

GOKHALE INSTITUTE OF POLITICS AND ECONOMICS

Deemed to be University u/s 3 of the UGC Act, 1956

PUNE 411004

(Approved by Board of Studies 26/02/2024 & 28/05/2024; Approved by Academic Council 5-6-2024)

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M.Sc. (International Business Economics and Finance)

COURSE STRUCTURE & SYLLABUS

Program Outcomes:

Disciplinary knowledge: Capable of demonstrating comprehensive knowledge and understanding of one or more disciplines that form a part of an undergraduate /postgraduate program of study.

Communication Skills: Ability to express thoughts and ideas effectively in writing and orally; Communicate with others using appropriate media; confidently share one's views and express herself/himself; demonstrate the ability to listen carefully, read and write analytically, and present complex information in a clear and concise manner to different groups.

Critical thinking, Problem solving and Analytical reasoning: Capability to apply analytic thought to a body of knowledge; analyses and evaluate evidence, arguments, claims, beliefs on the basis of empirical evidence; identify relevant assumptions or implications; formulate coherent arguments; critically evaluate practices, policies and theories, philosophies.

Acquiring research-related skills, scientific reasoning and reflective thinking: A sense of inquiry and capability for asking relevant/appropriate questions; ability to recognize cause-and-effect relationships, define problems, formulate and test hypotheses, analyses, interpret and draw conclusions from data; ability to plan, execute and report the results of an experiment or investigation.

Self-directed lifelong learning: Capability to use ICT in a variety of learning situations; ability to work independently, identify appropriate resources required for a project; ability to acquire knowledge and skills, through self-paced and self-directed learning aimed at personal development.

Employability Options: All the programs prepare the students for job profiles that demand numerical, analytical, and problem-solving skills, such as financial management, market research, business planning, budgeting, resource allocation, etc.

The present curriculum goes with Learning Outcome-based Curriculum Framework (LOCF) for all its programs. The approach is envisioned to provide a focused, outcome-based syllabus with an agenda to structure the teaching-learning experiences in a more student-centric manner. The LOCF approach has been adopted to strengthen students' experiences as they engage themselves in the program of their choice. Each program vividly elaborates its nature and promises the outcomes that are to be accomplished by studying the courses. Our students became eligible for all competitive exams like SSC, Indian Administrators, Insurance sector, Data Analyst, Tourism, Environment Management, Bank PO's, Media, MNC, NGO, and to prepare them for start-ups. In short, each program prepares students for sustainability and life-long learning.

Program Specific Outcomes:

- PSO 1: The program provides a deep understanding of the broad principles and theories which tend to govern the flow of trade in goods, services and capital— at the global level.
- PSO 2: It involves looking at and understanding international trade, global economics, and, most importantly, how to navigate different cultures.
- PSO 3: In addition to the learning of advanced economic theory and its applications, the curricular structure of the program is designed to provide critical learning in the domain of international trade policy, practices and regulations, international corporate finance, international economic institutions, etc.
- PSO 4: At the end of this program, students will garner immense skills and expertise in the fields of business and finance altogether to grab career opportunities on the way.

Pedagogy of this course:

- Active learning by encouraging discussions in class.
- Inculcating team spirit by providing activities to be done in groups.
- Follow various modes of teaching, to help students adapt to different modes of work they will face post-graduation, to name a few, power point presentations, computer exercises etc.,
- Games and other simulation exercises since working in strategic environment with software packages and languages is inevitable these days.
- Encouraging to do literature review or to write summary of journal articles to keep them afloat with recent developments in the research frontiers.
- Assignments are given to be able to apply theories to real-world examples.
- Quizzes to have clarity of concepts.

Note: Various evaluation methods for students to develop different skills along the way.

INDEX

Sr. No.	Course Code No.	Name of the course
COMPULSORY COURSES		
1	C-01	Microeconomics
2	C-02	Macroeconomics
3	C-03	Statistics
4	C-04	Basic Econometrics
5	IBEF-A-03	Trade Theory
6	IBEF-A-05	Accountancy and Financial Statement Analysis
7	IBEF-A-06	International Finance - I
8	IBEF-A-07	Trade Policy
9	IBEF-A-09	Export-Import Procedure and International Logistics
10	IBEF-A-11	International Finance - II
11	IBEF-A-12	Financial Econometrics
12	IBEF-A-14	International Trade Law
13	IBEF-A-16	The Economics of Multinational Enterprises
14	IBEF-A-19	Business Analytics
15	IBEF-A-21	Corporate Finance and Capital Budgeting
16	IBEF-A-22	Financial Derivatives
OPTIONAL COURSES (Any four to be opted)		
1	IBEF-B-01	WTO Trade Regulations
2	IBEF-B-02	International Relations
3	IBEF-B-03	Commercial Geography
4	IBEF-B-04	International Economic Institutions
5	IBEF-B-05	International Trade in Agriculture
6	IBEF-B-06	Development Finance
7	IBEF-B-07	Taxation
8	IBEF-B-08	Public Economics
9	IBEF-B-09	Law and Economics - I
10	IBEF-B-10	Law and Economics - II
11	IBEF-B-11	Behavioural Finance
12	IBEF-B-12	Financial Economics
13	IBEF-B-13	International Marketing
14	IBEF-B-14	Linear Economics - I
15	IBEF-B-15	Linear Economics – II
16	IBEF-B-16	Mathematics for Economic Analysis
17	IBEF-B-18	Strategic Finance and Investment Banking
18	IBEF-B-19	Financial Risk Management
19	IBEF-B-20	Introduction to Game Theory
20	IBEF-B-21	Social Exclusion and Inclusive Policy
21	IBEF-B-22	Economics of Banking
22	IBEF-B-23	Insurance Economics
23	IBEF-B-24	Insurance Economics (Advanced Practices)
24	IBEF-B-25	Urban Economics
25	IBEF-B-26	Economics of Labour
26	IBEF-B-27	Economic Sociology

Course Code: C-01

Course Name: Microeconomics

Learning Outcome:

- To acquaint the students with introductory consumer theory and the limitations with an orientation towards behavioural approach (Module I)
- To understand how the choice will be made under uncertainty and how the attitude towards risk will be determined. (Module II)
- To introduce to the students, the concepts associated with the functioning of a firm. (Module III)
- To study the various types of markets prevalent in an economy and the nature of their decision making (Module IV)
- To study the information economics i.e. role of asymmetric information and its way out, designing of optimum incentive scheme under information asymmetry (Module V)
- To acquaint the students with the basics of game theory (Module VI)

Module 1:

Consumer Theory (8 hrs)

- Preference Relation and Its Properties.
- Consumer Preferences and Representation of Preferences by Utility Functions.
- Budget Constraint, Utility Maximization and Derivation of the Demand Function, The Indirect Utility Function and Its Properties, Roy's Identity
- Revealed Preferences. Endowments in the Budget Constraint, Difference between revealed and normative preference
- Limitations of the Consumer Theory
- Behavioral Approach

Module 2:

Choice Under Uncertainty (12 hrs)

- The Expected Utility Model, Utility on Lotteries, Axioms and Preferences under Uncertainty
- Critiques of the Expected Utility Model, Prospect Theory
- Measures of Risk--Domar-Musgrave Index, Roy's Safety Index, Mean-Variance, Semi Variance Mini-max Regret
- Lotteries, Preference Relation over Lotteries, N-M Expected Utility Theory
- Basic Axiom and Representation Theorem Violations of EU theory.
- Subjective Probabilities
- Risk Aversion – Jensen's Inequality, Acceptance Set and Risk Aversion
- Various Measures of Risk Aversion like Arrow-Pratt Measure of Absolute Risk Aversion, Relative Risk Aversion
- Certainty Equivalent and Risk Premium
- Arrow-Pratt Approximation of Risk Premium
- Pratt's Theorem
- Classes of Utility Functions: Decreasing Absolute Risk Aversion (DARA), Constant Absolute Risk Aversion (CARA), Increasing Absolute Risk Aversion (IARA), Decreasing Relative Risk Aversion (DRRA), Increasing Relative Risk Aversion (IRRA), Constant Relative Risk Aversion (CRRA) etc. and their comparative statics
- Applications to Various Settings and Comparative Static Results.

Module 3:

Theory of Firm (6 hrs)

- Theory of Organization. Measurements of Inputs and Outputs
- Profit Maximization, Comparative Statics, Profit Function. Hotelling's Lemma, Factor Demand Functions, Supply Function.
- Cost Minimization, Cost Functions, Average and Marginal Cost Functions, Short-Run and Long-Run Costs, Marginal Cost Pricing, Aggregation – Industry Supply Function, Shephard's Lemma, Conditional Factor Demand Functions.
- The Duality Between Production and Cost Functions.

Module 4:

Theory of Market (8 hrs)

- Perfect Competition: Short-Run and Long-Run Market Equilibrium.
- Monopoly: Monopoly Power, Equilibrium Output and Prices, Effect on Welfare, Price Discrimination – First, Second, And Third-Degree, Quality Choice Under Monopoly. Market Power, Sources of Market Power, Monopoly & Regulation of Monopoly. HHI or Any Other Index Used to Measure the Concentration of Firms.
- Monopolistic Competition.
- Oligopoly: Cournot Equilibrium, Stability, Comparative Statics, Bertrand Equilibrium. Quantity Leadership, Price Leadership. Conjectural Variations.
- Spatial Competition: Linear City Model, Circular City Model.
- Market failure, public goods and introduction to welfare economics,

Module 5:

Information Economics (10 hrs)

- Introduction: The Elements of the Problem
- Types of Asymmetric Information Problems– Moral Hazard, Adverse Selection, Signalling
- Static Full Information Benchmark
- Hidden Action in a Two Action-Two outcome model as well as in a Simple Continuous Action and Continuous Outcome Case
- Solution through First Order Approach and its Validity
- Value of Information and Characteristics of the Optimal contract
- Adverse Selection and Signalling: Akerlof's Model of Lemons,
- Signalling in the Spence's Model of Education
- The Notions of Pooling and Separating Equilibria.

Module VI: Game theory (introduction) (6 hrs)

- Description of a Game, Normal Form Representation of the Game, Extensive Form Representation of The Game
- Solution Concepts—Nash Equilibrium, Mixed Strategies, Repeated Games, Sequential Games.

Suggested Readings:

Books:

- Serrano.R and Feldman. M.A. (2018). A Short Course in Intermediate Microeconomics with Calculus. Cambridge University Press
- Gravelle, H. and Rees R, 2003, Microeconomics, 3rd Edition, *Prentice Hall*
- Kreps, David. (1992). A Course in Microeconomic Theory, Eastern Economy Edition, *Prentice Hall of India*
- Mas-Colell.A, Whinston &Green, Microeconomic Theory. (1995). Oxford *University Press*
- Perloff.J. (2019). Microeconomics, 7th Edition, *Pearsom Education*.
- Pindyck, Robert S. and Rubinfeld, Daniel L. (2017), 9th Edition Microeconomics, *Pearson College*

Articles:

- Arrow, K.J. (1965) Aspects of the Theory of Risk Bearing. Yrjo Jahnssonin Saatio, Helsinki.
- Hadar, J. and Russell, W. (1969). **Rules for ordering uncertain Prospects**. AER.
- Yan Sun & Shu Li, 2010. **The effect of risk on intertemporal choice**, Journal of Risk Research, Taylor & Francis Journals, vol. 13(6), pages 805-820, September.
- Kahneman, D.and Tversky, A. (1979). Prospect Theory: An Analysis of Decision under Risk.Econometrica. 47(2),pp263-291

Course Code: C-02

Course Name: Macroeconomics

Course Outcomes:

The course will enable the students:

- To familiarize the students with the contributions of various schools of thought in Macroeconomics. (Module 2 and 3)
- To provide a wider vision of present discourse in Macroeconomics. (Module 6)
- To develop aptitude to relate concepts with research and policy. (Module 5)
- To paraphrase macro-economic policy initiatives both in global and domestic context (Module 2)
- To demonstrate an understanding of the macroeconomic tools to manage business fluctuations. (Module 4)

Module 1:

Macroeconomic Measurement (8 hours)

- An overview of National Accounting.
 - Conventions about National Accounting Sectors.
 - Concept of value added by production.
 - National Product at market price and factor cost.
 - Gross and Net Production.
- Methods of Income estimation.
 - The Product Approach, The Expenditure Approach, The Income Approach.
- Accounting for Environmental and Social Dimensions.
 - Physical quality of life index and Human Development Index.
 - Environmentally Adjusted Net Domestic Product.

