

**UNIVERSITY OF MUMBAI**  
**No. UG/22 of 2014**

**CIRCULAR:-**

The Principals of the affiliated Colleges in Arts and the Heads of recognized Institutions concerned are hereby informed that the recommendation made by the Faculty of Arts at its meeting held on 26<sup>th</sup> February, 2014 has been accepted by the Academic Council at its meeting held 4<sup>th</sup> March, 2014 **vide** item No. 4.17 and subsequently approved by the Management Council at its meeting held on 4<sup>th</sup> April, 2014 **vide** item No.8 and that in accordance therewith, in exercise of the powers conferred upon the Management Council under Section 54 (1) of the Maharashtra Universities Act, 1994 and the Ordinances 6124 and 6125 and the syllabus as per the Credit Based Semester and Grading System for the M.A Business Economics degree programme is introduced, which is available on the University's web site ([www.mu.ac.in](http://www.mu.ac.in)) and that the same has been brought into force with effect from the academic year 2014-15.

MUMBAI – 400 032  
21<sup>st</sup> July, 2014

Sd/-  
REGISTRAR

To,

The Principals of the affiliated Colleges in Arts and the Heads of Recognized Institutions concerned.

**A.C/4.17/04.03.2014**  
**M.C/8/04.04.2014**

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No. UG/22-A of 2014

MUMBAI-400 032

21<sup>st</sup> July, 2014

Copy forwarded with Compliments for information to:-

- 1) The Dean, faculty of Arts,
- 2) The Professor-cum-Director, Institute of Distance & Open Learning (IDOL)
- 3) The Director, Board of College and University Development,
- 4) The Co-Ordinator, University Computerization Centre,
- 5) The Controller of Examinations.

Sd/-  
Deputy Registrar  
Under Graduate Studies

# UNIVERSITY OF MUMBAI



## **SYLLABUS FOR THE M.A. BUSINESS ECONOMICS**

**SEMESTER - I & II at the M.A Part - I  
SEMESTER - III & IV at the M.A Part - II**

**(Credit Based Semester and Grading System with effect from the  
academic year 2014-2015)**

### **FACULTY OF ARTS**

#### **A. ABOUT CREDIT SCHEME:**

- Total 96 credits for entire course ( 24 Credits per semester- 24\*4 semester = 96)
- Per paper 6 credits ( 6\*4 papers = 24 at each semester)
- Per paper 48 teaching hours during the semester
- Total 12 teaching hours per unit during the semester
- All papers have 4 units
- Total 4 teaching hours per week per paper

**B. COURSE & SYLLABUS FOR THE M.A.(By Papers) EXAMINATION IN BUSINESS ECONOMICS**

Under the M.A. (by papers) scheme, there are 2 groups, Business Economics student will have to compulsorily choose both. The student will have to study a total of 16 papers (Group I: 8 Papers and Group II: 8 Papers) in four semesters over the 2-years M.A. Business Economics degree course

□ **GROUP I – B. ECONOMICS- (COMPULSORY):**

□ **GROUP II - ELECTIVE PAPERS :- (OPTIONAL)**

Candidates opting for Business Economics at the M.A. degree course are required to select any two optional subjects at semester I & II in M.A. – Part I- and Semester III & IV in M.A. – Part II respectively.

**SYLLABUS FOR M.A. (BUSINESS ECONOMICS)  
PART – I & PART –II**

Under the **M.A. (BUSINESS ECONOMICS)** (by papers) scheme, there are 2 groups, student will have to compulsorily choose both. The student will have to study a total of 16 papers

**(GROUP-I: 4 PAPERS and GROUP- II: 12 PAPERS)** in four semesters over the 1-years **M.A. (BUSINESS ECONOMICS)** degree course.

**GROUP- I  
ECONOMICS- (COMPULSORY)**

**GROUP- II  
ADVANCED ECONOMICS – (OPTIONAL)**

The students interested in pursuing **M.A. (BUSINESS ECONOMICS)** degree course are required to select any two optional subjects (of four papers each) from the following 6 optional subjects of Group II.

<b>CODE</b>	<b>SEMESTER-I</b>		<b>SEMESTER-II</b>
	<b>GROUP-I COMPULSORY PAPERS</b>		<b>GROUP-I COMPULSORY PAPERS</b>

<b>MABEC1</b>	MICRO ECONOMIC ANALYSIS	<b>MABEC3</b>	MICRO ECONOMIC ANALYSIS
<b>MABEC2</b>	MACRO ECONOMIC ANALYSIS	<b>MABEC4</b>	MACRO ECONOMIC ANALYSIS
<b>CODE</b>	<b>GROUP-II OPTIONAL PAPERS (CHOOSE ANY TWO)</b>		<b>GROUP-II OPTIONAL PAPERS (CHOOSE ANY TWO)</b>
<b>MABECO1</b>	ECONOMICS OF BANKING-I	<b>MABECO7</b>	ECONOMICS OF BANKING-II
<b>MABECO2</b>	ECONOMICS OF AGRICULTURE-I	<b>MABECO8</b>	ECONOMICS OF AGRICULTURE-II
<b>MABECO3</b>	ECONOMICS OF INSURANCE-I	<b>MABECO9</b>	ECONOMICS OF INSURANCE-II
<b>MABECO4</b>	STATISTICS FOR ECONOMICS-I	<b>MABECO10</b>	STATISTICS FOR ECONOMICS-II
<b>MABECO5</b>	RURAL ECONOMICS-I	<b>MABECO11</b>	RURAL ECONOMICS-II
<b>MABECO6</b>	ECONOMETRICS-I	<b>MABECO12</b>	ECONOMETRICS-II

## SYLLABUS FOR M.A. BUSINESS ECONOMICS (BY PAPERS) PART – I

### Compulsory Paper (Semester-I)

#### MABEC1 MICRO ECONOMIC ANALYSIS - I

##### Module 1: Introduction and Basic Concepts. (12)

Basic Economic Problem- Choice and Scarcity- Consumer preferences, opportunity sets, optimum choices, indirect utility demand functions, income and substitution effects, Slutsky equation, normal versus inferior goods, types of demand functions, elasticity, welfare evaluation, consumer surplus, equivalent variation and compensating variation, revealed preference- Concept of Equilibrium: General Equilibrium v/s Partial Equilibrium -Walrasian theory of General Equilibrium

##### Module 2: Production and Cost (12)

Production functions, types of production functions- Marginal products, rate of technical substitution, technical progress, cost functions, average and marginal costs, short run versus long

run costs, Economies of scale and scope, Profit maximization, Cost minimization, derivation of input demand- Short Run and Long Run Cost Curve.

