

Assam University, Silchar



Four Year Undergraduate Programme

Under NEP 2020

Effective from the Academic Year 2023-24

Syllabus
DEPARTMENT OF ECONOMICS

Bachelor in Economics with Honours/Honours and Research

Programme Specific Outcome for Economics

Programme in Economics has been designed with the objective to develop in-depth knowledge of students in frontier areas of economic theory and methods, so that they are able to use the knowledge to study real world economic problems. The course has a strong focus on theoretical and quantitative skills and train students in the collection and analysis of the data. Specifically, Economics programme seek to:

- Provide and adapt curricula that prepare our graduates for employment and further study as economists.
- Develop a deep understanding of the basic theoretical framework underlying the field of micro and macroeconomic theories and policies.
- Ensure a comprehensive understanding of the basic economic concepts like how the market forces work, how the different degrees of competition in a market affect pricing and output.
- Develop the knowledge about theories of economic growth & Development and issues of related to sustainable development
- Provide a deep knowledge on environmental Economics.
- To develop the understanding of the efficiency and equity implications of market interference, including government policy.
- Articulate the knowledge of public finance.
- Developing the skill of data collection & use of sampling techniques in research.
- Understand the theories of international trade and their interrelationship with domestic macroeconomic policies for the development of the country.
- Apply mathematical and statistical tools as well as econometrics models to decipher the micro and macro-economic phenomena
- Develop research knowledge in economics.

Semester-wise list of ECODSC Courses

Semester	Course Code	Title of Courses	Credits
I	DSC101	Introductory Microeconomics	3
	DSC102	Introductory Macroeconomics	3
II	DSC151	Elementary Mathematics for Economics	3
	DSC152	Issues in Indian Economy	3
III	DSC201	Development Economics	4
	DSC202	Introductory Public Economics	4
IV	DSC251	Intermediate Microeconomics	4
	DSC252	Intermediate Macroeconomics	4
	DSC253	Statistics for Economics	4
V	DSC301	Environmental Economics	4
	DSC302	Financial Economics	4
	DSC303	Introductory Econometrics	4
VI	DSC351	Introduction to International Trade	4
	DSC352	Mathematical Economics	4
	DSC353	Economics of Growth and Development	4
	DSC354	History of Economic Thought	4
VII	DSC401	Microeconomic Analysis	4
	DSC402	Macroeconomic Analysis	4
	DSC403	Indian Economic Issues	4
	DSC404	Economics of Gender and Development	4
VIII	DSC451	Research Methodology (for Honours with Research) /Rural Development(for Honours only)	4
	DSC452	Money, Banking and Finance (for Honours only)	4
	DSC453	Human Development (for Honours only)	4
	DSC454	International Economics (for Honours only)	4
	DSC455	Research Project/Dissertation (for Honours with Research)	12

Note:

1. Students opting Economics with honours and research in the 8th Semester will have Research Methodology in the Course DSC451. But for those without research the same DSC451 Course will be Rural Development.
2. DSC455 Course is meant for those who have been allowed to choose Research Project/Dissertation in the 8th Semester in lieu of the three advanced level courses, viz, DSC452, DSC453 and DSC454.

Semester-wise list of ECODSM Courses

Semester	DSM1/DSM2	Course Code	Title of Courses	Credits
I	DSM1	DSM101	Elementary Economics	3
II	DSM2	DSM151	Elementary Economics	3
III	DSM1	DSM201	Indian Economy	4
IV	DSM1	DSM251	Elements of Microeconomics	3
	DSM2	DSM252	Principles of Microeconomics	3
V	DSM1	DSM301	Elements of Macroeconomics	3
	DSM2	DSM302	Principles of Macroeconomics	3
VI	DSM2	DSM351	Indian Economy	4
VII	DSM1	DSM401	Introductory Public Economics	4
VIII	DSM2	DSM451	Introductory Public Economics	4

Semester-wise list of ECOSEC Courses

Semester	Course Code	Title of Courses	Credits
I	SEC101	Business Project Formulation & Entrepreneurship Development	3
II	SEC151	Insurance : Principles and Practices	3
III	SEC201	Introductory Data Analysis	3

Semester-wise list of IDC Courses

Semester	Course Code	Title of Courses	Credits
I	IDC101	Foundations of Economics-I	3
II	IDC151	Foundations of Economics-II	3
III	IDC201	Introduction to Indian Economy	3

Semester I
ECODSC- 101
Introductory Microeconomics
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

The course is designed to introduce the students with the basic microeconomic thoughts and theories. The course would help students to understand fundamental concepts of economics and its subject matters. Students are expected to know the law of demand and supply and how market price is determined. They are expected to develop skill for analysing market equilibrium with the help of diagrams. They would understand consumer's optimal behaviour using utility analysis. The learners are expected to know about the laws of production, cost and revenue and their respective roles in determining optimal behaviour of a producer. They would also be able to learn and distinguish between perfectly competitive and monopoly markets.