Module 2:

Background Concepts. (8 hours)

- History of macroeconomic thought- Classical, Keynesian and schools of thought after Keynes.
- Behavioral foundations of Macroeconomics:
- Consumption Function: Keynes Psychological Law and Kuznet's consumption puzzle, Fisher's intertemporal Choice Model, Permanent Income Hypothesis, Life Cycle Hypothesis and Relative Income Hypothesis.
- Investment Function: Neo-Classical Theory of Investment, Stock Market and Tobin's q-ratio, Accelerator Theory of Investment (simple and flexible acceleration models)
- The Monetarist School: The quantity theory of money approach.

Module 3:

Rational Expectations and new Classical Macroeconomics (4 hours)

- The basic concepts – the Phillips curve and Lucas Supply equation

Module 4:

Real Business Cycle School (6 hours)

- Real Business Cycle School and inter temporal substitution of labor.
- Real Business Cycle theory- technology shocks- neutrality of money and flexibility of wages and prices.
- Real Business cycle view on great depression.

Module 5:**Micro Foundations of real and nominal rigidities: New Keynesian School (8 hours)**

- Imperfect competition and price setting- Real rigidity- Coordination failure models.
- Real Non Walrasian Theories- Small Menu Cost model and Staggering of prices, implicit wage.
- Contract theory- efficiency wage theory- Insider- Outsider model.

Module 6:**Basic Infinite Horizon Models (8 hours)**

- Ramsey Problem: Command Economy, Decentralized economy, dynamic efficiency - Government in the decentralized economy.
- Overlapping Generations Model.
- OLG with production: two period lives, dynamic inefficiency and altruism, Social Security Models under OLG

Suggested Readings:

Books;

- Barro, Robert J. & Sala-i- Martin, Xavier (1995), Economic Growth, McGraw Hill.
- Blanchard, Olivier (2000), Macroeconomics, Prentice Hall.
- Blanchard, Olivier and Stanley, Fischer (1989), “Lectures on Macroeconomics”, The MIT Press
- Dornbusch, Rudiger, Fischer, Stanley & Startz, Richard (2004), Macroeconomics, 9th Edition, McGraw Hill.
- Mankiw Gregory (2002), Macroeconomics, 5th Edition, Worth Publishers
- Romer, David (2003), Advanced Macroeconomics, 3rd Edition, McGraw Hill Publishers.
- Snowdon Brian and Vane Howard R, (2005) Modern Macroeconomics: Its Origin, Development and Current State, Edward Elgar Publishing Ltd.

Additional Reading List: Website Link

- <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlookupdate-july-2022>
- <https://www.federalreserve.gov/newsevents/pressreleases/monetary20220727a.htm>
- <https://www.ecb.europa.eu/press/pr/date/2022/html/ecb.mp220721~53e5bdd317.en.html>
- <https://www.ecb.europa.eu/press/blog/date/2022/html/ecb.blog220723~c2b1d4b654.en.html>
- https://www.ecb.europa.eu/ecb/educational/explainers/tell-memore/html/interest_rates.en.html
- https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53904
- <https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=21035>
- <https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=21038>
- https://dea.gov.in/sites/default/files/MER%20June%202022_Final.pdf
- <https://www.indiabudget.gov.in/doc/frbm1.pdf> 16. <https://www.rbi.org.in>

Course Code: C-03

Course Name: Statistics

Course Outcomes:

- To deal with different types of data and to understand the types of error in it.
- To frame the inferential solutions based upon different techniques.
- To apply advanced techniques of statistics that can help us to draw reliable solutions.
- To demonstrate the ability of research work using statistical tools.
- To link the techniques with real world applications.

Course Outline

Module 1:

Testing of hypothesis: Simple versus composite hypothesis, critical region, type I and type II errors, power of a test, The Decision Rule, trinity of classical tests (Wald test, Lagrange multiplier, likelihood ratio), application of hypothesis testing with known and unknown variances, test for correlation,

Module 2:

Special Distributions; Introduction, The Poisson Distribution, The Normal Distribution, The Geometric Distribution, The Negative Binomial Distribution, The Gamma Distribution, the Central Limit Theorem

Module 3:

Estimation and Inference; Introduction, Estimating Parameters: The Method of Maximum Likelihood, the Method of Moments, Interval Estimation, Properties of Estimators, Minimum-Variance Estimators: The Cramér-Rao Lower Bound, Sufficient Estimators, Consistency, Bayesian Estimation.

Module 4:

Bivariate Distributions; Contingency tables, joint and conditional distributions, odds ratio, test of independence, Analysis of Variance (ANOVA), analysis of covariance.

Module 5:

Nonparametric Statistics; Introduction, Sign Test, Wilcoxon Tests, The Kruskal-Wallis Test, The Friedman Test, Testing for Randomness, Comparing Parametric and Nonparametric Procedures

Module 6:

Introduction to OR; Basic algorithms; Linear programming (LP), Graphical and Simplex; LP Formulation and LP with solver and sensitivity analysis; Transportation and transshipment models; Simulation; Decision Analysis

Module 7:

Advanced algorithms in OR; Goal Programming; Queuing Theory; Networking Models; Markov chains; Data Envelopment Analysis (DEA); Analytical Hierarchical processing (AHP)

Reading List

- Larsen, Richard J., and Morris L. Marx. (2001): An Introduction to Mathematical Statistics and its Applications. 3rd ed. Upper Saddle River, NJ: Prentice Hall.
- Lewis Margaret (2011): Applied Statistics for Economists, Routledge.
- Newbold P. (2007): Statistics for Business and Economics (6th edition or later), Prentice Hall
- Sweet, Stephen and Karen Grace- Martin (2008): Data Analysis with SPSS: A First Course in Applied Statistics, Allyn & Bacon, 3rd Edition.
- Field Andy (2013): Discovering Statistics using IBM SPSS Statistics. Fourth Edition, SAGE
- Quantitative Analysis for Managerial Decision Making By Render and Stair
- Operations Research by Hiller and Liberman
- Operations Research by Hamdy and Taha

Course Code: C-04

Course Name: Basic Econometrics

Course Outcomes:

- To develop an understanding of econometrics techniques from a basic level.
- To understand the techniques and methodologies used in econometrics models.
- To apply methods of regression models in order to understand the variables.
- To apply various econometric models in order to understand dependency degree.
- To effectively communicate the findings and results of data as per used techniques.

Module 1:

The nature of Econometrics and Economic Data

Introduction, Model Specification and applied research, the role of data in model specification, The Structure of Economic Data, Steps in Empirical Analysis, Causality and the Notation of Ceteris Paribus in Econometrics, etc.

Module 2:

The Simple Regression Model

Introduction, Definition of the Simple regression Model, Deriving the Ordinary Least Squares Estimates, Properties of OLS on Any Sample of Data, Units of Measurement and Functional Forms, Expected Values and the Variances of the OLS, Regression through the Origin and Regression on a Constant, Regression with Graphics, Outliers, Leverage and Influence, Transformation towards Linearity, Summary

Module 3:

Multiple Regression Analysis:

Estimation; Introduction, Motivation for Multiple Regression, Mechanics and Interpretation of Ordinary least Squares, The Expected Values of OLS Estimators, The Variance of the OLS Estimators, Efficiency of OLS: The Gauss-Markov Theorem, Fragility Analysis, Summary

Module 4:

Multiple Regression Analysis:

Inference; Introduction, Sampling Distribution of the OLS Estimators, Testing Hypotheses about a Single Population parameter: The t Test, Confidence Intervals, Testing Hypotheses about a Single Linear Combination of the Parameters, Testing Multiple Linear Restrictions: The F Test, Relationship between F and t Statistics, The R-Squared Form of the F Statistic, Computing p-Values for F Tests, The F Statistic for Overall Significance of a Regression, Testing General Linear Restrictions; Reporting Regression Results, Summary.

Module 5:

Violation of the OLS Assumptions

Introduction, Consequences of violation of OLS assumption, GLS Estimation- Aitken's generalization of Gauss Marks Theorem, Estimation of σ^2 .

Module 6:

Multicollinearity

Introduction, perfect versus imperfect Multicollinearity, Consequences, tests for detection and remedies for Multicollinearity.

Module 7:

Serial Correlation or Autocorrelation

The problem, pure versus impure autocorrelation, consequences of applying OLS when there is autocorrelation, detecting autocorrelation- graphical method, The Runs test, The Durbin Watson test, BG test and remedies for serial correlation.

Module 8:

Heteroscedasticity

Consequences of heteroscedasticity for OLS; Heteroscedasticity-Robust inference after OLS Estimation: Computing Heteroscedasticity-Robust LM Tests; Testing for Heteroscedasticity: The White Test; Weighted Least Squares Estimation: The Heteroscedasticity is known up to a Multiplicative Constant, The Heteroscedasticity Function Must Be Estimated: Feasible GLS, What If the Assumed Heteroscedasticity Function is wrong? Prediction and Prediction Intervals with Heteroscedasticity; The Linear Probability Model Revisited.

Module 9:

Multiple Regression Analysis: OLS Asymptotics

Consistency: Deriving the Inconsistency in OLS; Asymptotic normality and Large Sample inference; Other Large Sample Tests: The Lagrange Multiplier Statistic, Asymptotic Efficiency of OLS, Summary

Note: The students will be trained in software packages for performing econometric applications.

Basic Reading List

- Griffiths, Hill and Judge, *Learning and Practicing Econometrics*, Wiley, New York.
- Green, William H., **Econometric** Analysis, Prentice Hall.
- Johnston and Dinardo, *Econometric Methods*, 4th Edition McGraw-Hill International Edition.
- Madala G.S., *Introduction to Econometrics*, John Wiley & Sons.
- Wooldridge J., *Introductory Econometrics: A Modern Approach*, South-Western College Pub.
- Baltagi, Badi H. , *Econometrics*, 5th edition, Springer
- Kennedy, Peter (2003), *A Guide to Econometrics*, 5th Edition, The MIT Press
- Gujarati, Damodar, **Basic Econometrics**, 4th Edition, Tata McGraw Hill Publishing Company, New Delhi
- Krishna, K. L., *Econometric Application in India*, Oxford University Press, Delhi.

Course Code: IBEF-A-03

Course Name: Trade Theory

Course Outcomes:

- To comprehend the underlying principles and models in trade theory.
- To apply trade theory models to analyze and explain real-world trade patterns and phenomena.
- To analyze and evaluate the effects of trade policies and trade agreements on economic welfare.
- To evaluate the role of geography in trade.
- To critically evaluate trade-related arguments and policies, considering different perspectives and trade-offs.

Module 1:

Basis of Trade

- Mercantilist's view
- Adam Smith and Absolute Advantage Theory of Trade
- Ricardo and Comparative Advantage
- Production Possibility Curve
- Community Indifference Curve
- Gains From Trade
- Offer Curve and determination of International equilibrium price

Module 2:

Heckscher Ohlin Model

- Comparative Advantage in Heckscher Ohlin Model
- Definition of Factor Abundance
- Factor Price equalization theorem
- Factor intensity reversal
- Leontief Paradox

Module 3:

New Trade Theories

- Economies of Trade & International Trade
- Imperfect Competition & International Trade
- External Economies and Pattern of Trade
- Dynamic external Economies & specialization

Module 4:

Trade, Firm Structure, off shoring and Outsourcing

- Firm Organization and Trade
- Vertical Specialization
- Task Trade, Offshoring and Outsourcing

Module 5:

Trade, Matching, Sorting and Heterogeneity

- Heterogeneity and Trade
- Firm heterogeneity, international Trade and Wages
- Trade and inequality in developing countries

Module 6:**Economic Geography and Trade**

- Trade and Topography of the spatial Economy
- Specialization and agglomeration
- Internal Geography, International Trade and regional specialization
- Gravity equations

Basic Reading List

- Bhagwati & Srinivasan (1983), *Lectures on international trade*, The MIT Press.
- Bhagwati, Jagdish (1964), “*The Pure Theory of International Trade*”, *Economic Journal*, Vol. 74, pp. 1-78.
- Borkakoti, J. (1998), *International trade: Causes & Consequences*, MacMillan, London.
- Caves, R. E., Frankel, J. A., Jones, R. W. (1993), *World Trade and Payments*, 6th edition, Harper Collins, New York
- Heller, H. R. (1973), *International trade: Theory and empirical evidence*, 2nd Edition, Prentice-Hall, Englewood Cliff, New Jersey.
- Krugman, P. R. & Obstfeld, Maurice, (2008), *International economics: Theory & policy*, Addison-Wesley, May.
- Makusen, J. R. & Melvin etc. (1994), *International trade: Theory and evidence*, *International*, Ed edition, 1 Dec, McGraw-Hill Inc, US.
- Pugel & Lindert (1999), *International economics*, 11th edition, Irwin/McGraw-Hill, December 13.