**Module 3: Competition and Markets (12)**

Assumptions of perfect market, competitive markets – demand and supply, demand and supply curves of individual firms, short-run versus long-run, competitive market equilibrium, tax incidence analysis, price-controls and shortages- Market failure, imperfect markets – monopolistic competition and oligopoly, sources of monopoly power, monopoly market equilibrium, price discrimination – first, second and third degree, tax incidence

**Module 4: Micro economic theories (12)**

Pigou's theory of Welfare Economics – Conditions of Pareto Optimality – Bergson and Samuelson's Social Welfare Function – Arrow's Impossibility Theorem

**REFERENCES:**

- 1) Ahuja H. L., Advanced Economic Theory : Microeconomics Analysis, 13th Edition, S. Chand and Co. Ltd., New Delhi.
- 2) Baumol, W.J. (1982): Economic Theory and Operations Analysis, Prentice Hall of India, New Delhi.
- 3) Dewett K. K., Modern Economic Theory, S. Chand & Company Ltd., Revised Edition, 2005.
- 4) Koutsoyiannis, A. (1979): Modern Microeconomics, 2nd ed., Macmillan Press, London.
- 5) Kreps, David M (1990): A Course in Microeconomic Theory, Princeton University Press, Princeton.
- 6) Sen, A. (1999): Microeconomics: Theory and Applications, Oxford University Press, New Delhi.
- 7) Stigler, G. (1996): Theory of Price, 4th ed., Prentice Hall of India, New Delhi.
- 8) Varian, H. (2000): Microeconomic Analysis, W.W. Norton, New York.

**MABEC2 MACRO ECONOMIC ANALYSIS-I**

**Module 1: National Income Accounting (12)**

National Income – Concept and Measurement – GDP – GNP – Different forms of national income accounting: Social accounting, flow of funds accounting and balance of payments accounting- Difficulties in the Measurement of National Income - Social Accounting – Presentation of Social Accounts - Importance of Social Accounting – Difficulties in Social Accounting.

**Module 2: Economics of aggregates (12)**

Classical Theory of Income, Output and Employment – Keynesian Theory of Income, Output and Employment – Say's Law of Market – Principles of Effective Demand – Importance of Effective Demand – Aggregate Demand and Aggregate Supply

**Module 3: Demand for money and Supply of Money (12)**

Classical Approach to Demand For Money – Fisher and Cambridge- Keynesian approach - Liquidity Preference Theory : Transaction, Precautionary and Speculative Demand for Money- - Milton Friedman's Approach – Wealth theory- Port folio balance Approach – Baumol and Tobin. - Components of money supply. Measurement of money supply- RBI Approach to Money

Supply -M1, M2, M3- High Powered Money and Money Multiplier- Budget Deficits and Money Supply - Money Supply and Open Economy- Control of Money Supply

**Module 4: Consumption Function (12)**

Keynes, psychological law of consumption – implication of the law - short-run and long-run consumption function- Empirical evidence on consumption function- Income – consumption relationship – absolute income, relative income, life cycle and permanent income hypotheses.

**REFERENCES**

- 1) D'Souza, Errol (2008), Macroeconomics, Pearson Education, Delhi.
- 2) Gupta R.D. and Rana A.S. (1998): Post-Keynesian Economics, Kalyani Publishers, Ludhiana.
- 3) Heijdra, B.J. and V.P. Fredericck (2001), Foundations of Modern macroeconomics, Oxford University Press, New Delhi.
- 4) Jha, R (1991) : Contemporary Macro Economic theory and Policy, Wiley Eastern Ltd.,
- 5) Keynes, J.M (1936) : General Theory of Employment, Interest and Money
- 6) Mithani D. M., Money, Banking, International trade and public finance, Himalaya Publications
- 7) Rakshit, M. (1998), Studies in the Macroeconomics of Developing Countries, Oxford University Press, New Delhi

**SEMESTER-II  
MABEC3 MICRO ECONOMIC ANALYSIS – II**

**Module-I Theories of the firm (12)**

Objectives of modern Firm- Baumol's Sales Revenue Maximization Model- Williamson's Model of Managerial Discretion- Marris Model of Managerial Enterprise, The Hall and Hitch Report – Full Cost Pricing Rule- Bain's Limit pricing theory and its recent developments including Sylos-Lobini's Model- Behavioral Model of the Firm

**Module-II Distribution (12)**

Neo-Classical Approach – Marginal Productivity Theory – Product Exhaustion Theorem- Technical Progress and Factor Shares- Theory of Distribution under Imperfect Product and Factor Markets, Macro Theories of Distribution Ricardian, Marxian and Kalecki

**Module-III Welfare Economics (12)**

Pareto Optimal Conditions- Paretian Welfare Criterion – Value Judgment, Social Welfare Function- Compensation Principle- Inability to obtain Optimum Welfare – Imperfections Market Failure, Decreasing Costs, uncertainty and Non-Existent and Incomplete Markets- Theory of Second Best – Arrow’s Impossibility Theorem, Rawl’s Theory of Justice, Equity – Efficiency Trade-Off.

