaro, Michael P. and Stephen C. Smith. *Economic Development*, 8e. Delhi: Pearson Education, 2003.
2. Misra, S.K. and Puri. *Growth and Development*. Mumbai: Himalaya Publishers, 2005.
3. Thirlwall, A.P. *Growth and Development* 8e. New York: Palgrave MacMillan, 2005.
4. Meier, Gerald M. and James E. Rauch. *Leading Issues in Economic Development*, 8e. New Delhi: Oxford Univ. Press, 2006.

Scheme of Examination:

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Sr. No	Evaluation type	Marks
1	Two Assignments/Case study/Project	20
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3	Active participation in routine class instructional deliveries(case studies/ seminars//presentation)	05
4	Overall conduct as a responsible student, mannerism and articulation and exhibit of leadership qualities in organizing related academic actives	05

(B) External Theory examination: 60 Marks (60%)

Question Paper Pattern Semester End Examination

Max. Marks: 60

Time: 2 hours

- Note:
1. All questions are **COMPULSORY**
 2. Each question carries 15 marks.
 3. Draw neat diagrams wherever necessary

Q.1. Answer the following: (From Unit-I)

- A (8)
B (7)

OR

- B (7)

Q.2. Answer the following: (From Unit-II)

- A (8)
B (7)

OR

- B (7)

Q.3. Answer the following: (From Unit-III)

- A (8)
B (7)

OR

- B (7)

Q.4. Answer the following: (From Unit-IV)

- A (8)
B (7)

OR

- B (7)

COURSE CODE: USECO-403(A): INDIAN FINANCIAL SYSTEM-II

OR

COURSE CODE: USECO-403(B): RURAL ECONOMICS-II

OR

COURSE CODE:USECO-403©: INDUSTRIAL AND LABOUR ECONOMICS-II

OR

COURSE CODE: USECO- 403(D): ECONOMICS OF INSURANCE-II

COURSE CODE: USECO-403(A): INDIAN FINANCIAL SYSTEM-II

Preamble: The post globalised period has brought about remarkable changes in the financial sector. The purpose of this paper is to acquaint students with the working of the system and the recent changes that have taken place. The operations of both the Central Bank and commercial banks in an open economy had to be reassessed. The opening of the financial markets and the evolution of new instruments should also be an important constituent of the paper. It was also necessary that financial services be discussed separately as a topic.

Unit-I FINANCIAL MARKETS

(15 lectures)

Money Market: Meaning - Constituents of organized money market and reforms; Features of Indian Money Market.

Capital Market: Overview of History of Indian Capital; Phases of Growth of Indian Capital Market since 1947; Primary Market: Free pricing regime, book-building, green-shoe option, on-line IPOs; Secondary Market: organization, management and membership of stock exchanges, listing, trading and settlement systems; Overview of Debt Market in India – Interlink between Money Market and Capital Market.

Foreign Exchange Market: Constituents/ players in the market – Growth since 1991- Rate of Exchange and its influence on financial flows.

Unit-II FINANCIAL INSTRUMENTS

(15 lectures)

Traditional Instruments: Equities, Debentures and Bonds; New Instruments: Floating Rate Bonds, Zero interest bonds, Deep Discount bonds, Auction rated debentures, securitized papers, collateralized debt obligations, Inverse float bonds.

Unit-III FINANCIAL SERVICES & REGULATION

(15 lectures)

Classification, Importance and working of financial services – insurance, mutual funds, leasing, venture financing, credit rating, merchant banking, e - banking, factoring and forfeiting - Micro finance and financial inclusion. Regulation of the financial system: RBI, SEBI, and IRDA.

REFERENCES

- 9) Pathak Bharati (2008): The Indian Financial System –Markets, Institutions, and Services, Second Edition. Pearson education
- 10) Bhole L. M. (2008): Financial Institutions and Markets, Growth and Innovation, Tata McGraw-Hill, New Delhi.
- 11) Bodie, Z. et. el. (2009), Financial Economics, Pearson Education, New Delhi.
- 12) Paul, J. and P. Suresh (2008), Management of Banking and Financial Services, Pearson Education, Delhi.
- 13) Khan, M.Y. (2007): Financial Services, Tata McGraw Hill, New Delhi.
- 14) Reserve Bank of India (various issues) Report on Currency and Finance, RBI, Mumbai.
- 15) Reserve Bank of India (1997))Occasional Papers, Vol. 18, Nos. 2 & 3, RBI, Mumbai.