Course Outcome:

After finishing the course students are expected to develop some basic understanding of economic principles and be able to relate the microeconomic theories with individual economic behaviour in the real-life situation.

Unit 1: Exploring the subject matter of Economics

What economics is all about? Significance of studying economics, subject matter/scope and method of economics, positive and normative economics, Microeconomics vs Macroeconomics, scarcity, choice and opportunity cost, production possibility frontier as an analytical tool, central problem of an economy, market in microeconomics: meaning and its classification.

Unit 2: Demand and Supply: How markets work

Law of demand and its exceptions, determinants of demand, demand curve, movement along a demand curve vs shift in demand curve, snob, Veblen and bandwagon effect, concept of normal, inferior and Giffen goods; the law of supply, determinants of supply, movement along supply curve vs shift in supply curve, determination of market equilibrium and impact of change in demand and supply, elasticity of demand and supply, and their measurement.

Unit 3: Consumer Behaviour:

Concept of utility: Cardinal vs ordinal utility, law of diminishing marginal utility, cardinal utility and optimum choice, law of equi-marginal principle, concept of consumer surplus, indifference curve, indifference map, budget set and budget constraint, consumer's optimum choice, income and substitution effect (Hicks and Slutsky), Derivation of demand curve from indifference curve.

Unit 4: Theories of Production, Cost and Revenue

Production function: short run and long run, law of variable proportion, returns to a factor vs returns to scale, isoquant and iso-cost line, producer's equilibrium with isoquant and iso-cost line: maximisation of output and minimisation of cost.

Cost: Cost in the short run and long run, fixed cost vs variable cost, relationship among cost curves, cost curve and supply curve of firm and industry.

Revenue: concept of revenue: average, marginal and total revenue, relationship among average revenue, marginal revenue and elasticity.

Unit 5: Supply Decisions under Perfect competition and Monopoly

Meaning and features of perfect competition, pure vs perfect competition, short run and long run equilibrium of firm and industry under perfect competition

Concept of monopoly, price output determination under monopoly, price discrimination and its types, social cost of monopoly

Suggested Readings:

1. Koutsoyiannis, A. *Modern microeconomics*, ELBS with Mcmillan, Hong Kong.
2. Dominick Salvatore: *Principles of Microeconomics*, Oxford, New Delhi.
3. N. Gregory Mankiew: *Economics: Principles and Applications*, Indian edition by South Western, a part of Cengage Learning, Cengage Learning India Private Limited, 4th edition, 2007.
4. Karl E. Case and Ray C. Fair, *Principles of Economics*, Pearson Education Inc., 8th Edition, 2007.
5. Pindyck Robert S. and Rubinfeld Daniel L.: *Microeconomics*, Eighth Edition, Pearson

Semester I
ECODSC- 102
Introductory Macroeconomics
Total Credits: 3
Teaching Hours: 45 hours

Course Description

This course introduces students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variables like aggregate income, savings, investment, money, unemployment, inflation, exchange rate and the balance of payments.

Course Outcome:

After the completion of the course, the students will be able to understand the theoretical framework and the working of the economy as a whole. The course would provide an in-depth understanding of the real economic issues like unemployment, inflation, money supply, GDP and their linkages.

Unit 1: Introduction to Macroeconomics and National Income Accounting

Nature and scope of Macroeconomics; Macroeconomic variables, Introduction to National Income; Measurement of Gross Domestic Product; Circular Flow of Income and Expenditure in two, three and four-sector economy; Real versus Nominal GDP; GDP Deflator; GDP and economic well-being.

Unit 2: Money

Money: Kinds and Functions; Value of money; quantity theory of money; Supply of Money: Definitions, Determinants of Money Supply, Measures of Money Supply; Demand for money: Keynesian liquidity preference theory.