**Module-IV Economics of Uncertainty (12)**

Individual Behaviour towards risk, Expected utility and certain Equivalence Approaches, Risk and risk aversion, Game and Insurance, the Economics of Insurance, cost and risk spreading

**REFERENCES:**

- 1) Koutsoyiannis A (1985), ‘Modern Micro Economics’ Macmillan Press Ltd.,
- 2) Ahuja H.L. (1982), ‘Advanced Economic Theory’ S. Chand & company Ltd., New Delhi.
- 3) Chopra P.N (1981), ‘Advanced Micro Economics’ Kalyani Publications
- 4) Layard, P.R.G. and Walters, A.A. (1978). Microeconomic Theory, McGraw Hill, New York.
- 5) Little, I.M.D. (1957). Critique of Welfare Economics (2<sup>nd</sup> edition), Oxford University Press, Oxford.
- 6) Sen, A. (1999). Microeconomics: Theory and Applications, Oxford University Press, New Delhi.

**SEMESTER-II  
MABEC4-MACRO ECONOMIC ANALYSIS-II**

**Module-I Macro Economic Policies (12)**

Monetary Policy – Fiscal Policy – Income Policy – Neo–Classical Policy – Austrian Policy – The Austrian Critique of Keynesian economics – Post – Keynesian Policy and the deficit

**Module-II Theory of Inflation & Trade Cycle (12)**

Classical, Keynesian Monetarist Approach to Inflation- Structuralism Theory – Inflation – Phillips curve Analysis – Samuelson and Solow. The Natural Rate of Unemployment Hypothesis, Tobins Modified Phillips Curve.

**Module-III Issues in Stabilization Policies (12)**

Lags in the Effects of Policy – The Role of Expectations – Uncertainty and Economic Policy– Budget deficit and inflation – the mechanics of financing the budget – Income Policies – Supply side economics – The Laffer Curve – Monetarism Vs. Fiscalism – The Portfolio Approach – Crowding out Effect – Fine tuning or Stable Policy Setting.

**Module-IV Macroeconomics: From Open Economy point of view**

(12)

Market for foreign exchange, devaluation and depreciation, real and nominal exchange rate, factors affecting exchange rate, Mundell-Fleming model, fixed versus floating exchange rate, price adjustment, role of fiscal and monetary policies under alternative exchange rate regimes, purchasing power parity concept

**REFERENCES:**

- 1) D'Souza, Errol (2008), Macroeconomics, Pearson Education, Delhi.
- 2) Gupta R.D. and Rana A.S. (1998): Post-Keynesian Economics, Kalyani Publishers, Ludhiana.
- 3) Heijdra, B.J. and V.P. Fredericck (2001), Foundations of Modern macroeconomics, Oxford University Press, New Delhi.
- 4) Jha, R (1991) : Contemporary Macro Economic theory and Policy, Wiley Eastern Ltd.,
- 5) Keynes, J.M (1936) : General Theory of Employment, Interest and Money
- 6) Mithani D. M., Money, Banking, International trade and public finance, Himalaya Publications
- 7) Rakshit, M. (1998), Studies in the Macroeconomics of Developing Countries, Oxford University Press, New Delhi

**M.A. (BUSINESS ECONOMICS)**  
**PART – I: SEMESTER – I & II**  
**OPTIONAL PAPERS:**

<b>GROUP-II SEMESTER – I OPTIONAL PAPERS (CHOOSE ANY TWO)</b>		<b>GROUP-II SEMESTER – II OPTIONAL PAPERS (CHOOSE ANY TWO)</b>	
<b>MABECO1</b>	ECONOMICS OF BANKING-I	<b>MABECO7</b>	ECONOMICS OF BANKING-II
<b>MABECO2</b>	ECONOMICS OF AGRICULTURE-I	<b>MABECO8</b>	ECONOMICS OF AGRICULTURE-II
<b>MABECO3</b>	ECONOMICS OF INSURANCE-I	<b>MABECO9</b>	ECONOMICS OF INSURANCE-II
<b>MABECO4</b>	STATISTICS FOR ECONOMICS-I	<b>MABECO10</b>	STATISTICS FOR ECONOMICS-II



<b>MABECO5</b>	RURAL ECONOMICS-I	<b>MABECO11</b>	RURAL ECONOMICS-II
<b>MABECO6</b>	ECONOMETRICS-I	<b>MABECO12</b>	ECONOMETRICS-II

## **MABECO1 -ECONOMICS OF BANKING-I**

### **SEM-I**

#### **Module-I Money**

**(12)**

Money – Meaning, Classification and Functions- Gresham’s law- Monetary standards – Metallic and paper systems of note issue- Measures of money supply and sources of reserve money in India, Brief history of Indian Rupee- Value of money - Measurement and determination- Quantity theory of money – Cash transaction and cash balance approaches, Wicksell’s contribution- Keynes theory of money and prices. Inflation - Demand pull and cost push, Trade-off between inflation and unemployment- Causes and effect of inflation, Measures to control inflation.

#### **Module- II Commercial Banking**

**(12)**

Meaning and functions of commercial banks, the process of credit creation – Purpose and limitations, Liabilities and Assets of banks- Investment policy of commercial banks- Commercial bank and economic development- Co-operative banks.

#### **Module- III Central Banking**

**(12)**

Functions, objectives and methods of credit control – quantitative and qualitative methods- Role and functions of Reserve Bank of India- Objectives and limitations of monetary policy- monetary policy of RBI

**Module-IV Indian Money Market and Banking (12)**

Structure of financial market in India- Structure and functions of Indian money market, weaknesses of money market in India- Money markets instruments- A critical appraisal of the progress of commercial banking after nationalization- Recent reforms in banking sector in India- Development banking in India –IFCI, IDBI, and ICICI.