Course Code: IBEF-A-05

Course Name: Accountancy and Financial Statement Analysis

Learning Outcome:

- To provide basic understanding of various essential concepts of Accountancy (Module I)
- To understand Accounting Process and to prepare Accounting Statements (Module II to V)
- To Analysis of Company's Annual Report (Module VI)
- To apply accounting models in order to know Financial Performance. (Module VII)
- To evaluate Accounting of Foreign Currency Transactions (Module VIII)

Module 1:

Basic Principles

- Financial Accounting and Accounting Standards, Accounting Equation
- Users of Accounting Statements,
- Importance - Objectives and Principles
- Accounting Concepts and Conventions
- Principle of Double Entry Book Keeping
- Trends in Accounting principles, GAAP, IFRS, IAS

Module 2:

The Accounting Process

- Preparation of Books of Original Records:
- Journals - Subsidiary Book - Problems on Cash Book and Petty Cash Book
- Ledgers & Trial Balance
- Classification of Capital and Revenue Expenses
- Final Accounts with Adjustments

Module 3:

Preparation of Final Accounts/Statement

- Sole traders with Basic Adjustments
- Preparation of Final Accounts / Statement of Companies (Both Horizontal & Vertical Form of Financial Statements)
- Brief Introduction to Partnership Account
- Accounting for small, medium and large companies

Module 4:

Statement of Changes in Funds

- Funds Flow Statement - Cash Flow Statement
- Problems with Basic Adjustment on FFS & CFS
- Statement of Changes in Working Capital - Funds from Operations
- Paid Cost and Unpaid Costs
- Distinction Between Cash Profits and Book Profits
- Preparation and Analysis of Cash Flow Statement and Funds Flow Statement.

Module 5:

Depreciation and Inventory Valuation

- Concepts & Methods of Depreciation
- Problems on Straight Line & WDV Methods

- Inventory - Concepts & Methods - Problems on LIFO, FIFO & Weighted Average
- Valuation of Fixed Assets- Current and Non -current assets and liabilities
- Tangible v/s Intangible assets
- Depreciation of Fixed Assets and Methods of Depreciation
- Inventory Valuation: Methods of Inventory Valuation
- Valuation of Goodwill - Methods of Valuation of Goodwill.

Module 6:

Analysis of Companies' Annual Reports

- Provisions of the Companies Act 1956 - Provision Affecting Preparation - Presentation & Analysis of Audit Reports & Directors' Reports.

Module 7:

Financial Analysis of Financial Performance of a Firm

- Different Tools - Ratio Analysis - Different Types of Ratio's - Inter-Relation Between Ratio's - Due-point Analysis
- Common Size Statement of Inter Firm and Intra Firm - Internal Revenue Code
- Interpretation of Financial Statements From Investor and Company Point of View
- Horizontal Analysis and Vertical Analysis of Company Financial Statements
- Liquidity, Leverage, Solvency and Profitability Ratios
- Du Pont Chart - A Case Study on Ratio Analysis

Module 8:

Accounting of Foreign Currency Transactions

- Accounting of Foreign Operations, Process and Translation Risks
- Consolidation of Foreign with Domestic Financial Statements
- IFRS and Accounting of International Transactions

Suggested Readings:

Books

Basic Reading List

- Ghosh, T.P., (2010), Understanding IFRS, Taxmann.
- D'Souza, Dolphy, (2009), Indian Accounting Standards and GAAP In 2 Vol., Snow White Publications Pvt. Ltd.
- International Accounting Standards Board (2007), International Financial Reporting Standards 2007 (including International Accounting Standards (IAS(tm)) and Interpretations as at 1 January 2007), LexisNexis, ISBN 1-4224-1813-8.
- Case studies of IFRS implementation in Brazil, Germany, India, Jamaica, Kenya, Pakistan, South Africa and Turkey, United Nations Intergovernmental Working Group on International Standards of Accounting and Reporting (ISAR). (Various years)
- Catty, James P. (2010), Wiley Guide to Fair Value, Under IFRS [6], ISBN: 0470477083, John Wiley & Sons.

Course Code: IBEF-A-06

Course Name: International Finance - I

Course Outcomes:

- To develop a comprehensive understanding of financial markets.
- To evaluate the working of international institutions and instruments in the financial market.
- To learn the techniques and strategies for managing foreign exchange risks.
- To evaluate the sources of borrowing in the international financial market.

Module 1:

International Financial Markets and Instruments

- Introduction
- Euromarkets
- An Overview of the Major Funding Instruments
- An Overview of Major Markets
- Multilateral financial Institutions
- International Equity Markets
- Summary

Module 2:

Sources and Instruments of International Finance

- Short-term, medium term, long term national currency financing
- Other Foreign Currency financing
- National government Facilities
- Regional and National Development Finance
- Private Investment Companies
- The World Bank Group

Module 3:

The Foreign Exchange Market

- Introduction
- Structure of the Foreign Exchange Market
- Exchange Rate Systems, Modified liberalized exchange rate management system
- Exchange Rate Arithmetic
- Merchant Rates
- Early delivery, extension and cancellation of foreign exchange contracts
- Spot and forward exchanges
- SWAPs and Cover operations
- Management of Risk in Foreign Exchange Business
- Mechanics of Currency Trading
- Types of Transactions and Settlement Dates
- Exchange Rate Quotation and Arbitrage
- Pricing of Short-Date and Broken Date Contracts
- Exchange Rate Regimes and the Foreign Exchange Market in India

Module 4:

Exchange Rate Determination and Forecasting

- Introduction
- Some Fundamental Equivalence Relationships
- Theories of Exchange Rate Determination
- Exchange Rate Forecasting
- The Exchange Rate of the Rupee

Module 5:

Long Term Borrowing in International Financial Markets

- Introduction
- Costs and Risks of Long Term Foreign Borrowing
- Syndicated Loans
- International Bonds
- MTNs, NIFS and Related Facilities
- Project Finance
- Multilateral Institutions

Basic Reading List

- Shapiro, Alan C. (2006) Multinational Financial Management, 8/e, Wiley & Sons. ISBN 0471737690.
- Eiteman, D. K., Stonehill, A. I., Moffeit, M. H. (1999) Multinational Business Finance, 8th Ed., Addison Wesley.
- Levi, Maurice D. (2009), International Finance, 5th Ed., Routledge.
- Levich, Richard M. (2001), International Financial Markets Prices and Policies, 2nd Ed., McGraw-Hill Irwin
- Apte, P. G., International Financial Management, 6th Edition, Tata Mcgraw-hill, New Delhi

Course Code: IBEF-A-07

Course Name: Trade Policy

Course Outcomes:

- To develop a comprehensive understanding of trade theories and the policy tools.
- To evaluate the working of trade policy instruments.
- To describe the role of political economy in trade.
- To know about the protectionist policies regarding trade.
- To critically evaluate the steps taken by countries in order to promote trade.
- To assess the process of trade under different conditions and international organizations.
- To assess the impact of globalization on trade.

Module 1:

Free Trade v/s Protectionism

- Arguments in favour of Free Trade
- Arguments against free Trade
- Trade policy tools – Tariffs
- Effects of tariffs
- Domestic distortions and tariff
- Foreign Monopoly and Tariff
- Effects of tariff on small country and large country
- Optimum Tariff
- Tariff Retaliation

Module 2:

Free Trade Area Formation and Political Economy Issues

- Free trade area formation
- Trade creation and trade diversion
- Regional Trading Blocks - SAFTA, NAFTA, SAARC, etc.

Module 3:

Non-Tariff Barriers and New Protectionism

- Import quota
- Export subsidy, VER, Local content requirements
- Anti-dumping
- SPS and other TBTS to trade
- Trade and Environment

Module 4:

Controversies in Trade Policy

- Technology and Externalities
- Imperfect competition and strategic trade policy
- Innovation versus imitation, R&D subsidies

Module 5:

Gatt and Wto

- GATT and its objectives
- Trade issues at successive rounds of discussions

- New issues at Uruguay Round
- UNCTAD and evolution of world's Trading arrangements
- WTO and fair trade

Module 6:

Evolution of India's Commercial Policy

- A historical perspective.
- Objective and essential features.
- Import substitution and export-promotion, policies and rationale changes over time.
- Commodity composition
- Geographical direction
- Liberalization in trade policy - changes in foreign trade policy
- Globalization of foreign direct investments and financial markets - Foreign Institutional Instruments
- Balance of trade, balance of payments, analysis and changes over time

Module 7:

Export Promotion Policies

- From state trading to export promotion.
- Export promotion measures/ External Commercial Borrowings, Foreign Line of Credits
- Institutional framework for export promotion.
- Free trade zones and EOUs. Export houses. Trading houses and star trading houses. SEZs.

Module 8:

Exchange control objectives - Liberalization in exchange control

- Exchange rate policy in India.
- Convertibility of Rupee and Impact on Foreign Trade.
- International Sources of Finances-External Commercial Borrowings, Foreign Line of Credits, NRI Deposits, FII, Inter-country aid, multilateral aid, FDI

Module 9:

Globalization and emerging foreign trade scenario, WTO and India, Role of IMF and its assistance, : Challenges faced by Indian Exporters

Basic Reading List

- Bhagwati, Jagdish. 2002. *In defense of Globalization*, New York, Oxford University Press.
- Broadford, Scott and Lawrence, Robert. 2004. *Has Globalization Gone Far Enough?* Washington, D. C., Institute for International Economics.
- Cline, William. 2004. *Trade Policy and Global Poverty*, Washington, D. C., Institute for International Economics.
- Krugman, Paul. 1997. *Pop Internationalism*, Cambridge, MA, the MIT Press.
- Rodrik, Dani. 1997. *Has Globalization Gone Too Far?* Washington, D. C., Institute for International Economics.
- Srinivasan, T. N. 1998. *Developing Countries and the Multilateral Trading System*, Boulder, CO, Westview Press.
- Foreign Trade Management in India by M.L Verma.
- India's Export and Export Policies in the 1906s by D. Nayyar.
- World Development Reports (Recent years)

Course Code: IBEF-A-09

Course Name: Export-Import Procedure & International Logistics

Course Outcomes:

- To understand the fundamentals of international logistics.
- To identify functions of the global supply chain.
- To assess management techniques for the proper flow of goods and services.
- To evaluate the environmental and social responsibility aspects of international logistics.
- To assess the impact of digitalization on international logistics.

Module 1:

Export Procedures

- 1.1 Preparation for exports: Registration of firms with authorities, PAN No., IE code, BIN No., EPC, Central Excise etc.
- 1.2 Category of exports: Direct, indirect, third party exports.
- 1.3 Category of exporters: Manufacturer exporter, merchant exporter, EOU/ SEZ/ Biotech Parks/ Export Houses 5 categories, Trading Houses, Super Trading, Star Trading Houses. Soft Ware Tech Parks India.
- 1.4 Export benefits: Duty drawback, advance authorization scheme, duty free import authorization, duty exemption entitlement scheme, export promotion capital goods (EPCG), duty entitlement pass book scheme, market development assistance, focus product, focus mktg, market access initiative, excise clearance under rule 18 and 19.
- 1.5 GSP and GSTP rules as per the FT policy, complete documentation and procedures for export clearance, conditions in a letter of credit for stipulated documents legalization shipping cos certificates, types of bill of lading.

Module 2:

Import Procedures

- 2.1 Import management, procurement planning, and project imports regn.
- 2.2 Identification, selection of suppliers.
- 2.3 Purchase contract, terms of payments.
- 2.4 Terms of Delivery Inco terms.
- 2.5 Import policy ITC HS.
- 2.6 Role of a customs house agent and freight forward agents.
- 2.7 Type of customs duties, valuation rules.
- 2.8 Complete documentation and procedures for import clearance at sea port.
- 2.9 Customs clearance of imports by sea and air documents, procedures, etc.
- 2.10 Imports under various imports notification issued by customs.