COURSE CODE: USECO-403(B): RURAL ECONOMICS-II

Preamble: The place of rural economics in the overall economic literature is unique in the context of the Indian economy. The development programmes in India are centered around the rural area. The paper is intended to highlight the working and significance of the rural economy along with the institutional involvement in implementing the government programmes. Agriculture, allied sectors, the non-farm sector and Co-operative movement is the thrust area of the paper.

Unit-I RURAL INDUSTRIALISATION: (15 Lectures)

Rural Industrialisation: Agro industries, Agro-based industries, Food processing industries: Dairy, Sugar and Cotton Textiles. Role and Significance of District Industries Centres (DICs), Confederation of Indian Industries (CII), Federation of Indian Chamber of Commerce and Industries (FICCI), Asscham and Small and Medium Enterprises (SMEs).

Unit-II RURAL INFRASTRUCTURE: (15 Lectures)

Role and significance in Rural Development of : Rural Electrification – Irrigation - Transport and Communications – Markets – Education – Health – Sanitation - PURA (Provision of Urban amenities in Rural Areas).

Unit-III INSTITUTIONS FOR RURAL DEVELOPMENT: (15 Lectures)

Co-operative Movement – National Cooperative Development Corporation -

NGOs – Regional Rural Banks (RRBs)- NABARD – SIDBI - Microfinance and Self Help Group (SHGs) .

REFERENCES:

- Bilgram S. A. R. (1996), Agricultural Economics, Himalaya Publishing House, New Delhi.
Chadha G. K. and A. N. Sharma (1977), Growth, Employment and Poverty: Change and Continuity in Rural India, Vikas Publication, New Delhi.
Gulati A and T. Kelly (1999), Trade Liberalization and Indian Agriculture, Oxford University Press, New Delhi.
Memoria, C.B. (recent edition) Agricultural Problem of India, Kitab Mahal, New Delhi.
Popala T. S. (1982), Rural Industrialisation in India, Himalaya Publishing House, Bombay.
Rao C. H. Hanumantha (1994), Agricultural Growth, Rural Poverty and Environmental Degradation in India, Oxford University Press, New Delhi.
Visana P. and R. Basant (1994), Non-Agriculture Employment in India: Trend and Prospects, Sage Publication, New Delhi.
Wanmali S. and C. Ramesamy (Eds) (1995), Developing Rural Infrastructure, Macmillan, New Delhi.

COURSE CODE: USECO-403(C): INDUSTRIAL AND LABOUR ECONOMICS-II

Preamble: This paper intends to provide knowledge about the study of Industrial Development and Industrial Relations in India. The issues pertaining to the labour market, wage theories, employment policies, trade unions and collective bargaining in a globalized economy have become vitally important for developing countries. This paper exposes students to theoretical as well as empirical issues relating to industrial development and the labour market with special reference to India

Unit-I LABOUR MARKET AND WAGE DETERMINATION: (Lectures 15)

Nature and characteristics of labour markets in developing countries like India; Labour market policies; Methods of Recruitment and Placement; Employment Service organization in India - Impact of Rationalization , Technological Change and Modernization on Employment in Organized Private Industry and Public Sector.

Classical, neo-classical and bargaining theories of wage determination; Concept of minimum wage, living wage and fair wage in theory and practice; Discrimination in labour markets; -Analysis of rigidity in labour markets; National wage policy.

Unit-II INDUSTRIAL RELATIONS: (Lectures 15)

Theories of Labour Movement – Growth pattern and structure of labour unions in India; Causes of industrial disputes and their settlement and prevention mechanism; Role of tripartism; Labour legislation in India.

Unit-III STATE AND LABOUR: (Lectures 15)

State and social security of labour – Concept of social security and its evolution, Social assistance and social insurance; Review and appraisal of state policies with respect to social security and labour welfare in India; Special problems of labour: Child labour, female labour, Discrimination and gender bias in treatment of labour; Labour Market reforms – Exit policy, need for safety nets; Second National Commission on Labour; Globalization and labour markets.