**REFERENCES:**

- 1) Gupta, S. B. (1983) Monetary Economics, 2/e, S. Chand & Co., New Delhi.
- 2) Mitra, S. (Ed.) (1970). Money and Banking, Random House, New York.
- 3) Savors, R. S. (1978). Modern banking, 7/e, Oxford University Press, Delhi.
- 4) Chandlar, L. V. and S. N. Goldfield (1977). Economics of Money & Banking, 7/e, Harpar and Row, New York
- 5) Sayers, R.S. Modern Banking, Oxford University Press, New Delhi
- 6) Smith, P.F. Economics of Financial Institutions & Markets, Prentice Hall
- 7) Gupta, S.B. Monetary planning for India, S. Chand & Company, New Delhi
- 8) Grabble, J.O International Financial Markets, Elsevire, New York

## **MABECO2 AGRICULTURAL ECONOMICS-I**

### **SEM-I**

**Module: 1 – Introduction. (12)**

Role of Agriculture in Indian economy- Trends in Agriculture Productivity –Agricultural Development under Five Year Plans- Special Economic Zone and Policy- Problems of Agriculture Labour- Efficiency of Agriculture Labour -Impact of Mechanization on Agriculture Labour-National Employment Guarantee Scheme.

**Module: 2 Agricultural credits (12)**

Co-operative Credit Structure- Role of NABARD- Role of Commercial Banks- Micro Finance - Meaning, Role, and Trends- Issues of Agriculture Subsidies.

**Module: 3Agriculture Marketing (12)**

Problems of Agriculture Marketing in India- Agriculture -Marketing and Price System in India- Problems of Agriculture – Export- Imports- Processing of Farm Products- Agreements of WTO in Agriculture

**Module: 4 Sustainable Agriculture (12)**

Bio Technology – Meaning and Trends -Organic Farming – Present status and Future- Contract Farming -Present Status and Future -Diversification of Agriculture in India (High Technology in Agriculture.) - Agricultural Management – Concept, Recent trends and Problems- Food Securities in India.

**REFERENCES:**

- 1) Datt R. & K.P.M Sundharm (2013) Indian Economy, S.Chand & Co.Ltd.Delhi.
- 2) Misra S.K. & V.K.Puri (2013) Indian Economy – Himalaya Publication house Mumbai.
- 3) Kapila Uma (ed) Indian Economy Since Independence, Academic Foundation (2003)
- 4) Dewett Kewal : Indian Economy C.Chand & Co.Ltd, New Delhi 2005.
- 5) B.N.P singh : Indian Economy Today Changing Contours. Deep and Deep pub. 05.
- 6) M.P.Singh- Indian Economy Today- Problems Planning and Development. (2004) Deep and Deep Publication.
- 7) Singh Acharya, Sagar – Sustainable Agricultural Poverty and Food Securities (2002) Rawat Publication Jaypur Vol- I & II
- 8) Ajit Singh and Tabatabai – Economic crisis and Third world Agriculture, Cambridge University Press.

## MABECO3-ECONOMICS OF INSURANCE-I

### SEM-I

**Module-I Introduction (12)**

Economic Security- Human quest for economic security through time- Exposure to losses- Role and definition of insurance- Risk pooling and risk transfer- Economic and legal perspectives, Social vs. Private insurance- Life V/s. Non-life insurance- Classification of life, Health and General Insurance policies

**Module-II Life and health insurance (12)**

Fundamentals of life & health insurance- Functions of life & health insurance- Mathematical basis of life insurance- Plans of life insurance- Legal aspects of life insurance- Provisions of policies- Individual health insurance- Uses and types of evaluation- Principles of underwriting of life & health insurance-Group insurance and superannuation (Pension) schemes.

**Module-III Fundamentals of Risk and uncertainty (12)**

Fundamentals of uncertainty & risk- Pure risk & speculative risk- Expected utility and decision-making under uncertainty- Expected utility & demand for the insurance- Moral hazard and insurance demand Concept of risk management- Essentials of risk management- Elements of risk assessment- Risk control & risk financing. Worldwide risk sharing- concept of reinsurance, types of re-insurers- Reinsurance distribution systems, reinsurance markets in developing countries- Selection & classification of risks- Basics of premium construction- valuation and distribution of surplus

**Module-IV General Insurance (12)**

Definition, types and importance of general insurance- Concept of short term risk- Basics of the following concepts - Common law, equity, proposal/accidence, indemnity, insurable interest, contribution subrogation- representation- utmost good faith, material fact, physical hazard, moral hazard, policy endorsements conditions/warranties- selection and inspection of risks- rating and calculation of premiums- tariffs and non-tariffs- technology development and general insurance.

**REFERENCES:**

- 1) Dionne, G. and S.E. Harrington (eds.) (1997), Foundations of Insurance Economics, Kluwer academic Publishers, Boston
- 2) Meier. K.J. (1998), The Political Economy of Regulation : The Case of Insurance, The State University of New York Press, Albany, N.Y
- 3) Black. K. Jr. and H.D. Skipper Jr.(2000), Life & Health Insurance, Prentice Hall, Upper Saddle River, New Jersey.
- 4) Pteffer, I. And D.R. Klock (1974), Perspectives on Insurance, Prentice Hall Inc., Engleword Cliffs.
- 5) Williams Jr., C.A. M.L. Smith and P.C.Young (1995), Risk Management and Insurance, McGraw Hill, New York.
- 6) Skipper Jr., H.D.(ed.) (1998), International Risk & Insurance : An Environmental Managerial Approach, Irwin McGraw Hill, Boston.
- 7) United Nations Conference on Trade and Development (1987), the Promotion of Risk Management in Developing Countries, UNCTAD, Geneva.
- 8) Insurance Institute of India, Life Assurance Underwriting, (IC-22), Mumbai.
- 9) Insurance Institute of India, General Insurance Underwriting, (IC-22), Mumbai.
- 10) Government of India (1998), Old Age and Income Security (OASIS) Report (Dave Committee Report), New Delhi.
- 11) Insurance Regulation and Development Authority (2001), IRDA Regulations, New Delhi.