Module 3:

International Logistics: definition and importance.

Module 4:

Different modes of transport used in International Trade.

Module 5:

Types of cargo, packing requirements and selection of vsl of shipments.

Module 6:

Types of vessels for Exports.

Module 7:

Types of shipping services: liner and tramp services, importance and comparison.

Module 8:

Different Inco terms- terms of delivery.

Module 9:

Types of bills of lading, air way bills and transport docs.

Module 10:

Types of containers- containerization.

Module 11:

Air freight, sea freight calculation basis, surcharges on freight charges.

Module 12:

Intermediaries role of freight forwarder and NVOCC and importance.

Module 13:

Carriers liability.

Module 14:

International commercial documents.

Module 15:

Multi modal Transport

Basic Reading List

- Foreign Trade Policy Volume I & II.
- Handbook of Procedures Volume I – II – III SION-DEPT Schedule.
- How to Export by Nabhi Publication.
- How to Import by Nabhi Publication.
- International Logistics by Pierre David, Biztantra Publications New Delhi.

Course Code: IBEF-A-11

Course Name: International Finance - II

Course Outcomes:

- To develop a comprehensive understanding of international financial systems.
- To analyze the role of currency and the determination procedure of exchange rates.
- To know about the role of international financial institutions.
- To assess and manage finance for import and export.
- To evaluate the balance of payment components.

Module 1:

International Monetary Scenario

- Bretton Woods –Role of I.M.F and WorldIBank---
- Fall of Fixed Exchange Rate, Era of flexible Exchange Rate,
- Economic and Monetary Union, Maastricht Treaty,
- Birth of Euro, Post Maastricht developments.

Module 2:

Meaning of the term Foreign Currency as per section 2M and 2N of FEMA

- Settlement of cross border trade transaction thru Nostro and Vostro Accounts---
- Forex Market—definition-why market exists—Types of transaction –Spot and Forward Market.
- Participants in forex Market and role played by Arbitrageurs, speculators, and Hedgers—Statutory basis of forex transactions-
- Exchange Control in India---Business transacted by Authorised Dealers ---
- Meaning of the term Export and Import as per FEMA --Management of foreign exchange with special reference of India. India's forex scenario. BOP crisis of 1990, LERMS, convertibility.— offshore currency market and growth

Module 3:

Finance function: Financial institutions in international trade.

- Nonresident accounts: Repatriable and non repatriable, significance for the economy and bank, foreign currency demand loan.

Module 4:

Balance of Payment accounts

- Credits and Debits in B.O.P
- Current and capital Account----financing of current account by capital account--- Sample entries in B.O.P
- Assembling— Balance of Payment Summary statement- concept of basic balance and overall balance or official reserve transaction balance.
- Forex Market and Balance of payment

Module 5:

Methods of IN Trade settlement:-- Meaning of trade settlement

- Open account, clean advances, documentary credit, and documentary Collection and consignment trading
- International trade Gurantees---External Commercial Borrowings, Buyers Credit, suppliers Credit

Module 6:**Import finance**

Documentary credit (letter of credit): definition as per UCPDC Types of LC—sight—usance—revocable and irrevocable—red and green clause LC—Back to back and transferable—standby letter of Credit – parties, mechanism with illustration—Documents involved in international trade: Statutory documents, financial documents, transport documents, risk bearing documents and Scrutiny of documents under L.C., trade and exchange control formalities, sanction of LC limit.

Module 7:**Export finance: Introduction to Export Finance**

- Pre and Post shipment stages of Export Finance, Guidelines on sanctioning export Credit
- Rupee and foreign currency Export Credit, Deemed Exports, Software Exports-International Factoring-forfaiting-An Export finance option. ECGC and other formalities
- EXIM Bank

Module 8:**Management Control of Foreign Operations**

- Establishing managerial accountability for key decisions
- Communicating objectives and operating results within a multinational organization
- Appraising foreign results

Module 9:**Uniform customs practices of documentary credits**

- 2007 revision, ICC Paris publication-600: Clauses 1 to 39 with case studies/illustration. UCP-Version 1.1, ISBP-681, DOCDEX rules., URR-725,
- INCOTERMS
- Uniform rules collection – 97 revision clauses 1 to 22 with case Studies/illustration.

Basic Reading List

- Apte, P. G., International Financial Management, 6th Edition, Tata Mcgraw-hill, New Delhi
- Bharadwaj H P., (2000). Foreign Exchange Handbook, Wheeler Publishing
- Thummuluti Siddahiah, (2011), International Financial Management, Pearson
- Rawade, A. V. and Desai H. G., (2014) Foreign Exchange International Finance & Risk Management

Course Code: IBEF-A-12

Course Name: Financial Econometrics

Course Outcome:

The course will enable the students:

- To understand the nature of time series properties and their applications in finance. (Module-1)
- To be familiar with Univariate and Multivariate time series models to assess behavior of risk and return in financial market. (Module 2, Module 3 and Module 4)
- Comprehend fundamental techniques to understand global financial market, panel data etc. (Module 5)

Module 1:

Basic properties of Time Series data: (12 Hours)

- Notion of Data Generating Process, Realization and Ensemble in Time Series
- Stationarity
- Unit Root Tests: Dickey Fuller, Augmented Dickey Fuller and Perron's structural break test
- Distribution of Return
- Notion of Autocorrelation and Partial Autocorrelation Function

Module 2:

Univariate Time Series Analysis: (10 Hours)

- Autoregressive Model (AR)
- Moving Average Model (MA))
- Box Jenkins ARIMA modeling
- Out of sample forecast and model selection criterion

Module 3:

Multivariate Time Series Analysis: (10 Hours)

- Vector Autoregression Model (VAR)
- Notion of Impulse Response Function (IRF) and variance decomposition
- Cointegration and Error Correction Model

Module 4:

Conditional Volatility Model: (10 Hours)

- Difference between conditional and unconditional variance
- Properties of ARCH model and its varieties
- Properties of GARCH models and its varieties like IGARCH, EGARCH or Asymmetric GARCH etc.

Module 5:

High Frequency Data and Panel Data (8 Hours)

- Data sources and filtering, Intraday volatility models, Bid-Ask price, Duration model etc.
- Introduction to panel data, Fixed and Random effect models, Dynamic panel data model.

References

Books:

Baltagi, B.H. (2008), *Econometric Analysis of Panel Data*, 4th Edition Wiley

Hamilton, James (1994), *Time Series Analysis*, Princeton

Brooks, Chritopher (2002), *Introductory Econometrics for Finance*, Cambridge University Press

Tsay, Ruey S. (2002), *Analysis of Financial Time Series*, Wiley Series in Probability and Statistics

Course Code: IBEF-A-14

Course Name: International Trade Law

Course Outcomes:

- To develop a comprehensive understanding of the legal framework governing international trade.
- To analyze and interpret the trade provisions and their implications on international trade.
- To understand the dispute settlement procedure within WTO.
- To examine the legal aspects of international trade in goods, services and property rights.
- To explore legal provisions for implementing trade remedies and controlling foreign currency market.
- To understand the obligations of trade agreements.
- To evaluate the role of information technology and legal provisions associated with trade.

Module 1:

Introduction to International Trade Law:

International Law: Public versus Private. Distinction between International Trade Law and International Economic Law

- Contract Laws (foundation law of all trade legislations): An analogical study of Indian and Western / Anglican laws pertaining to contracts; case –law study.
- UNIDROIT principles of international commercial contracts,2004
- International Sale of Goods: Law and Convention(CISG)
- Sphere and Application; Formation of contracts
- The Doctrine of Frustration: Force Majeure and Supervening Impossibility
- Nature of FOB and CIF contracts
- Case Law
- Law pertaining to Negotiable Instruments:
- Concept of Negotiable Instruments: types and their characteristics
- International Law concerning Negotiable Instruments

Module 2:

The Role of the United Nations in International Trade

- The UN: Origin, Structure, Organs, Agencies(discussion)
- UN Conventions: Concept, Significance, Manifestations and Legal implications
- Distinction between Laws and Conventions
- UN Convention chartering International Sale of Goods
- HAGUE convention relating to a uniform law on the International Sale of Goods,1964
- The U.N convention on the Limitation period in International Sale of Goods,1974 and 1980

Module 3:

International Trade Organisations

Globalisation: Concept and Relevance

- GATT and WTO: Formation, Transformation, Functioning and Dispute Resolution
- WTO: Current trends and Case Law
- International Chamber of Commerce: Origin, Structure and Functions

- Dispute Resolution including Arbitration
- Sustainable International / Cross-border Trade
- Case-Law

Module 4:

Intellectual Property Laws

- Concept of Intellectual Property Rights (IPRs) and their types: Industrial property and copyrights.
- The Trade Related Aspects of Intellectual Property (The TRIOs Agreement): Formation and Application
- Patents, Trade Marks and Copyrights: Relevant laws pertaining to their meaning, registration, assignment, trade and infringement(case-law)
- International conventions pertaining to IPR
- Brief study of additional IPRs
- IP portfolio Management: Insurance, Audit, Broking

Module 5:

Laws pertaining to Carriage of Goods

- Definition of contracts of carriage
- Classification of carriers: Common Carriers, Private Carrier and Gratuitous Carrier
- Carriage of Goods by Land
- Relevant laws (only for enlisting): The Common Carriers Act ,1865 and the Railways Act
- Rights,Duties and Liability of a common carrier
- Carriage of Goods by Rail: Rate books, Rate Risks, Forwarding Note, Railway Receipts
- Carriage of Goods by Sea
- Relevant Laws (only for enlisting) The (Indian) Bills of lading Act ,1856, The Carriage of Goods by Sea Act 1925, The Merchant Shipping Act, 1958, The Marine Insurance Act, 1963
- Contract of Affreightment; Conditions contained in a contract of carriage by sea
- Charter party and Bill of Lading
- Hague – Visby Rules
- Carriage of Goods by Air
- Relevant Laws and Conventions (only for enlisting): The Carriage of Goods by Air Act, 1972; The Warsaw Conventon (1929), The Hague protocol (1955)
- Documents of Carriage
- Liability of Air Carrier

Module 6:

Foreign Exchange Laws

Fera and Fema

- Definitions (under the Foreign Exchange Management Act 1999): Capital account transaction, current account transaction, currency, foreign exchange, foreign security.
- Regulation and Management of Foreign Exchange: salient features
- Directorate of Enforcement; Adjudicating and Appellate Authorities
- Case-Law

Module 7:

The Information Technology Law

The Uncitral Model Law on E-Commerce

- Salient Features of the Information Technology Act ,2000 (ITA 2000) and its amendment
- Cyber Crime- Types and Case-Law

Module 8:

Additional reading / discussions on:

- Legislating the International Law of Dumping and Anti- Dumping
- The Responsibility of Host States to Foreign Investors: Customary International Law
- Customs Law: Basic concept, Valuation, Types of Duties.

Basic Reading List

- Indira Carr, (2009). International Trade Law, Routedledge-Cavendish
- Simone Schnitzer, Understanding International Trade Law Publishing Co.
- Daniel Bethlehem, Isabelle Van Damme, Donald McRae, and Rodney Neufeld (2012)
The Oxford Handbook of International Trade Law
- Bhala Raj, (2008), Dictionary of International Trade Law, Newark, NJ : LexisNexis :
Matthew Bender, c2008.

Course Code: IBEF-A-16

Course Name: The Economics of Multinational Enterprises

Course Outcomes:

- To understand the role of multinational enterprises for a domestic nation.
- To evaluate the various opportunities available for multinational enterprises.
- To assess the role of FDIs and FIIs.
- To critically evaluate the existing policies related to MNCs.
- To know about the financing tools for MNCs.