Unit 3: Determination of Income and Employment

Aggregate demand and aggregate supply at constant price, Simple Keynesian Model : Consumption Function, Saving and Investment Functions, Determination of equilibrium output (two sector model); Concept of Multiplier, Classical Theory of Employment, Say's law of market, Classical dichotomy

Unit 4: Unemployment and Inflation

Measuring unemployment, Types of unemployment; Inflation: Meaning, Inflationary Gap; Cost Push and Demand Pull inflation; Effects of inflation, Control of inflation; Relationship between Inflation and Unemployment: Phillip's Curve in the Short run and Long run; the concept of Stagflation.

Unit 5: Open Economy

Balance of Payments, Current and Capital Account, Balance of Trade, Disequilibrium in BOP and its Causes, Correction of BOP Deficit; Meaning of Foreign Exchange Rate and Determination of Equilibrium Exchange Rate, Types of Exchange Rate Systems

Suggesting Readings:

1. Dornbusch, Fischer and Startz, *Macroeconomics*, Mc Graw Hill, 11th edition, 2010.
2. N. Gregory Mankiw. *Principles of Macroeconomics*, Cengage Learning, 7th edition, 2010.

3. Olivier Blanchard, *Macroeconomics*, Pearson Education, 5th edition, 2009.
4. Soumyen Sikdar, *Principles of Macroeconomics*, Oxford University Press, 3rd edition, 2020.
5. Karl E. Case and Ray C. Fair, *Principles of Economics*, Pearson Education 12th edition, 2022

Semester I
ECODSM- 101
Elementary Economics
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

This course aims to introduce the students to the basic concepts relating to microeconomics and macroeconomics so as to improve their understanding level of economics as a separate discipline and its practical relevance.

Course Outcome:

After finishing the course students are expected to develop some basic understanding of economic thought and be able to relate the microeconomic theories and macroeconomic theories with individual economic behaviour in the real life situation.

Unit 1: Introduction to Microeconomics

Meaning, nature, scope, importance, limitations of Micro Economics , Basic problems of economics, Problems of scarcity and choice, Choice and opportunity cost, production possibility frontier, economic systems, positive and normative economics.

Market Forces: Law of Demand, Law of Supply, determinants of demand/supply, Exceptions to law of demand, market demand and market supply, market equilibrium, elasticity of demand and supply, and their measurement

Unit 2: Theory of Consumer Behaviour:

Cardinal utility vs ordinal utility, cardinal utility and optimum choice, law of diminishing marginal utility, indifference curve, indifference map, budget constraint, consumer's optimum choice, price consumption curve and income consumption curve, income and substitution effects (Hicks and Slutsky), Derivation of Demand Curves from ICs.

Unit 3: Production, Cost & Revenue

Production functions- short run and Long run, law of variable proportions, Returns to scale, iso-quant and iso-cost lines, producers Equilibrium, Cost of production - types, short run cost curves, long run cost curves, Revenue-TR, AR & MR, revenue and elasticity of demand.

Unit 4: Introduction to Macroeconomics

Nature and scope of Macro Economics, importance and limitations of Macro Economics Macro variables, stock and flow concept, Macro statics, Macro dynamics, Concept of - two sector, three sector and four sector economy.

Unit 5: National income,

Concept of GNP, GDP, NNP, NDP, Private income Personal income, per capita income, real and nominal national income, Methods of measuring nation income, Difficulties of Estimating National Income, National income and economic welfare, circular flow of income in two sector, three sector and Four sector economy.

Suggested Readings:

1. Case, Karl E. & Ray C, Fair, Principles of Economics, Person Education, Inc, 8th edition, 2007
2. Sikdar, Shoumyen, Principles of Macroeconomics, 2nd Edition, Oxford University Press, India
3. Dwivedi D. N., Microeconomics: Theory and Policy, Tata McGraw-Hill, 2005
4. Koutsoyiannis, A. Modern Microeconomics, ELBS with Macmillan, Hong Kong
5. Hall R. Varian, Intermediate Microeconomics: A Modern Approach, Eight Edition, Springer (India) Pvt. Ltd.
6. Anindya Sen: Microeconomics,Oxford.