References:

1. Barthwal, R. R. (1985), Industrial Economics, Wiley Eastern Ltd., New Delhi.
2. Desai, B. (1999), Industrial Economy in India, Himalaya Publishing House, Mumbai.
3. Hay. D. and D.J. Morris (1979), Industrial Economics: Theory and Evidence. Oxford University Press, New Delhi.
4. Kuchhal, S.C. (1980). Industrial Economy of India, Chaitanya Publishing Houses, Allahabad.
5. Singh, A and AN. Sadhu (1988), Industrial Economics, Himalaya Publishing House, Bombay.
6. Sandesara, J. C. (1992), Industrial Policy and Planning - 1947-1991 : Tendencies, Interrelations and Issues; Sage Publications India Pvt. Ltd., New Delhi.
7. Jhabvala, R. and R. K. Subrahmanya (Eds.) (2000), The Unorganised Sector : Work Security and Social Protection; Sage Publications, New Delhi.
8. McConnell, C. R. and S. L. Brue (1986), Contemporary Labour Economics, McGraw-Hill, New York.
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COURSE CODE: USECO- 403(D): ECONOMICS OF INSURANCE-II

Preamble: To reduce uncertainty and risk in our economic life, an insurance plays an important role. Its role in mobilizing country's saving and canalizing them into capital formation and thereby contribute to economic development of a country is well known. In India, insurance industry is an important constituent of financial services industry and is a major investment institution and prominent player in the capital market. With opening of

the insurance business for the private sector, the interest in the subject has increased. This paper on Economics of Insurance attempts to give a fairly comprehensive view of the subject to the undergraduate students in Economics.

Unit-I ESSENTIALS OF LIFE AND HEALTH INSURANCE [15 lectures]

Fundamentals of life and health insurance; Functions of life and health insurance; Mathematical basis of life insurance. Selection and Classification of risks; Basics of premium construction; Principles of underwriting of life and health insurance.

Unit-II ESSENTIALS OF GENERAL INSURANCE [15lectures]

Definition of general insurance; Types of general insurance; importance of general insurance; importance of general insurance in a country's economic development; Physical hazard, Moral hazard; Marketing of general insurance; Technology development and general insurance.

Unit-III REGULATION INSURANCE [15 lectures]

Regulation of insurance; Purpose of government intervention in markets; Theories of regulation; Insurance business in India and its regulation; Insurance Regulation and Development Act (IRDA).

References:

- Bailey, R. (Ed.) (1999), Underwriting in Life and Insurance, Loma, Atlanta, Ga.
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- Bhole, L.M. (2008), The Indian Financial System, Tata McGraw Hill, New Delhi.
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- Dionne, G. and S. E. Harrington (Eds.) (1997), Foundations of Insurance Economics, Kluwer Academic Publishers, Boston.
- Finsinger, J. and M. Pauly (Eds) (1986), The Economics of Insurance Regulation: A Cross National Study, Macmillan, London.
- Gupta, O. S: Life Insurance. Frank Broncos, New Delhi.
- Mishra, M. N; Insurance Principles and practice: S. Chand and Co. New Delhi.
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- Pathak, B. (2008), Indian Financial System, Pearson Education, New Delhi.
- Pteffer, I. And D.R. Klock (1974), Perspectives on Insurance, Prentice Hall Inc., Engleword, Cliffs.

Scheme of Examination: (Electives):

The performance of the learners shall be evaluated into two parts. The learner's performance shall be assessed by Internal Assessment with 40% marks in the first part by conducting the Semester End Examinations with 60% marks in the second part. The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:-

(A) Internal Assessment: 40 Marks (40%)

Sr. No	Evaluation type	Marks
1	Two Assignments/Case study/Project	20
2	One Periodical class Test	10
3	Active participation in routine class instructional deliveries(case studies/ seminars//presentation)	05

4	Overall conduct as a responsible student, mannerism and articulation and exhibit of leadership qualities in organizing related academic actives	05
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(B) External Theory examination: 60 Marks (60%)

Question Paper Pattern Semester End Examination

Max. Marks: 60

Time: 2 hours

- Note:
1. All questions are **COMPULSORY**
 2. Each question carries 15 marks.
 3. Draw neat diagrams wherever necessary

Q.1. Answer the following:

- | | | |
|---|-----------------|-----|
| A | (From Unit-I) | (5) |
| B | (From Unit-II) | (5) |
| C | (From Unit-III) | (5) |

Q.2. Answer the following: (From Unit-I)

- | | | |
|---|-----------|-----|
| A | | (8) |
| B | | (7) |
| | OR | |
| B | | (7) |

Q.3. Answer the following: (From Unit-II)

- | | | |
|---|-----------|-----|
| A | | (8) |
| B | | (7) |
| | OR | |
| B | | (7) |

Q.4. Answer the following: (From Unit-III)

- | | | |
|---|-----------|-----|
| A | | (8) |
| B | | (7) |
| | OR | |
| B | | (7) |