Module 1:

Theory and organization of Multinational Enterprises

- Foreign Direct Investment: (Definition, components, modes, participants and market penetration)
- Theories of FDI: Industrial Organization theories (Stephen Hymer (1976), Charles Kindleberger (1972), Richard Caves (1972,1974), Knickerbocker (1973))
- Internalization: Buckley and Casson (1976)
- Eclectic Paradigm by John Dunning (1973, 1981, 1988, 1995, 1998, 2000)

Module 2:

Multinational Finance

- Financial practices of Multinationals
- Opportunities, costs and risks of Multinational Operations
- Factors influencing corporate finance decisions

Module 3:

Impact of MNEs on the Host country

- MNEs and host-country markets/firms (horizontal and vertical spillovers)
- MNEs and International Trade (IIT and access to international markets)
- Global value chains

Module 4:

MNE and Income Distribution

- MNE and factor income (labour and capital)
- MNEs and Economic growth v/s inequality
- MNEs and host-country resources (impact on natural resources, environment, indigenous people can be included here)

Module 5:

Outsourcing

Outsourcing, offshoring, digital outsourcing, implication for developed and developing countries

Module 6:

FDI and the Indian Economy

- FDI in the pre and post-independence era (till 1991) (pattern, trends and policies)
- FDI from 1991 onwards (trends and policies)
- Case-study of leading MNEs in India and their impact on domestic firms/markets

- Outward FDI from India (case-study of Indian firms investing abroad and their impact)

Reference:

- J.H. Dunning and S.M. Lunda, *Multinational Enterprises and the Global Economy* (Cheltenham: Edward Elgar 2008).
- Y. Cassis, *Big Business. The European Experience in the Twentieth Century* (OUP 1999 (paperback)).
- A.D. Chandler and B. Mazlish (eds), *Leviathans. Multinational Corporations and the new global history* (Cambridge University Press 2005).
- S.D. Cohen, *Multinational Corporations and Foreign Direct Investment: Avoiding Simplicity, Embracing Complexity* (Oxford University Press 2007)
- A.S. Eichner, *The Megacorp & Oligopoly. Microfoundations and macro dynamics* (M.E. Sharpe, N.Y. 1976)
- C. Pitelis and R.Sugden, *The Nature of the Transnational Firm* (Routledge, 2nd ed 2000).
- L. Sklair, *Globalisation Capitalism and its Alternatives* (Oxford University Press, 3rd ed, 2002).
- Apte, P. G., *International Financial Management*, 6th Edition, Tata Mcgraw-hill, New Delhi

Course Code: IBEF-A-19

Course Name: Business Analytics

Course Outcomes:

- To develop a proficiency in analyzing data using different techniques.
- To learn how to build and apply predictive models to forecast future outcomes.
- To gain knowledge of business outcomes.
- To apply optimization techniques to solve business problems.
- To understand the role of business analytics in strategic decision making.
- To learn skills and techniques for the application of R.

Module 1:

The need for Analytics and Understanding Analytics

- Decision Making – Heuristics and Biases
- The need for analytics
- Impact of analytics on business
- Being analytically competitive
- The difference between analytics and BI
- Introduction to the business Analytics model
- Types of analytics
- Models and algorithms in Analytics
- The Analytics Methodology

Module 2:

Tool and Tech Landscape

- A review of technology used in data storage, data processing, and data science
- Popular tools used in Data Science and when to use each

Module 3:

Descriptive Analytics with excel and Tableau

- An introduction to Tableau
- Using descriptive statistics in analysis and reporting
- Advanced reporting with Tableau

Module 4:

R programming

- An introduction to R
- Importing and exporting data in R
- Data Manipulation with R
- Advanced Data Manipulation with R
- Data Visualization with R

Module 5:

Data Preprocessing

- Data Exploration and Assessment for Data Science
- Identifying and dealing with noise in Data
- Preparing data for Data Science Modeling

Module 6:

Predictive Models in R

- Linear Regression Models and their applications
- Logistics Regression Models and Their applications
- Time Series Forecasting

Model 7:

ML Models in R

- Clustering Algorithms and application
- Decision Tree Algorithms and applications
- Random Forest Algorithms and applications

Model 8:

Storytelling with Data

- Communicating data science results
- Effective presentation skills
- Using Data visualizations for storytelling

Course Code: IBEF-A-21

Course Name: Corporate Finance and Capital Budgeting

Course Outcome:

The course will enable the students:

- To appreciate the study of financial management and corporate budgeting (Module I)
- To analyze the management of working capital (Module II)
- To identify with the decision making in selection of long term projects (Module III)
- To study the various patterns of financing (Module IV)
- To interpret the structure of long term capital (Module V)
- To critically evaluate derivatives and hedging with derivatives (Module VI)

Module 1:

Introduction : (6 hours)

- Finance Manager's Role –Separation of Ownership and Management
- Objectives of firm and Corporate Governance
- Financial Statements and Cash flow
- Financial Statements Analysis and Long Term Planning

Module 2:

Working Capital Management : (8 hours)

- Working capital components,
- Leverage
- Cash Management, Receivables Management and Inventory Management
- Financing current assets
- Regulation of bank finance

Module 3:

Capital Budgeting : (8 hours)

- Measures and choice of investments
- Financing decisions
- Time value of money, Net Present Value, Internal Rate of Return, Discounted Payback Period,
- Cost of capital
- Selection criteria risk, return and opportunity cost of capital
- Valuation of bonds and common stock
- Scenario testing and sensitivity analysis

Module 4:

Patterns of Financing : (8 hours)

- Internal funds, common stock, debt
- Financial Markets/Institutions
- Issue of securities, Venture Capital, initial public offering
- Securities sales and auctions, private placements and public issue junk bonds

Module 5:

Capital Structure and Financing Long Term Capital : (8 hours)

- Planning capital structure

- Capital structure choice
- Extended probabilistic analysis
- Dividend payout policies
- Share valuation
- Sources of long term capital
- Debt securities, debt policy and leverage risk management

Module 6:

Use of Derivatives and Corporate Finance : (10 hours)

- Options and corporate finance, along with extensions and applications
- Warrants and convertibles
- Derivatives and hedging risk

References

Books:

Ross, Stephen, Westerfield, Randolph, Jaffe, Jaffrey (February 2002), *Corporate Finance*, 6th Ed., McGraw-Hill Companies.

Berk, Jonathan, and DeMarzo, Peter (2007), *Corporate Finance*, Pearson International.

Brealey, R.A., Myers, S.C. and Allen, F. (2003), *Principles of Corporate Finance*, 7th Ed, McGrawHill.

Copeland, T., Weston, F., and Shastri, K. (2004), *Financial Theory and Corporate Policy*, 4th Ed., New York: Addison-Wesley.

Course Code: IBEF-A-22

Course Name: Financial Derivatives

Course Outcome:

The course will enable the students:

- To sketch various derivative securities and markets. (Module 1)
- Understanding of options, futures, forwards, swaps, interest rate forwards and options, commodity derivatives. To learn real world trading mechanism and application in these modules. (Module 3, 4 & 5)
- To learn the conceptual understanding as well as practical knowledge about derivative markets in India. (Module 2 and 6)

Module 1:

Derivative Markets (6 hours)

- Definition and Origin of Derivatives –
- Derivative Markets and Instruments –
- Growth of Derivatives in India –
- Basic Derivatives – Forwards, Futures, and Options – Derivative Terminologies.

Module 2:

Forwards and Futures (8 hours)

- Structure of Forwards and Futures Markets
- Forward Contracts – Futures Exchanges and Contracts
- Types of Futures, Mechanics of Future Trading, Major Characteristics, Trading Process, Price Quotations, Hedging and Speculation with Commodity Futures, Interest Rate Futures, Currency Futures and Stock Index Futures
- Principles of Pricing Forwards
- Futures and Options on Futures Contracts
- Forwards and Futures Hedging
- Pricing of Index Futures Contracts – Stock Index Arbitrage

Module 3:

Options (6 hours)

- Option Pricing, Principles of Call and Put Option Pricing
- Binomial and Black – Scholes Option Pricing Models
- Factors Affecting Option Prices
- Basic and Advanced Option Strategies
- Types of Options, Interest Rate Options, Currency Options and Trading Strategies
- Options on Futures Contracts and Exotic Options
- Elementary Inventory Strategies, Complex Investment Strategies, Covered Call Writing, Protective Put, Straddles and Strangles, Spreads
- Evaluation of Option Based Investment Strategies
- Risk Associated with Options –Options Sensitivities.

Module 4:

Swaps (6 hours)

- Evolution of Swap Market, Interest Rate Swaps, Currency Swaps, Equity Swaps
- Swap Terminology , Motivations Underlying Swaps, Mechanics of Swap Transactions
- Valuation and Application of Swaps

Module 5:

Interest Rate Forwards and Options (10 hours)

- Forward Rate Agreements, Interest Rate Options, Interest rate Swaptions and Forwards
- Interest Rate Derivatives Strategies

Module 6:

Commodity Derivatives (10 hours)

- Evolution of Commodity Derivative Markets in India, Products, Participants, Functions
- Instruments Available for Trading, Pricing of Commodity Futures
- Hedging, Speculation, Arbitrage, Trading, Clearing and Settlement
- Risk Management – Regulatory Framework

Reading List:

- Hull, John, C. (2009), Options, Futures, and Other Derivatives, Pearson Prentice Hall.
- Kolb, Robert W., and Overdahl, James A. (2003), Financial Derivatives, John Wiley & Sons, Inc.
- Chance, Don M., and Brooks, Robert (2008), Introduction to Derivatives and Risk Management. Thomson South Western.
- Whaley, Robert E. (2006), Derivatives: Markets, Valuation, and Risk Management, John Wiley & Sons, Inc.
- Schofield, Neil C. (2007), Commodity Derivatives: Markets and Applications, John Wiley & Sons, Inc.

Course Code: IBEF-B-01

Course Name: WTO Trade Regulations

Course Outcomes:

- To understand the key regulations and working principles of WTO regulating trade.
- To interpret the rights and obligations of trade applicable to WTO members.
- To evaluate the application of WTO trade regulations on the agriculture sector.
- To evaluate the impact of barriers to trade and WTO guidelines to promote trade.
- To critically evaluate the role of WTO in maintaining sustainability.

Module 1:

The World Trade Organization (WTO) –

- The World Trade Organization: its founding and aims
- The treaties administered by the WTO.
- Operation of the WTO and its dispute-resolution panels.
- The failure of the WTO's Millennium Round: aims, key issues and Disputes.

Module 2:

TRIMS

Background, legal framework, example of TRIMS explicitly prohibited by TRIMS agreement, exceptional provisions of the TRIMS agreement, implication for India.

Module 3:

TRIPS

Background, the requirement of TRIPS, implication for developing countries,

Module 4:

General Agreement on Trade-in Services (GATs)

World Trade in Services and GATs, GATs and Role of Regulations in Service Trade, GATs and WTO dispute settlement, the GATs and financial services, GATs and cultural services

Module 5:

Trade in Agriculture

Agreement on Agriculture (AoA) - Domestic support, market access, export subsidies, the stand of developed and developing countries; Agricultural trade changing patterns, changing world environment for agricultural trade; international trade, environment and sustainable agricultural development.

Module 6:

Anti-dumping

Economics of dumping, calculating margin of dumping, injury to domestic industry, relief to domestic industry, investigation process, anti-dumping duties, case studies.

Module 7:

SPS and TBT Agreement

General provisions, basic rights and obligations, harmonization, equivalence, assessment of risk and determination of appropriate levels of SPS protection, control, inspection and approval procedures technical assistance, dispute settlements, different issues for developed and developing countries

Module 8:**Trade and Environment**

Trade liberalization and welfare, North –South Trade and pollution heavens, UNFCCC, Kyoto Protocol and clean Development mechanism, SPS and TBT, concerns for developing countries, Environmental Problems in transborder externalities.

Module 9:**Foreign Direct Investment (FDI)**

Types of FDI, Theories of International Investment, Patterns of FDI, Policy Framework to Promote Foreign Direct Investment, Horizontal FDI and the Proximity-Concentration Hypothesis, Vertical FDI, Impact of Multinationals and Foreign Direct Investment Policy, FDI Trends in India.