Semester I
ECOIDC- 101
Foundation of Economics - 1
Total Credits: 3
Teaching Hours: 45 hours

Course Description

This course intends to expose the student to the basic principles in Microeconomics Theory and illustration with applications.

Course outcome

After completion of the course the student will be able to explain what economics is and why it is important. The student will understand about market forces, identify the determinants of supply and demand; demonstrate the impact of shifts in both market supply and demand curves on equilibrium price and output, define equilibrium production, cost, working and nature of markets.

Unit1: Introduction to Microeconomics

Meaning, nature, scope, importance, limitations of Micro Economics , Basic problem of economics, Problems of scarcity and choice, economic systems, positive and normative economics

Unit 2: Market Forces

Laws of Demand, Law of Supply, determinants of demand/supply, Exceptions to law of demand, market demand and market supply, market equilibrium, elasticity of demand- meaning, types, measurement, determinants of elasticity of demand

Unit 3: Production and Cost

Production functions- short run and Long run, law of variable proportions, Returns to scale, iso-quant and iso-cost lines, producers Equilibrium, Cost of production - types, short run cost curves, long run cost curves

Unit 4: Market and its types

Perfect competition, Price and output determination under perfect competition, Imperfect competition- monopoly, Price and output determination under monopoly, monopolistic competition- Features, oligopoly- Features

Unit 5: Welfare economics

Individual and social welfare, Pigovian welfare economics, Pareto optimality, social welfare function

Suggesting Readings:

1. Case, Karl E. & Ray C, Fair, Principles of Economics, Person Education, Inc, 8th edition, 2007
2. Koutsoyiannis, A. Modern Microeconomics, ELBS with Macmillan, Hong Kong

Semester I
ECOSEC- 101
Business Project Formulation and Entrepreneurship Development
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

Entrepreneurship and small business development are areas that are constantly evolving, requiring creative minds that are willing to play with considerable levels of risk. This course is to create awareness about entrepreneurship among students. The course shall teach how to turn a model or idea into a profitable product or service. Small business management and operations courses offer greater career flexibility to those studying business.

Course Outcome:

After the completion of the course, the student will be able to Use the entrepreneurial qualities and skills under real world condition. The student will be able to identify various schemes provided by Government of India to support business enterprises and develop entrepreneurial personality and prepare project report and initiate SSI.

Unit I: Introduction to Entrepreneurship Development

Meaning of Entrepreneurship, Benefits and Myths of Entrepreneurship; Characteristics, Qualities and Skills of an Entrepreneur, Different Life Stages of an Entrepreneur; Impact of Entrepreneurship on the Economy and Society, Barriers to Entrepreneurship

Unit II: Principles of Project Formulation

Project Formulation: Definition, Concepts, Objectives; Stages of Project Formulation and their Significance; Methodology for Project Identification and Formulation; Feasibility Analysis, Techno-Economic Analysis, Project Design and Network Analysis, Input Analysis, Financial Cost Benefit Analysis, Social Cost Benefit Analysis, Project Appraisal and Report.

Unit III: Issues in Small Enterprise Initiatives

Small Scale Industries: Definition, Rationale, Objective, Scope, SSI Registration; NOC from Pollution Control Board; Machinery and Equipment Selection.

Unit IV: Role of Support Institutions

Role of government in promoting entrepreneurship; Start up India; Central Level Support Institutions: SIDO, NSIC, NIESBUD; State Level Support Institutions: SIDC, SDI, DIC, SIDBI, SISI.

Unit V: Microfinance and SHGS

Concept of Microfinance; Entrepreneurship Development by Microfinance I; Formation and Role of SHGs in development; Linkage of SHG and MFI; Women empowerment through SHGs

Practical/Project Related/Field Survey

Analysis with Breakeven Point and Profit Volume(P/V) Ratio; A Profile Summary of a Successful Entrepreneur; Identification of the business opportunities suitable for you; Preparation of a business plan for your chosen small scale enterprise.

Suggested readings

1. Desai, Vasant (2003). Small-Scale Industries and Entrepreneurship. Himalaya Publishing House, Delhi
2. Kaulgud, Aruna (2003). Entrepreneurship Management. Vikas Publishing House, Delhi. 38
3. Cynthia, L. Greene (2004). Entrepreneurship Ideas in Action. Thomson Asia Pvt. Ltd, Singapore
4. Watkins, T. A. (2018). Introduction to Microfinance. World Scientific Publishing Company

Semester II
ECODSC- 151
Elementary Mathematics for Economics
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

This paper is designed to inculcate the basic mathematical skills among students and enables them to study economic theory and its applications at the undergraduate level.