## MABECO4 STATISTICS FOR ECONOMICS-I

### SEM-I

#### **Module-I Introduction and Basic Statistics (12)**

Statistics: Definition, types, scope, functions and limitations - Sources and types of data; classification and techniques; Formation of frequency distribution - Diagrammatic and graphical presentation of data- Institutional arrangements for statistical data in India - Central Tendency- Meaning, Importance and Uses- Types of Measures of Central Tendency: Arithmetic Mean, Median, Mode, Harmonic Mean, Geometric Mean – The relation between Arithmetic Mean; Geometric Mean; and Harmonic Mean.

#### **Module-II Measures of Dispersion Periods (12)**

Dispersion - Meaning of the Concept, Importance and Uses - Requirement Of a good- Measures of Dispersion - Types of Measures: Range & Its Co-Efficient - Mean Deviation & Its Co-Efficient - Standard Deviation, Variance & its Co-Efficient - Lorenz Curve:

#### **Module-III Correlation, Regression and Index Numbers (12)**

Correlation - Methods of Studying Correlation - Karl Pearson's Coefficient of Correlation - Definition - Calculation Of Correlation For Grouped And Ungrouped Data- Interpretation Of The Correlation Co-Efficient- -Spearman's Rank Correlation And Interpretation - Regression : Concept & Linear Regression -Fitting Of Lines Of Regression By The Least Squares Method - Index Numbers :Meaning , And Uses ,Construction And Limitations - Laspeyre's and Paasche's Index Numbers - Fisher's Idle Index Number - Cost Of Living Index Numbers

#### **Module-IV Sampling techniques and Hypothesis testing (12)**

Census v/s. Sampling - Basic concepts of sampling, types - Random and non-random sampling techniques; Determination of sample size, characteristics - sampling and non-sampling errors; Judging the reliability of sample- Sampling distribution and Standard Error - uses of Standard Error; Type I and Type II Errors; Levels of Significance; Parametric Test - Small and large sample test, Analysis of Variance; Non-Parametric Test - Chisquare Test, Goodness of Fit, Run Test and Median Test.

#### **REFERENCES:**

- 1) Agarwal Y.P: Statistical Methods: Concepts, Applications and Computations, New Delhi: Sterling Publishers, 1988.
- 2) Allen R.G.D.: Statistics For Economics; Hutchinson & Co. Ltd. London(1949)

- 3) Blalock, Hubert M: Social Statistics, London: McGraw Hill, 1981.
- 4) Croxton Frederiel, Dudley J. Gowden and Sidny Klein: Applied General Statistics, New Delhi: Prentice Hall, 1975.
- 5) Edward A.L: Statistical Methods for the Behavioural Sciences, New York: Rinchart & Co, 1954.
- 6) Garrett E: Statistical Methods for Research Worker, New York, Hafner Publishing & Co, 1950.
- 7) Grewal P.S: Methods of Statistical Analysis, New Delhi: Sterling Publishers, 1990.
- 8) Gupta C.B: An Introduction to Statistical Methods, New Delhi, Vikas Publishers, 2005.
- 9) Gupta S.P: Statistical Methods, New Delhi, Chand & Co, 2005.
- 10) Gupta. S.C: Fundamentals of Statistics, Bombay, Himalaya Publishing House, 2000.
- 11) Mansfield, Edwin: Statistics for Business and Economics, New York: Norton and Co, 1980.
- 12) S.C. Gupta And Mrs. Indira Gupta: Business Statistics: Himalaya Publishing House; Delhi(1997)
- 13) Walker H.M & Lev J: Statistical Inference, New York: Holt, 1980.

## MABECO5 RURAL ECONOMICS-I

### SEM-I

#### **Module–I: Rural Economy of India (12)**

Nature and features of rural economy of India- Dimension, dynamics and magnitude of rural population - Concept of Rural Development, Scope of Rural Development, Causes of Rural Backwardness- Need for Rural Development, Constraints of Rural Development.

#### **Module–II: Rural Dimensions (12)**

Paradigms of Rural Development- Lewis Model of Economic Development, ‘Big Push’ theory of Development, Myrdal’s thesis of ‘Spread and Backwash Effects’, Gandhian Model of Rural Development- Rural poverty and development dimension. (Human capital, inequalities – poverty syndrome-govt. policy); Problems of rural unemployment-specially disguised unemployment causes and remedies, Livelihood approach.

#### **Module– III: Indian agriculture (12)**

Indian agriculture production system-role, problems, and gender equity, resource structure, growth opportunities; Problems of agriculture labour vis a vis mechanised agriculture and green revolution.

**Module– IV: Agricultural Finance (12)**

Agricultural finance and rural indebtedness – Importance, problems and sources – Govt. measures- Local Self Help Group (SHG)- Innovative credit schemes of govt. and Non-Govt. agencies, their pros and cons- Small scale and cottage industries - Importance, problems and policy measure.

**REFERENCES:**

- 1) B.S. Khanna, Rural Development in South Asia Vol. India, Deep and Deep Publisher
- 2) Vasant Desai, Rural Development (Vol. I-VI) in the Seventh Plan, Himalaya Publishing Co.
- 3) A.N. Agrawal, India Eco. Problem of Dev. And Planning, WISHWA Prakashan
- 4) E.F. Schumacher, Small is Beautiful, Abacus.
- 5) Rakesh Hooja & P.C. Mathur, Dist & Decentralized Planning, Rawat.
- 6) Prabhu Ghatge, Direct attacks on Rural Poverty-Policy, Prog. & Implementation, Concept Publishing Company N. Delhi
- 7) Ruddar Datt & K.P.M. Sundharam, Indian Economy, S. Chand & Co. Ltd.
- 8) Amartya Sen, Resources, Value and Development., Basil Blackwell.
- 9) Robert Chambers, Challenging the professionals, Intermediate Tech. Publications, 1993
- 10) B.C. Mehta, Rural Poverty in India, Concept, Pub.