Basic Reading List

- Krugman, P. R. & Obstfeld, Maurice, (2008). *International economics: Theory & policy*, Addison-Wesley, May.
- D Salvatore, (2009). *International Economics*, John Wiley & Sons, December.
- Bhagwati, Jagdish. 2002. *Free Trade Today*, Princeton, Princeton University Press.
- Bhagwati, Jagdish. 2002. *In defense of Globalization*, New York, Oxford University Press.
- Kern Alexander and Mads Andenas, (2008). *The World Trade Organization and Trade in Services*, BRILL

Course Code: IBEF-B-02

Course Name: International Relations

Course Outcomes:

- To comprehend and compare the characteristics and the theories of International Relations. (Module 1)
 - To understand the brief history of world politics and analyse its impact on International Relations. (Module 2)
 - To acquaint with concepts like International political economy and to understand the politics of international trade and finance. (Module 3 & 4).
 - To study the functioning of various international organizations and to be able to analyse their impact on International Laws. (Module 5)
 - To identify special and contemporary issues in International Relations and to apply the understanding of international relations with respect to India's foreign policies. (Module 6 & 7).
- .Overall, across all modules, the course enables the student to reckon the impact of International relations across the globe.

Module 1:

Introduction

- Introducing the discipline, its nature and scope
- International Relations Theory- Realism, Liberalism, Marxist approach

Module 2:

Brief History of World Politics post-1945

- Rise of the Super Powers- the USA and USSR
- Cold War-ideological and strategic bipolarity; End of Cold War
- Post 1991 World Order- Unipolarity, US hegemony
- Contemporary scenario- decline of USA and rise of the rest

Module 3:

International Political Economy

- Introduction to the study of international political economy-evolution of international economic relations in trade, finance, and economic development
- The workings of the international order from the point of view of political economy, MNCs and TNCs
- Examination of effects of national policies and international collaboration of public and private international financial institutions, in particular management of international debt crisis, economic policy coordination, and the role of international lender of last resort.

Module 4:

The Politics of International Trade and Finance

- Theories of trade and protectionism, focusing both on relations among advanced industrial nations and on relations between developed and developing countries. standard and strategic trade theory, nontariff barriers to trade, export-led growth strategies, regional trade agreements, and the future of the WTO.
- The welfare and distributional aspects of international trade and finance as they relate to the politics of economic policy making; globalization in historical

perspective; origins and consequences of trade policy; exchange-rate arrangements; international capital flows; currency crises; economic development

Module 5:

International Law and Organizations

- International Economic and Trade law, International Environmental Law, International Nuclear and space law, International Diplomatic law, International Human Rights Law: Migrant Population., Conflict between international legal obligations and domestic politics of citizenship, immigration, asylum, and human trafficking.
- The theory and function of IOs (UN, NATO, EU, World Bank, IMF) in promoting international cooperation in security, peace-keeping, trade, environment, and human rights and challenges faced by them.

Module 6:

Special and Contemporary Issues in International Relations:

- Growing Regional Cooperation in International Relations
- Terrorism
- Nuclear Proliferation
- Climate Change
- Human Rights and Gender Justice

Module 7:

India's Foreign Policy

- Making of India's Foreign Policy: - Foundations of Indian foreign policy and its evolution since 1947; objectives, strategies of engagement – bilateralism and multilateralism
- India's Nuclear and Security Policies
- India's Interface with its Neighbors
- Foreign Policy of India towards South Asian Countries, position of India in SAARC, India's bi-lateral engagements with the South Asian countries, i.e Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka, Maldives, Afghanistan.
- India and the Major Powers – USA, EU, Russia, Japan, and China.
- India's approach to major global issues; Disarmament –arms control - cross border terrorism, environmental position, and Human right

References:

- Baylis, John and Steve Smith(ed) Globalization of World Politics- An Introduction to international relations OUP ,2014
- Harihara Das, Principles of International Law and Organization(New Delhi: Vikas Publishing House Pvt. Ltd., 1994).
- J. N. Dixit,Indian Foreign Policy and its Neighbours, New Delhi: Gyan Publishing, 2001.
- Jawaharlal Nehru, India's Foreign Policy: Selected Speeches, September1946-April 1961New Delhi: Publications Division, Ministry of Information and Broadcasting, Govt. of India, 1961
- Klein, Naomi (2014), This Changes Everything: Capitalism vs. The Climate Change, New York: Simon & Schuster
- Muni, S. D and Iftikhar A. Lodhi (2010), The Emerging Dimensions of SAARC, New Delhi: Foundation Books.

Articles

- Harshe, Rajen (2006), “Culture, Identity and International Relations”, Economic and Political Weekly, 41:37,3945-3951.
- Kahler, Miles (1998), “Rationality in International relations” International Organisation, 52:4, pp.919-941.
- Tellis, Ashley J (2014), “The geopolitics of the TTIP and the TPP”, Adelphi Series, 54:450.
- Wright, Thomas (2015), “The Rise and Fall of the Unipolar Concept”, The Washington Quarterly, 34:7,pp. 7-24.

Course Code: IBEF-B-03

Course Name: Commercial Geography

Course Outcomes:

- To identify the factors influencing the spatial organization of economic activities.
- To interpret the impact of infrastructure on commercial activities.
- To apply commercial geography theories to analyze trade flows.
- To evaluate the impact of the economic environment on commercial geography.
- To assess the role of commercial geography in promoting sustainable economic growth.

Module 1:

Introduction to Commercial Geography

- Definition, nature and scope, relation with other branches.
- Approaches to the study of commercial geography.
- Meaning of environment, physical or natural environment and cultural or manmade environment, various factors affecting commercial activities of man
- Physical or natural factors: Location, climate, physiography or land relief, soil, animals, minerals, vegetation, water bodies, extent and shape of a country.
- Cultural or manmade factors: Transportation and communication, science and technology, settlement, government political situation, racial and ethnic composition.
- Commercial activities: Primary, secondary, tertiary and quaternary activities.
- Theories of determinism and possibilism, stop and go determinism.

Module 2:

Natural Resources and their role in trade

- Classification of resources and conservation of resources.
- Forest resources: Types of forest, uses of forests, major forest products.
- Animal resources: Cattle rearing, dairy cattle, dairy farming regions, beef cattle, world distribution of beef cattle, sheep rearing, wool sheep, mutton sheep, pig farming, poultry farming, sericulture and aquaculture.
- Marine resources: Factors favoring fishing, kinds of fisheries, major fishing grounds of the world. Pisciculture (fish farming). Operation flood program and Blue Revolution.
- Mineral resources: World production and trade in iron ore, copper, bauxite, gold, silver, diamond.
- Power resources: World production and trade in coal, petroleum, natural gas, hydro-electricity and atomic or nuclear energy, factors affecting for harnessing hydro-electric power.
- Agriculture resources: Types of agriculture, world distribution and trade in wheat, rice (paddy), maize (Indian corn), tea, coffee. Green revolution.
- World distribution of iron and steel industries, cotton textiles, chemical and petrochemical, ship building and paper industry.
- Weber's theory of industrial location, Losch theory of profit maximization.

Module 3:

Transport and communication

- Merits and demerits of various modes of transport.

- Major ocean routes – The North Atlantic; Major ship canal – The Suez Canal, the Panama Canal, the Great Lakes-St. Lawrence seaway; Major Trans-Continental Railway – the Trans-Siberian Railway; Major International Ports.
- Satellites communication role in enhancing trade in India.

Basic Reading List

- Commercial Geography – Sir Dudley Stamp
- II Fundamental of Economic Geography – Van Royen & Bengston

Course Code: IBEF-B-04

Course Name: International Economic Institutions

Course Outcomes:

- To understand the role of Multilateral Economic/Financial Institutions and amendments in various agreements related to international trade. (Module I and II)
- To study and acquire the skills to compare and evaluate the structures and functions of the key International Economic/Financial Institutions. (Module II, III and IV)
- To Analyze and understand the impact of governance and International Economic/Financial Institutions on the National Economy of India. (Module V)
- To acquaint students with capability in order to evaluate the impact of International Economic/financial Institutions on the world Economy. (Module VI)
- To provide with students overarching views of the debates and discussions on International Economic/financial Institutions. (Module I to VI)

Module 1:

Introduction to the Study of International Economic Institutions

Understanding the need for International Economic Institutions.

Module 2:

International Chamber of Commerce

- Objectives
- Guidelines
- Self-Regulation by Business

Module 3:

The World Bank Group

- The IBRD's aims and its financial structure.
- The IBRD's resource-drawing policy.
- The IBRD's loan policy.
- The IBRD and the environment.
- The International Finance Corporation (IFC).
- The International Development Agency (IDA)
- The Multilateral Investment Guarantee Agency
- The World Bank's evolving role in the post-Cold War era.

Module 4:

The International Finance Corporation (IFC).

- The International Development Agency (IDA).
- The Multilateral Investment Guarantee Agency
- The World Bank's evolving role in the post-Cold War era.
- The International Monetary System and the International Monetary Fund (IMF)
- IMF features: the quota system, the Articles of Agreement, membership conditions.
- The IMF's policies and its instruments. Special Drawing Rights (SDR), stand-by arrangements, extended facility, enlarged access
- The IMF's role in the international economy: oversight of exchange-rate stability, debt rescheduling, balance-of-payment assistance.
- The IMF's efforts to battle corruption and bad governance.

- The IMF and its handling of the international debt problem.
- Origins and growth of foreign debt in the seventies.
- The institutional response to the debt crisis: debt renegotiation and rescheduling following the IMF's lead.
- The 1997 East Asia crisis. Causes and action taken.

Module 5:

The Organization for Economic Cooperation and Development (OECD)

- Objectives and institutional make-up of the OECD
- OECD activities and functions
- The OECD and development: The Committee of Aid for Development

Module 6:

Multilateral Regional Banks: ADB, BRIC Bank, SAARC Bank

Reading List:

- Thummuluti Siddahiah, (2011), *International Financial Management*, Pearson
- Apte, P. G., *International Financial Management*, 6th Edition, Tata Mcgraw-hill, New Delhi

Course Code: IBEF-B-05

Course Name: International Trade in Agriculture

Course Outcomes:

- To comprehensively understand the concepts of international trade and related barriers in agriculture.
- To analyze the structure of global agriculture markets and trade policies of WTO.
- To analyze the evolution of agricultural trade in a global scenario.
- To know about the position of Indian agriculture and its competitiveness.
- To know about the provision of WTO and changing structure of agriculture in global scenario.

Module 1:

International Trade – Basic concepts-importance of trade, gains from trade, comparative cost doctrine trade policies-instruments of trade policy- tariffs, subsidies, quotas, Case for protectionism and for free trade

Module 2:

Importance of Agriculture in development, trade and agriculture, globalization and agriculture, world agricultural trade: structure and pattern, world agricultural trade policies, need for reform

Module 3:

WTO-Agreement on agriculture -main provisions - market access, domestic support, export subsidies and other provisions, various rounds, Doha impasse, issues for further negotiations, implications of WTO provisions on Indian Agriculture-reduction commitments for India, emergence of various country groups /alliances and their participation in negotiations.

Module 4:

Foreign Trade of India, trade policy, Indian agricultural trade, trends in exports and imports, changing structure and pattern of agricultural trade, export potential of various agro-commodities, export and import procedures and documentations.

Module 5:

Competitiveness of Indian Agriculture, measures of competitiveness, competitiveness of various crops, measures for improvement.

Suggested Readings: Books

- Bhalla, G.S. (2004), Globalisation and Indian Agriculture, State of the Indian Farmers, Vol. 19, Academic Foundation, New Delhi.
- Chadha G. K. (2003), WTO and Indian Economy. Deep and Deep Publications.
- Datta Samar K. and Satish Y. Deodhar (2001), Implications of WTO Agreements for Indian Agriculture, [Oxford and IBH Pub. Co., New Delhi](#)
- Hooda and Gulati (2007), WTO Negotiations on Agriculture and Developing Countries, Oxford University Press, New Delhi
- Gulati, Ashok and Tim Kelley (1999), Trade liberalization and Indian Agriculture: Cropping Pattern Changes and Efficiency Gains in Semi-Arid Tropics, [Oxford University Press in New Delhi, New York](#) .
- Vashisht A. K. and Singh Alka (2003), WTO and New International Trade Regime- Implication for Indian Agriculture. Advance Publishing Concept.