Course outcome:

After completion of the course students would develop sufficient quantitative and analytical skills required for the learning of economic theory and principles at the UG level.

Unit 1: Set and Function

Set and set operations, Venn diagram, Cartesian product, relations; functions and their properties; basic logarithmic, limit of a function, continuity.

Unit 2: Introduction to Linear Algebra: Determinants and Matrix

Determinants and its properties, matrix-types of matrix, matrix operations, transpose of a matrix, scalar products, norms, orthogonality; linear transformations: properties, matrix representations and elementary operations; solution of simultaneous linear equations :matrix inverse method, Cramer's rule, economic applications of matrix algebra.

Unit 3: Differential Calculus – 1 (Single Variable Case)

Basic Rules of differentiation with single explanatory variable, second and higher order derivative, convex and concave function, optimisation problem for function of one variable cases, , economic application of differentiation.

Unit 4: Differential Calculus -2 (Multi-variable case)

Partial and Total Derivative, constraint and Unconstrained Optimisation problem of more than one independent variable, constraint optimisation, Lagrangian multiplier, Hessian determinants, Bordered Hessian determinant, economic application.

Unit 5: Integration of functions:

Basic rules of integration, definite and indefinite integral, application of integration in economics: consumer's surplus, producer's surplus

Suggested Readings:

1. K. Sydsaeter and P. Hammond, Mathematics for Economic Analysis, Pearson Educational Asia: Delhi, 2002
2. Chiang A.C. and K. Wainwright, Fundamental Methods of Mathematical Economics, McGraw Hill International Edition
3. Baruah S.N., Basic Mathematics and its Economic Applications, MacMillan
4. Edward T. Dowling: Schaum's Easy Outline of Introduction to Mathematical Economics

Semester II
ECODSC- 152
Issues in Indian Economy
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

The aim of this course is to acquaint the students with the contemporary issues of Indian Economy. Once the students complete the course, they will be able to deal with various issues related to Indian Economy which may help them in further academic endeavours.

Course outcome:

On completion of the course the student will be able to understand the basic characteristics of Indian economy since independence and its potentiality on natural resources as well as human resources. The Student will be able to identify the causes of poverty, unemployment and income inequality in the economy and will develop the capacity to critically review the relevant policy measures.

Unit 1: Economic Development since Independence

Major features of the economy since independence; Demographic trends and issues; Education, health and malnutrition

Unit 2: Issues in Indian Agricultural Sector since Independence

Production, productivity and cropping patterns, Agricultural credit & marketing, Land reforms, New Agricultural Policy- Green Revolution.

Unit 3: Indian Industrial Development since Independence

Phases of industrial growth since independence, Public sector enterprises, Industrial reforms since independence, Small and Medium Scale industries in India: Problems and prospects.

Unit 4: Labour force, Occupational pattern and Unemployment

Labour force growth, Occupational structure and economic development, Occupational distribution of labour force; Nature and pattern of unemployment in India, Policies to tackle unemployment problem, Indian Trade Union movement- A Brief Overview.

Unit 5: Poverty and Inequality

Incidence of Poverty in India, estimates of Poverty and poverty line, Strategy of Poverty Alleviation; Inequality-Income inequality in India: Magnitude and Nature, Growth and Inequality, Causes of income inequality, Government policies and measures, Poverty and unemployment

Suggested Readings:

1. Jean Dreze and AmartyaSen, 2013. *An Uncertain Glory: India and itsContradictions*, Princeton University Press.

2. Pulapre Balakrishnan, 2007, The Recovery of India: Economic Growth in the Nehru Era, *Economic and Political Weekly*, November.
3. Rakesh Mohan, 2008, —Growth Record of Indian Economy: 1950-2008. A Story of Sustained Savings and Investment, *Economic and Political Weekly*, May.
4. S.L. Shetty, 2007, —India's Savings Performance since the Advent of Planning, in K.L. Krishna and A. Vaidyanathan, editors, *Institutions and Markets in India's Development*.
5. Himanshu, 2010, —Towards New Poverty Lines for India, *Economic and Political Weekly*, January.
6. Arvind Subramanian, India's Turn, Understanding the Economic Transformation, Oxford University Press.
7. Kaushik Basu, (ed.), India's Emerging Economy, Performance and Prospects in the 1990's and Beyond, Oxford University Press.
8. Mishra S.K & V.K Puri (2001), Indian Economy and —Its development experience, Himalaya Publishing House.
9. Gaurav Datt & Ashwani Mahajan, Indian Economy, S Chand (current edition)
10. Uma Kapila, Indian Economy: Performance and Policies: 14th Edition. Academic Foundation,