## **MABECO6 ECONOMETRICS-I**

### **SEM-I**

**Module 1: Introduction (12)**

Nature, meaning definition and scope of econometrics, regression model, reasons for inclusion of error term, assumptions of error term, principle of least square, Gauss- Markov theorem.

**Module 2: Regression Analysis (12)**

Multiple regression models, Estimation, Interpretation and testing of the coefficients, Estimation of elasticities, Relation between simple and multiple regression coefficients, Concepts of partial coefficients, coefficient of determination and adjusted coefficient of determination.

**Module 3: Problems in Regression Analysis (12)**

Relaxing the assumptions of classical model, the problem of auto correlation, consequences of auto-correlation, Durbin Waston test, Remedial measures of auto-correlation, Multicollinearity- Consequences and remedial measures- Nature, Test, Consequences and remedial steps for the problems of heteroscedasticity and errors in variables.

**Module 4: Regression with Qualitative Independent Variables (12)**

Regression models with dummy variables, uses of dummy variable, stability of regression model, logit model – concept and estimation.

**REFERENCES:**

- 1) Johnston. J. (1991) Econometric Methods. McGraw Hill Book Co. London
- 2) Gujarati, D. (1999): Essentials of Econometrics, Second Edition, McGraw Hill.
- 3) Gujarati, D. (2002): Basic Econometrics, Third Edition, McGraw Hill.
- 4) Koutsoyiannis, A. (1977): Theory of Econometrics, 2<sup>nd</sup> Edition, McMillan, London.
- 5) Maddala, G.S.(2002): Introduction to Econometrics, McMillan, London.

**GROUP-II (SEMESTER – II)**

**OPTIONAL PAPERS (CHOOSE ANY TWO)**

**MABECO7 -ECONOMICS OF BANKING-II**

**SEM-II**

**Module-I Theories of Money (12)**

Theories of Value of Money- Fisher, Cambridge equations, the cash Balances approach- Keynesian Theory of Money and Prices, The real Balance Effect, Modern -Quantity Theory of Money- Measures of money stock, Creation of Credit, Money Multiplier, Instruments of Monetary Controls.

**Module-II Financial intermediaries in India (12)**

The Indian commercial banking- Process of credit creation- Non-bank financial intermediaries (NBFIs) - The Objectives and role of central banks in economic development- The currency and credit schools- Quantitative and qualitative methods of credit controls- Functions & growth of financial institutions in India- Role of Non-Banking financial institutions in India – Mutual



funds, LIC, Investment companies, venture capital- Role of regulatory authorities – SEBI and IRDA.

**Module-III Monetary Policy (12)**

Principles of Monetary Policy: Its meaning, objectives, frame work, targets and indicators of monetary policy; Transmission mechanism of monetary Policy- Restrictive Vs. accommodating monetary policy- Need and effectiveness of monetary policy- Lags in monetary policy- Role of monetary policy in developing countries - Monetary and credit planning - Monetarist and Keynesian views on monetary policy - The structure of financial markets: call money, treasury bills and commercial bills - The stock market and market for gilt edged securities; unregulated credit markets - Financial sector reforms in India.

**Module-IV Inflation and Trade cycle (12)**

Inflation Measurement and types of Inflation, Demand and Supply side Inflation, Excess Demand and Inflation, Effects of Inflation, Methods to Check Inflation, stagflation and Anti-Inflation Policy, Inflation and Indian Economy. Inflation and Unemployment- Philips curve, The Relationship between Inflation and Unemployment, Long run Phillips Curve- Business Cycles Meaning and Nature, Theories of trade Cycle: Schumpeter, Keynesian, Samuelson and Hicks - Non- Monetary theories of business cycles.

**REFERENCES:**

- 9) Gupta, S. B. (1983) Monetary Economics, 2/e, S. Chand & Co., New Delhi.
- 10) Mitra, S. (Ed.) (1970). Money and Banking, Random House, New York.
- 11) Savors, R. S. (1978). Modern banking, 7/e, Oxford University Press, Delhi.
- 12) Chandlar, L. V. and S. N. Goldfield (1977). Economics of Money & Banking, 7/e, Harpar and Row, New York
- 13) Sayers, R.S. Modern Banking, Oxford University Press, New Delhi
- 14) Smith, P.F. Economics of Financial Institutions & Markets, Prentice Hall
- 15) Gupta, S.B. Monetary planning for India, S. Chand & Company, New Delhi
- 16) Grabble, J.O International Financial Markets, Elsevire, New York

**Module-I Comparative Agriculture (12)**

Role of agriculture in economic development - Interdependence of agriculture and industry - Cropping pattern - Factors affecting cropping pattern. Land reforms in India - Green Revolution - Experience in Mexico, Canada and India - Farm size and productivity debate in India -Mechanization in Indian agriculture.

**Module II: Agricultural Production (12)**

Farm management – Principles - Farm management decisions - Principles of factor substitution - Cost principles - Opportunity cost principle - Principles of comparative advantage -Limitations of farm management- Agricultural production functions - Factor-product relationships, Product-Product relationships, Factor-factor relationships - Supply response models (Cobweb Model).