Articles

- Aksoy, M.Ataman and John C. Beghin (2005), ‘The Evolution of Agricultural Trade Flows’ in M. Ataman Aksoy and John C. Beghin edt. Global Agricultural Trade and Developing Countries, The World Bank, Washington D.C.
- Deodhar, Satish, (2001), ‘WTO Pacts and Food Quality Issues’, Economic and Political Weekly , July 28, 2001 pg. 2813 to 2816.
- Gulati Ashok and Anil Sharma (1994), ‘Agriculture under GATT: What it Holds for India’, Special article, Economic and Political Weekly, July 16, p : 1857-1863.
- Landes, Rip and Ahok Gulati (2004), ‘Farm Sector Performance and Reform Agenda’ Special
- Sathe, Dhanmanjiri and R. S. Deshpande (2006), ‘Sustaining Agricultural Trade Policy and Impact’, Economic and Political Weekly, December 30, pg. 5337 to 5344

Course Code: IBEF-B-06

Course Name: Development Finance

Course Outcomes:

- To develop a comprehensive understanding of concepts and principles of development finance.
- To know about the various sources available for development finance.
- To analyze and assess the challenges faced by countries in managing finance.
- To know about the evolution of development finance.
- To evaluate the working of the government in finance of projects.
- To know the structure of development finance in evolving scenarios.
- To analyze the role of NGOs and technology in development finance.

Module 1:

A. Overview of Development Finance

Background on Financing for Development Issues – changing concepts of development- from GDP to SDGs and wellbeing, financial inclusion goal, overview of finance needs of various types of projects, programs and activities ranging from industrial, commercial to social sector spending and programs. Difference between development finance, social finance and conventional finance – problems of development finance – introduction to the agencies involved government – multinational – organizations – international financing – NGOs – agencies involved – recent trends developing country problems. Emergence of new protocols in financing such as ESG criteria, Equator principles.

Financial Landscape- overview of global capital flows –multilateral efforts for development finance & UN aegis, traditional and new such as impact investments for development, Development finance landscape global and India, financial intermediaries, DFIs & others, relationship between financial and real sector, financial inclusion and economic development.

Module 2:

Project Appraisal for Developmental projects and programs

Social cost Benefit analysis – How it differs from the private cost benefit analysis – Issues and problems – shadow pricing – methods of social cost benefit analysis- issues in monetisation; applications to industrial, infrastructure energy, transport & social sector projects, social impact assessment -development of metrics for evaluation

Module 3:

Government Financing of Development

Public finance resources –taxation – public expenditure and deficit – public debt – issues related to India, (official development assistance (ODA), public private partnership, role of private finance, governments & financial sectors role in enhancement of private financial participation in development.

Module 4:

Role of NGOs in development finance

Meaning and Definition – Role of NGOs – Types of NGOs and History of NGOs in India – NGOs and the State: Withdrawing of the State and Expanding Role of NGOs – Role of NGOs in Socio-Economic Development – financial advocacy, Sustainability of NGOs and Globalisation – Non-Profit Financing Sources – Structure and Management – Sustaining the Social Development Partnership – International Agencies Supporting NGOs and NGOs of

India Donor Agencies – World Bank, Asian Development Bank, Melinda and Gates Foundation, SEWA, PRADHAN, Disha, Asha, CINI, Seva Mandir, MYRADA.

Module 5:

Types Of Development Finance.

5.1 FINANCIAL INCLUSION

Microfinance Concept, Grameen model, global trends: development, contribution, problems, criticisms – strategic issues in microfinance sustainability, Effective Interest Rates for micro credit – National Development Banks and other “inclusive” credit policies: Types, contribution, problems.

5.2 STRUCTURED FINANCE-brief recitations- Securitisation, derivatives, swaps, relevance to developmental finance-projects, infrastructure finance- features, hedging costs –alternatives- local currency financing, exchange risk funds, credit guarantees, masala bonds.

5.3 INFRASTRUCTURE FINANCE- characteristics, nonrecourse financing types of projects, boo bot. etc, ppp models –issues, smart city financing, financial assistance for infrastructure projects, risk mitigation, some sectors analysis & policy overview

5.4 EXPORT FINANCE - role in development finance, factoring, forfaiting, risk mitigation

5.5 ROLE OF PRIVATE FINANCE IN DEVELOPMENT- useage of credit enhancement and blended finance & policy issues.

Module 6:

New Sources of Developmental Finance

Genesis, economic and social impacts and current status -

financial transactions tax, environmental taxation, carbon pricing/emission trading systems, creation of new sdrs for development financing, international finance facility-(used in global health vaccines, reproductive health hiv & now education), philanthropic funds, global lottery, remittances from emigrants, sovereign wealth funds, airline tax, billionaire tax, reduction of illicit financial flows.-plugging the leaks.

Module 7:

Technology enabled finance-role in financial systems, economic development , trade and financial inclusion, mobile and internet based payment systems, document negotiation and settlement systems,

Module 8:

Contemporary developments in pertinent equity and debt markets: new types of capital, impact finance for development finance - philanthropic outcomes based financing, social finance and any others.

Reading List:

- Addison, Tony, McGillivray, Mark, and Mavrotas, George, (Ed.) (2005) Development Assistance and Development Finance. UNU-Wider.
- Giles, Susan L., Blakely, Edward J. (2004), Fundamentals of Economic Development Finance, Sage Publications.- third edition kindle edition by [Susan Giles Bischak](#) (author), [David Baxter](#) (foreword) format: kindle edition oct 2019 }
- Stiglitz, Joseph (2000), The Economics of Public Sector, W.W. Norton & Co.
- Atkinson, A. B. (Editor) (2004), New Sources of Development Finance, Nuffield College, Oxford University.
- Ledgerwood, J. (2001), Microfinance Handbook: An Institutional and Financial Perspective, World Bank Publications

Course Code: IBEF-B-07

Course Name: Taxation

Course Outcomes:

- To understand principles, concepts and types of taxation.
- To explain the objectives behind imposing taxes.
- To evaluate the equity principle of taxation.
- To develop tax strategies for businesses with the goal to minimize tax burden and maximize tax benefits.
- To evaluate the fairness and effectiveness of tax policies.

Contents:

Module 1:

New Industrial Establishment and Tax Planning:

- Distinguish between Tax planning and Tax Evasion
- Taxation of various entities such as Individual, Partnership, LLP, Company
- Tax implications in International Joint Venture
- Tax aspects of mergers and amalgamations.

Module 2:

Tax Considerations Arising with Regard to Specific Management Decisions:

- **Tax Management via various deductions**
- **Tax deductions v. Tax exemptions and tax rates**
- **Slump sale**
- **Capital investment decisions and tax implications**

Module 3:

Various Heads of Income –Income Tax Act, 1961

- Income Salaries,
- Income House Property
- Income Profits and Gains of Business and Profession
- Income Capital Gains
- Income Other Sources

Module 4:

Corporate Income Tax:

- Carry forward losses and its various types
- Methodology of set-off of carry forward losses
- Understanding types of losses such as speculation loss, horse race loss, business loss, depreciation loss, losses under the head capital gains, losses under House Property, Losses under Other Sources

Module 5:

Clubbing of income

- Understanding concept of clubbing of income
- Tax implications if such provisions are not complied
- Co-relationship of offering to tax income and claim of TDS
- Co-relationship of clubbing sections with other sections under the IT Act, 1961

Module 6:**Goods and Service Tax Law-**

- Concept of GST and its legislative background viz. IGST, SGST (UGST), CGST
- Important definitions- Supply, Time of supply
- Concepts of eligibility – Availment – utilization of input tax credit
- Tax implications of Registration under GST Law
- Sensitive provisions under GST Law affecting business and other taxation systems
- Calculation of GST liability – Illustrations

Module 7:**Customs Act:**

- Customs Duty Legislative background and economic implications
- Concept of Taxable event for import and export of goods
- Understanding various types and rates of custom duties
- Valuation, documentation
- Various export benefits
- Exemption and remission from customs duty
- Clearing & Forwarding Agents

Reading List:

- Datey V. S., Indirect Taxes (Latest Edition).
- SS Gupta (Indirect Taxes)
- T N Manoharan – Income Tax Act, 1961
- Ahuja & Gupta – Income Tax Act, 1961
- V K Singhanian – Income Tax Act, 1961
- Study material of ICAI – CA – IPCC and CA-Final
- Study material of ICSI – CS – Executive and CA-Final
- Study material of ICAI – CMA – Intermediate and CMA-Final
- Bare Acts and rules of the relevant taxes.
- Indirect Tax Laws by Taxman (Latest Edition).

Course Code: BEF-B-08

Course Name: Public Economics

Course Outcomes:

- To understand market failures, the necessity of government intervention and the role of the State in the economy (Module 1)
- To comprehend the collective choice problem, the mechanism of preference revelation through voting in democratic systems and the public goods allocation mechanism (Module 2 and 3)
- To study the theory of taxation and analyze the tax policy issues in India. (Modules 4 and 5)
- To learn how and what governments spend on, evaluate their fiscal performance and analyze public finances. (Module 6 and 9)
- To discern the relationship between different levels of government and how they work together. (Modules 7 and 8)

Module 1:

Economic Rationale of the Modern State and Macro Economic Perspective of Public Finance

- Issues related to market failure and the government intervention
- The role of State in Allocation, Distribution, Regulation and Stabilization.
- The changing role of the State: Issues in a globalizing world with special emphasis on global public goods.
- Macroeconomics of Public Finance: The interaction between fiscal and monetary policy and fiscal stabilization.

Module 2:

Economic Analysis of Public Goods

- Public goods: pure and impure public goods.
- Optimal provision of public goods – voting and public choice – preference revelation mechanisms – Lindahl and successors, free riding, mobility.
- The theory of clubs and local public goods.
- Public goods and the private cost of public goods- Pseudo- market mechanism for Preference Revelation.

Module 3:

Economic decision making in government

- Normative social choice theory – Arrow's theorem – majority voting – The median voter model – representative democracy.
- Positive social choice theory: The Leviathan hypothesis – rent – seeking – lobbying and interest groups.

Module 4:

Theory of Taxation

- The conflict between efficiency and equity - horizontal and vertical equity- welfare analysis with uncertainty.
- Shifting and Incidence of Tax: The Partial and General Equilibrium Analysis- the Harberger model
- Canons of taxation

- Theory of Optimal Taxation.
- Taxation and economic efficiency.
- Issues related to tax policy in developing countries.

Module 5:

Tax Policy Issues in India

- Indian Tax System: An assessment
- Practical Issues of Tax reforms in India
- An introduction to Value Added Tax
- Value Added Tax: Design, Issues and Options.
- An introduction to MODVAT, CENVAT and Goods and Services Tax (GST)
- Issues in the taxation of Services in India.

Module 6:

Public Expenditure Theory

- Pure theory of public expenditure- Empirical evidence on public expenditure theories.
- Public Sector Pricing- Pricing of Public Utilities.
- Public expenditure management and control
- Concept, measurement and magnitude of subsidies.
- Social infrastructure and financing of human development.
- Growth, nature and composition of public expenditure in India
- Sustainability issues of Centre and State expenditure in India
- Issues related to subsidies in India
- Social Security and State level pension reforms in India.

Module 7:

Fiscal Federalism

- Theory of Fiscal Federalism: The decentralization theorem.
- Economic efficiency issues in multilevel government.
- Assignment issues in multilevel government.
- Theory of intergovernmental transfers.

Module 8:

Fiscal Federalism in India

- Centre-State Financial relations in India - Constitutional provisions and various committee recommendations on sharing of revenue.
- Fiscal Decentralization in India in the context of 73rd and 74th Constitutional Amendments.
- Implication of recommendations of Finance Commission.
- Centrally Sponsored Schemes and its implications for federalism.
- Sub national fiscal reforms in India.

Module 9:

Fiscal Imbalance and Management of Public Debt

- Measurement and macro-economic impact of deficits- alternative paradigms.
- The concept of budget.
- Fiscal deficit and interest rates: Analytical and empirical issues.
- Public debt burden and intergenerational equity.
- Issues related to public debt sustainability.
- Trends and developments in Indian Fiscal Policy.

- Recent experience with stabilization functions of India government.
- Fiscal Responsibility and Budget Management Act: An Evaluation.
- Trends in and Financing pattern of deficits in India and its macro-economic implications.

Basic Readings

Books

- Alan Peacock (1979), *The Economic Analysis of Governments*, St. Martin Press, New York.
- Atkinson, A. and Stiglitz, J. (1980), *Lectures in Public Economics*, McGraw Hill, London.
- Stiglitz, J.E. (1989) *Economics of the Public Sector*, W.W. Norton & Company, London.
- Thompson, F. And Green, M. T. (1998), *Handbook of Public Finance*, Marcel Dekker, New York.
- World Bank (1996), *From Plan to Market*, World Development Report, The World Bank, Washington DC.
- World Bank (1999), *Knowledge for Development*, World Development Report, The World Bank, Washington DC.