Semester II
ECODSM- 151
Elementary Economics
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

This course aims to introduce the students to the basic concepts relating to microeconomics and macroeconomics so as to improve their understanding level of economics as a separate discipline and its practical relevance.

Course Outcome:

After finishing the course students are expected to develop some basic understanding of economic thought and be able to relate the microeconomic theories and macroeconomic theories with individual economic behaviour in the real life situation.

Unit 1: Introduction to Microeconomics

Meaning, nature, scope, importance, limitations of Micro Economics , Basic problems of economics, Problems of scarcity and choice, Choice and opportunity cost, production possibility frontier, economic systems, positive and normative economics.

Market Forces: Law of Demand, Law of Supply, determinants of demand/supply, Exceptions to law of demand, market demand and market supply, market equilibrium, elasticity of demand and supply, and their measurement

Unit 2: Theory of Consumer Behaviour:

Cardinal utility vs ordinal utility, cardinal utility and optimum choice, law of diminishing marginal utility, indifference curve, indifference map, budget constraint, consumer's optimum choice, price consumption curve and income consumption curve, income and substitution effects (Hicks and Slutsky), Derivation of Demand Curves from ICs.

Unit 3: Production, Cost & Revenue

Production functions- short run and Long run, law of variable proportions, Returns to scale, iso-quant and iso-cost lines, producers Equilibrium, Cost of production - types, short run cost curves, long run cost curves, Revenue-TR, AR & MR, revenue and elasticity of demand.

Unit 4: Introduction to Macroeconomics

Nature and scope of Macro Economics, importance and limitations of Macro Economics Macro variables, stock and flow concept, Macro statics, Macro dynamics, Concept of - two sector, three sector and four sector economy.

Unit 5: National income,

Concept of GNP, GDP, NNP, NDP, Private income Personal income, per capita income, real and nominal national income, Methods of measuring nation income, Difficulties of Estimating National Income, National income and economic welfare, circular flow of income in two sector, three sector and Four sector economy.

Suggested Readings:

1. Case, Karl E. & Ray C, Fair, Principles of Economics, Person Education, Inc, 8th edition, 2007

2. Sikdar, Shoumyen, Principles of Macroeconomics, 2nd Edition, Oxford University Press, India
3. Dwivedi D. N., Microeconomics: Theory and Policy, Tata McGraw-Hill, 2005
4. Koutsoyiannis, A. Modern Microeconomics, ELBS with Macmillan, Hong Kong
5. Hall R. Varian, Intermediate Microeconomics: A Modern Approach, Eight Edition, Springer (India) Pvt. Ltd.
6. Anindya Sen: Microeconomics, Oxford.

Semester II
ECOIDC- 151
Foundation of Economics – II
Total Credits: 3
Teaching Hours: 45 hours

Course Description

This course aims to introduce the students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variable like savings, consumption investment, GDP, employment, money and banking.

Course outcome

After the completion of the course, the student will be able to understand the theoretical framework and the working of an economy as a whole. The course is intended to provide an in-depth understanding of the real economic issues like unemployment, inflation, and also have knowledge about functioning of money and banking, Classical and Keynesian approaches to income and employment, GDP and their linkages.

Unit 1: Introduction

Nature and scope of Macro Economics, importance and limitations of Macro Economics Macro variables, stock and flow concept, Concept of - two sector, three sector and four sector economy.

Unit 2: National income,

Concept of GNP, GDP, NNP, NDP, Private income Personal income, per capita income, real and nominal national income, Methods of measuring national income, Difficulties of Estimating National Income, National income and economics welfare, circular flow of income in two sector, three sector and Four sector economy.