**Module III: Agricultural Pricing and Marketing (12)**

Agricultural Pricing- An evaluation of agriculture price policy in India- Pre and Post WTO situation of Indian agriculture –The Role and need for agro-based industries – The terms of trade between agricultural and non-agriculture prices; Need for state intervention; Objectives of agricultural price policy - Agricultural marketing in India - Regulated markets and cooperative marketing- Marketed and marketable surplus - Food security in India – PDS - Revamped PDS and targeted PDS - Need and objectives of agricultural price policy- International trade and agriculture development and WTO and Indian agriculture - Agriculture policy –

**Module IV: The trends in Indian agriculture (12)**

Indian agriculture since independence –Pre green revolution and Post green revolution – The trends in agricultural area, production, yield, processing, marketing, trade, demand and supply of inputs, insurance - The role of Public investment and capital formation in Indian agriculture; Strategy of agricultural development;

**REFERENCES:**

- 1) A.N Sadhu & Amarjit Singh, Fundamentals of Agricultural Economics, Himalaya Publishing House.
- 2) Bilgrami, S.A.R. (1996). Agricultural Economics. Himalaya publishing House, Delhi.
- 3) Dantwala M.L.et.al (1991). Indian Agricultural Development since Independence, Oxford & IBH, New Delhi.
- 4) Das Gupta, The new Agricultural Technology in India, Macmillan, Madras.
- 5) Gulati, A. and T. Kelly (1999), Trade Liberalization and Indian Agriculture, Oxford University press, New Delhi.
- 6) Heady E O, Agricultural Production Function, Kalyani Publications, Ludhiana.
- 7) Kahlon, A.S. and Tyagi D.S (1983), Agriculture price policy in India. Allied publishers, New Delhi.
- 8) M Bazlul Karim, the Green Revolution: An International Bibliography, Greenwood Press.

- 9) R.G.Desai, Agricultural Economics (Models, Problems and policy issues), Himalaya Publishing House.
- 10) Rao C Hanumantha, Agricultural Production Function costs and returns in India by, Tata MC Graw Hill Delhi.
- 11) Rao. C. H. Hanumantha (1975), Agricultural Growth. Rural Poverty and Environmental Degradation in India, Oxford University press, New Delhi.
- 12) Rudra A, Indian Agricultural Economics-Myth and realities, Allied publishers, New Delhi.
- 13) S.Subba Reddy, P.Raghu Ram, T.V Neelakanta Sastry, I.Bhavani Devi – Agricultural Economics, Oxford & IBH Publishing Co, Pvt. Ltd, New Delhi.

## **MABECO9-ECONOMICS OF INSURANCE-II**

### **SEM-II**

#### **MODULE 1: ECONOMICS OF RISK MANAGEMENT (12)**

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; Worldwide risk sharing- Concept of reinsurance, Fundamentals of reinsurance, Types of reinsurers; Reinsurance distribution systems, Reinsurance markets in developing countries.

#### **MODULE 2: ESSENTIALS OF LIFE AND HEALTH INSURANCE (12)**

Fundamentals of life and health insurance; Functions of life and health insurance; Mathematical basis of life insurance; Plans of life insurance- Provisions of policies; Selection and classification of risks; Basics of premium construction; Valuation and distribution of surplus - Individual health insurance; Uses, Types of evaluation; Principles of underwriting of life and health insurance; Group insurance and superannuating (pension) schemes- Set-up and management of insurance companies.

#### **MODULE 3: ESSENTIALS OF GENERAL INSURANCE (12)**

Definition of general insurance; Types of general insurance; Importance of general insurance; Importance of general insurance in a country's economic development; Concept of short-term risk; Fundamentals of the following concepts – Common law, Equity, Proposal/Accidence, Indemnity, Insurable interest, Contribution subrogation, Representation; Utmost good faith, Material fact, Physical hazard, Moral hazard, Policy endorsements conditions/warranties; Selection of risks; Inspection of risks; Rating and calculation of premiums; Tariffs and nontariffs; Marketing of general insurance; Technology development and general insurance.

**MODULE 4: PLANNING FOR WEALTH THROUGH INSURANCE (12)**

Wealth accumulation planning; Life cycle planning; Planning for accumulation, objectives; Purchase of insurance and accumulation planning; Investments – Tax-advantaged and tax non-advantaged; Essentials of individual retirement planning; Analysis of retirement; Income needs, Retirement planning strategies; Investing for retirement, Pension plans; Basic principles of pension plans; Pension plans in India; Estate Planning; Process of estate Planning; Estate Planning tools; Life insurance for estate liquidity.

**READING LIST**

- 1) Benjamin, B. (1991), General Insurance, Heinemann, London.
- 2) Black, K. Jr. and H.D. Skipper Jr. (2000), Life and Health Insurance, Prentice Hall, Upper Saddle River, New Jersey.
- 3) Black, K.Jr. and H.D. Skipper Jr. (2000), Life and Health Insurance, Prentice Hall, Upper Saddle River, New Jersey.
- 4) Brockelt, P.L., R.C. Witt and P.R. Hind (1991), An Overview of Reinsurance and the Reinsurance Markets, Journal of Insurance Regulation, Volume 9, No.3.
- 5) Casner, A.J. (1995), Estate Planning, Little Brown, Boston.
- 6) Dionne, G. and S.E. Harrington (Eds.) (1997), Foundations of Insurance Economics, Kluwer Academic Publishers, Boston.
- 7) Drofman, M.S. (1994), Risk and Insurance, Prentice Hall, Englewood-Cliffs.
- 8) Elliot, M.W., B.L. Webb, H.N. Anderson and P.R. Kensicki (1995), Principles of Reinsurance, Insurance Institute of America, Malvern, Pa.
- 9) Friedmann, M. and L.J. Savage (1947), The Utility Analysis of Choices Involving Risk, Journal of Political Economy, Vol.56.
- 10) Government of India (1998), Old Age and Income Security (OASIS) Report
- 11) Insurance Institute of India, General Insurance (IC-34), Mumbai.
- 12) Insurance Institute of India, Life Assurance Underwriting, 9IC-22), Mumbai.
- 13) Pteffer, I. And D.R. Klock (1974), Perspectives of Insurance, Prentice Hall Inc., Engleword, Cliffs.
- 14) Skipper, Jr., H.D. (Ed.) (1998), International Risk and Insurance: An Environmental Managerial Approach, Irwin McGraw Hill, Boston.
- 15) Yarri, M.E. (1965), 'Uncertain Life Time, Life Insurance and the Theory of Consumer, 'Review of Economic Studies, Volume 32.