Unit 3: The Classical System

Basic ideas of Classical Macroeconomics, Classical theory of income and employment, Say's law market, wage – price flexibility and Classical Full Employment Model, Quantity theory of money- Classical approach

Unit 4: Keynesian economics,

Keynes' objections to classical theory, The Keynesian Approach – Keynesian Consumption Function, Saving, Investment Functions, Basics of Aggregate Demand and Aggregate Supply, The Principle of Effective Demand; Income Determination in a Simple two Sector Model; Investment Multiplier, Keynesian theory of demand for money.

Unit 5: Money and Banking,

Money – Definition, types, and functions, determination of money supply and demand, Measurement of money supply, functions of Commercial bank, credit creation, role of central bank, Credit control- tools of monetary policy

Suggested Readings:

1. Case, Karl E. & Ray C, Fair, Principles of Economics, Person Education, Inc, 8th edition, 2007.
2. Sikdar, Soumyen, Principles of Macroeconomics, 2nd Edition, Oxford University Press, India
3. Dwivedi D. N., Microeconomics: Theory and Policy, Tata McGraw-Hill, 2005

Semester II
ECOSEC- 151
Insurance: Principles and Practices
Total Credits: 3
Teaching Hours: 45 hours

Course Description:

This course has been designed to provide the platform to the FYUG student with the basic needed to operate in the insurance market with special reference to India including identifying, analysing and managing various types of risk. Besides, the students will be in a position to understand principles of insurance and its usefulness in business and in practical life, along with its regulatory framework.

Course outcome:

After the completion of the course the students will be gather practical knowledge about the functioning framework of insurance markets.

Unit I: Concept of Risk

Concept and Types of Risks, Managing Risk, Sources and Measurement of Risk, Risk Evaluation and Prediction, Risk pooling and Risk transfer

Unit II: Basic Concept of Insurance

Concept and Nature of Insurance, Need and Role of Insurance, Principle of Utmost Good Faith, Insurable Interest, Proximate cause, contribution and Subrogation, Indemnity, Legal Aspects of Insurance Contract.

Unit III: Classification and Types

Types of Insurance- General Insurance and Life Insurance, Travel Insurance, Fire and Motor Insurance, Health Insurance, Marine Insurance, Automobile Insurance.

Unit IV: Legal Issues in Insurance

Globalization of Insurance Sector, Insurance as a Social Security, Reinsurance, Co-insurance, Assignment, Endowment, Significance of Claims Settlement, Arbitration and Litigation, Insurance Fraud.

Unit V: Insurance Regulation in India

Need for Regulation of Insurance, Regulatory Framework of Insurance- Role, Power and Functions of IRDA, Composition of IRDA, IRDA Act' 1999 (Emphasis should be on latest Insurance Amendment Act., Govt. of India).

Practical/Project Work /Field Survey/ Assignment

Working Practice of Insurance Company (case study); Financial Planning and Life Insurance; Life Insurance Products and Practices; The emerging trends, contemporary issues and practices of the Insurance Market in India.

Suggested Readings:

1. George, E. Rejda, *Principles of Risk Management and Insurance*, Pearson Education.
2. Dorfman, Marks S., *Introduction to Risk Management and Insurance*, Pearson
3. Singh, A. *Principles of Insurance Law*, Easter Book Co.
4. Gupta. P.K, *Insurance and Risk Management*, Himalaya Publishing House.
5. Mishra, M. N., *Principles and Practices of Insurance*, S. Chand and Sons.

6. Dinsdale, W.A., *Elements of Insurance*, Pitaman.
7. Black, K. and H.D. Skipper, *Life and Health insurance*, Pearson Education
8. Crane, F., *Insurance Principles and Practices*, John Wiley and Sons, New York.
9. Vaughan, E. J. and T. Vaughan, *Fundamentals of Risk and Insurance*, Wiley & Sons
10. Hansell, D.S., *Elements of Insurance*, Macdonald & Evans Ltd.
11. Tripathy, N. R & Pal, P. (2006), *Insurance Theory and Practice*, 2nd Edition, Prentice Hall of India P Ltd., New Delhi.
12. Insurance Institute of India. (2011), *Principles of Insurance*, available at Mumbai.
13. https://www.toppr.com/guides/business-studies/business-services/insurance/#1_Utmost_Good_Faith
14. <https://www.canarahsbclife.com/faqs/life-insurance/what-is-meant-by-principles-of-insurance>