**MABECO10-STATISTICS FOR ECONOMICS-II**  
**SEM-II**

**Module-I PROBABILITY THEORY AND DISTRIBUTION (12)**

Random variables (Discrete and Continuous) - Mathematical Expectations with theorems - Productivity Distribution - Binomial, Poisson, Normal - definition, properties, uses, and illustrations - Chebyshev's inequality and Central Limit Theorem.

**Module-II THEORY OF ESTIMATION (12)**

Estimator and Estimate - Point and Interval estimates - Reliability of Estimates - Sampling Variance and Mean - Square error - Properties of good estimator - Cramer - Rao inequality - Methods of estimation - Least squares, method of Moments, Maximum Likelihood Method - Neyman - Pearson Theory.

**Module-III MULTIVARIATE ANALYSIS (12)**

Partial and multiple correlation and regression, Discriminant Analysis, Factor Analysis, Cluster Analysis, Multiple Classification Analysis.

**Module-IV STATISTICAL PACKAGES FOR ECONOMIC RESEARCH (12)**

Statistical Packages: SPSS and STRATA - An overview of SPSS - Creating new data file - Opening a data file - Insert rows and columns - Editing data - Saving data file - Assigning variable names and value tables - Importing data from word processor - Excel - Foxpro, etc - Merging data file - Adding cases and variables

**REFERENCES:**

- 1) Agarwal Y.P: Statistical Methods: Concepts, Applications and Computations, New Delhi: Sterling Publishers, 1988.
- 2) Blalock, Hubert M: Social Statistics, London: McGraw Hill, 1981.
- 3) Croxton Frederiel, Dudley J. Gowden and Sidny Klein: Applied General Statistics, New Delhi: Prentice Hall, 1975.
- 4) Edward A.L: Statistical Methods for the Behavioural Sciences, New York: Rinchart & Co, 1954.
- 5) Garrett E: Statistical Methods for Research Worker, New York, Hafner Publishing & Co, 1950.
- 6) Grewal P.S: Methods of Statistical Analysis, New Delhi: Sterling Publishers, 1990.
- 7) Gupta C.B: An Introduction to Statistical Methods, New Delhi, Vikas Publishers, 2005.
- 8) Gupta S.P: Statistical Methods, New Delhi, Chand & Co, 2005.
- 9) Gupta. S.C: Fundamentals of Statistics, Bombay, Himalaya Publishing House, 2000.
- 10) Mansfield, Edwin: Statistical for Business and Economics, New York : Norton and Co, 1980.
- 11) Walker H.M & Lev J: Statistical Inference, New York: Holt, 1980.

## **MABECO11-RURAL ECONOMICS-II**

### **SEM-II**

**Module-I: Economic structure of Rural India (12)**

Economic Structure of Rural India: Degree of Ruralisation in India, Asset Distribution, Income Distribution, Composition of rural work force. Alternative Occupations in Rural Areas: Dairying, Poultry, Fishery, Horticulture, Rural Non Farm Sector.

**Module- II: Rural economy and agriculture (12)**

Agriculture and Economic Development, Agricultural Development under the Plans, Organizational Aspects of Agriculture: Land Reforms, Green Revolution, Cropping Pattern, Dry Land Farming, Agriculture Finance and Marketing, Information Technology in Agriculture.

**Module- III: Rural Industrialization (12)**

Rural Industrialization- Concept, Importance of Rural Industrialization, Village and Cottage Industries, Policies and Programmes for the Development of Rural Industries, Rural Industrial Sectors: Handloom, Handicrafts etc.

**Module- IV: The problems of rural economy (12)**

Unemployment and Underemployment in Rural Areas- Problems, Causes; Poverty- Causes of Rural Poverty, Poverty alleviation programmes in India- Success and Failure analysis, Poverty alleviation through Micro Finance and SHGs, Empowerment of Rural Women through Self Help Groups, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

**REFERENCES:**

- 1) Sundaram, Satya,I.: Rural Development, Himalaya Publishing.
- 2) Desai Vasant.: Rural Development- Programmes and Strategies, Himalaya Publishing House, Mumbai
- 3) Mukundan, N.: Rural Development and Poverty Eradication in India, New Century, New Delhi
- 4) Soni, R.N.: Leading Issues in Agriculture Economics, Vishal Publishing Company
- 5) Reddy, Venkata.K.: Agriculture and Rural Development (A Gandhian Perspective), Himalaya Publishing House.

## **MABECO12-ECONOMETRICS-II**

### **SEM-II**

**Module-I Econometric Models (12)**

Auto Regressive and Distributed lag Models- Koyak Model, Partial Adjust Model, Adaptive Expectations; Problem of Autocorrelation. Almon Approach to distributed- lag model; Causality tests; Granger and Sim's Test

**Module-II Econometric Models-II (12)**

Dummy Variable Technique- Testing Structural Stability of Regression Models, Comparing two regressions, interaction effects, seasonal analysis, piecewise linear Regression. Use of dummy variables, regression with dummy dependent variables; The LPM, Logit Probit and Tobit Models.

**Module-III Methods of Estimation (12)**

Methods of Estimating Simultaneous Equation System - Recursive Methods and OLS - Indirect Least Squares (ILS) - Instrumental Variables (IV) 2SLS and 3SLS Methods

**Module-IV Econometric Tests and Forecasting (12)**

Time Series ; Stationarity, Unit Roots, Co-Integration- Spurious Regression, Dicky Fuller Test, Engel Granger Test, Random Walk Model, Error Correction Mechanism - Forecasting with ARIMA and VAR Models-Box Jenkins Methodology, Vector Auto Regression (VAR) Panel Data Techniques- Random Coefficients Model

**REFERENCES:**

- 1) Baltagi, B.H. (1988), Econometrics, Springer, New York.
- 2) Goldberger, A.S. (1998), Introductory Econometrics, Oxford University Press, New York.
- 3) Gujarati, D.N. (1995), Basic Econometrics (2<sup>nd</sup> Edition) McGraw Hill New Delhi.