Articles

- Agno Sandmo (1976): *Optimal Taxation: An Introduction to Literature*, *Journal of Public Economics*, 6, pp 37-54.
- Berry, Steven T. and Joel Waldfogel (1999): "Public Radio in the U.S.: Does it Correct Market Failure or Cannibalize Commercial Stations?" *Journal of Public Economics* 71, 189-211.
- Charles Tiebout (1956): "A Pure Theory of Local Expenditures", *Journal of Public Economics*, 64, 416-424.

Course Code: IBEF-B-09

Course Name : Law And Economics I

Course Outcomes:

- To identify the interaction between economics and the legal system.
- To explain the impact of legal rules on economic institutions.
- To apply laws of economics as per the legal system.
- To learn the regulatory framework of various laws such as contract, tort, etc. in order to promote economic development.
- To critically evaluate the legal system meant for externalities and its application in Economics.
- To evaluate the competitiveness of Indian policies.

Module 1:

Introduction to Law and Economics

Economic Analysis of Law: An Introduction

Why do economists need to be concerned about law? - Relationship between law and economics

Economic Concepts and their relevance to Law

Legal Concepts - The Common Law and the Civil Law Traditions, Introduction to Judicial System in India, Economic Approach to Legal Rules, Methodological Aspects of Legal Rules, Efficiency, Justice and the inherent rationality of Private Law, Development of efficient Rules: Selected Cases

Module 2:

Economic Analysis of Contract Law

Introduction - Economic Theory of Contract - Perfect Contracts, Imperfect Contracts

Economics of Remedies for Breach of Contract - Expected Damages, Opportunity Cost, Reliance Damages, Restitution, Specific Performance

Differences between Contracts and Torts - The Foreseeability Rule in Contract Law, Pure Economic loss in Torts

Module 3:

Economic Analysis of Tort Law

Introduction, Economic Theory of Torts Law - Accident Costs and their minimization, Liability Rules, Negligence, Contributory Negligence, Comparative Negligence, Strict Liability, Economics of Tort Liability - Liability v. Regulation, Causation in Torts, Joint and Multiple Liability, Product Liability: Producers' Responsibility, and Consumer Protection through Consumer Courts, Environmental Liability, Immaterial Damages: Pain and Suffering

Module 4:

Economic Analysis of Property Law

Introduction, An Economic Theory of Property, Economics of Property Law - Market strategies, Non- market strategies, Allocation of Property Rights - First come first served, Good faith purchase, Title to Land, Establishment of entitlements - Property Rule, Liability Rule, Inalienability Rule

Module 5:

The Coase Theorem

Externalities, Transaction Costs, Efficiency Hypothesis & Invariance Hypothesis.

Module 6:

Economic Analysis of Criminal Law

Introduction, Principal Types of Crime, Optimal Criminal Sanctions: Economics of Crime and Punishment, Criminal Intent, The Defence of Necessity, The Economics of Organised Crime

Module 7:

Economic Analysis of Competition Law

Introduction, Economic Theory of Competition Law - Workable Competition: Structure-Conduct- Performance, Competition as Dynamic Process, Reappraisal of Price Theory - Vertical Restraints: Vertical Price Fixing, Predatory Pricing: Lowering Prices, Control of Concentration: Collusion, Transaction Cost Approach, Theory of Contestable Markets, Applications to USA and EC Competition Policy

Module 8:

Competition Policy in India

Monopolies and Restrictive Trade Practices Act, and Competition Policy Report, Divestment of Public Sector Units and Deregulation, Regulated Competitions and Regulatory Authorities (Power, Telecom, Insurance, Banking)

Basic Reading List

- Posner Richard A – Economic Analysis of Law (7th Edition 2007)
- Cooter Robert & Ulen Thomas- Law and Economics (5th Edition 2007)
- Shavel Steven – Foundation of Economic Analysis of Law (2004)
- Harison Jeffrey L. & Theeuwes Jules - Law and Economics (2008)
- Mercurio Nicholas, Medema Steven G. – Economics & the Law- Second Edition (2006)
- Baird, Gentner & Picker – Game Theory & the Law (1994)

Further Readings

- Bouckaert, B. & De Geest, G., Encyclopedia of Law and Economics
- Divan, S. & Rosencronz, A. Environmental Law and Policy in India, Oxford University Press, New Delhi, 2001, 2nd ed.
- Schmidh, P., An Economic Analysis of Crime and Justice, Academic Press, Orlando, 1984.
- Williamson, O.E., The Economic Institutions of Capitalism: Firms, Markets, Relational Contracting, The Free Press, New York, 1985.

Articles:

- Alessi De Louis & Staaf, R. J., "Subjective Value in Contract Law", Journal of International and Theoretical Economics, Vol. 145, 1989, pp. 561- 577.
- Bebchuk, L. A. & Shavell, S., "Information and the Scope of liability for Breach of Contract: The Rule of Hadley vs. Baxendale", Journal of Law, Economic Organisation, 1991, pp. 284-312.
- Murali Prasad Panta, "The relative efficiency of Liability vs. Regulation in providing incentives to the tortfeasor" Journal of the Indian Law Institute, 41, (3&4), pp.405-428, 1999.
- Niskanen, W. A. "Bureaucrats and Politicians", Journal of Law and Economics, Vol. 18, 1975, pp. 617- 641.

Additional Reading List.

- Ayres, I. & Gertner, R., "Filling Gaps in Incomplete Contracts: An Economic Theory of Default Rules", *The Yale law Journal*, 1989, pp. 101- 107.
- Calabresi, G. & Klevorick, K. A., "Four Tests for Liability in Torts", Journal of Legal Studies, Vol. 14, No. 3, December 1985, pp. 585- 627.

Course Code: IBEF-B-10

Course Name: Law and Economics II

Course Outcomes:

- To understand the legislative procedure for economies.
- To develop an integrated approach of contract law and economics.
- To evaluate the environmental protection laws and the working of the economy.
- To learn about land acquisition procedure and evolution of the economy's growth with respect to this.
- To learn about the planning structure of economies and setting up of SEZs in order to grow.

Module 1:

Economic Theory of Legislation: Legislative process, Delegated legislation, Precedents, Rules v/s Standard, Interpretation of Statute

Module 2:

Economic Analysis of Litigation: Rules of procedure, Rules of Evidence, The adversarial and inquisitorial trial mode, Alternative dispute resolution (ADR), Lok Adalat, Arbitration, Conciliation and mediation, Settlement, Appeals and error correction, Cost of litigation, Case -load and Court Delay Crisis

Module 3:

Economic approach to Contract law in India: Contract Act, Specific Relief Act, Court approach to formation, validity, performance, interpretation, breach of contract and remedies for breach

Module 4:

Economic Approach to Environmental Protection Laws: Environmental protection laws and Court decisions, Principles and doctrines evolved by Supreme Court for protection of Environment, Air pollution, Water pollution, Sound pollution, Automobile and industrial pollution, Climate change, Carbon credits – emerging market

Module 5:

Economic Approach to Issues in Land Acquisition Laws: Acquisition of land for public purpose, Acquisition for companies, Purpose and suitability, Market value and compensation

Module 6:

Town Planning Laws: Allocation of land – for residential, industrial, commercial, agricultural purposes, Reservation of land for public purpose

Module 7:

Special Economic Zones: Concept, Law, Policy and Problems

Module 8:

Intellectual Property Rights: Patents, Copyrights, Trademark, Trade secrets, Plant varieties & Farmers' Rights, Salient features of Indian Laws

Module 9:

Economic Analysis of Corporate Law Issues: Formation of a company, share capital and fund raising, Separation of ownership and control, Majority power and minority protection, Corporate governance, Regulation of security markets and protection of investors and SEBI, Management of foreign investment and foreign exchange under FEMA

Basic Reading List

- Posner Richard A – Economic Analysis of Law (7th Edition 2007)
- Cooter Robert & Ulen Thomas- Law and Economics (5th Edition 2007)
- Polinsky Mitchell A – An Introduction to Law and Economics (2003)
- Friedman David D. – Law’s Order (2000)
- Wittman Donald A – Economic Analysis of Law- Selected Reading (2003)
- Micali Thomas J – The Economic Approach to Law (2009)
- Hirsch Werner Z - Law and Economics (1999)
- Salient Features of Civil Procedure Code, 1908 and Indian Evidence Act, 1872.

Additional Reading List.

- Indian Contract and Specific Relief Acts.
- Patent Act, 1970.
- Copyright Act, 1957.
- Trademark Act, 1999.

Course Code: IBEF-B-11

Course Name: Behavioural Finance

Learning Outcomes

- To introduce the behavioral framework for financial decision-making and financial markets and distinct them from standard financial theories (module I, VI, VIII)
- To explain the behavioral aspects to decision-making under risk, uncertainty (module II, III)
- To understand the influences of emotions on trading and stock markets against the traditional theories (Module IV, V, VII)

Module 1:

Foundations of Behavioural Finance

- Financial Decision Making
- The Expected Utility Rule
- Frames for Actions
- Contingencies and Outcomes
- The Discounted Utility Model: How and Why Discount Rates Vary,
- Hyperbolic Discounting Factors
- Learning: Rational Learning
- Over-Inference and Law of Small Numbers
- Disagreement
- Tastes and Capital Asset Pricing Model
- Bubbles – Past, Present and Future, Tulipmania and the Didactic Value of Bubbles
- Regulatory Origins of the Bubble

Module 2:

Investor Biases

- Overconfidence Bias
- Representativeness Bias
- Anchoring and Adjustment Bias
- Cognitive Dissonance Bias
- Availability Bias
- Self-Attribution Bias
- Illusion of Control Bias
- Conservatism Bias
- Ambiguity Aversion Bias
- Endowment Bias
- Self-Control Bias
- Optimism Bias
- Mental Accounting Bias
- Confirmation Bias
- Hindsight Bias
- Loss Aversion Bias
- Recency Bias
- Regret Aversion Bias
- Framing Bias
- Status Quo Bias.

Module 3:

Asset Pricing under Prospect Theory

- Basics of Prospect Theory
- Prospect Theory's Application to Finance
- The Cumulative Probability Version of the Prospect Theory: Cumulative Prospect Theory and Asset Pricing
- Does Prospect Theory Work?

Module 4:

Overconfidence and Optimism

- A Model of Trading Under Optimistic Investors – Price Setting
- Conditions for Overconfident Pricing of the Risky Asset
- Pricing in the Odean's Model: The Implications of Odean's Model for Financial Markets
- Do Investors Trade Too Much?
- Optimism in Corporate Finance – Facing Failure – Who Dares Loses?
- The Hubris Theory of Takeovers.

Module 5:

Theories of Overreaction and Under-reaction

- The DHS Model
- A Model of Investor Sentiment
- A Unified Theory of Underreaction
- Momentum Trading and Overreaction in Asset Markets: Empirical Findings
- Contrarian Investment
- Extrapolation and Risk
- Evidence on the Characteristics of Cross-sectional Variation in Stock Returns
- Market Efficiency and Biases in Brokerage Recommendations.

Module 6:

The Psychology of Financial Markets

- Herding: Models of Herding, Evidence on Herding and It's Effect
- Herding in Investment Advice
- Equity Premium Puzzle: Explaining the Risk Premium by Myopic Loss Aversion – Can Loss Aversion Explain the Puzzle?: Is Loss Aversion is Irrational
- Dividends : The Irrelevance of Dividends to Value
- Prospect Theory Explanation of Dividend Payments : Who Pays Dividends and Why?

Module 7:

Stock Valuation and Style Investing

- Keynes' Beauty of Competition
- The Irrelevance of Fundamentals
- Valuation and Behavioural Biases
- Cost of Capital, Factors from Limited Arbitrage: History
- Life Cycle of an Investment Style – Value Vs Growth – Risk or Behavioural?
- Style Rotation: Potential Gains to Style Rotation, Timing the Switch.

Module 8:

Efficient Markets Hypothesis and the Behavioural Finance

- Are Financial Markets Efficient

- Theoretical and Empirical Foundations and Challenges of EMH
- Analysts' Conflicts of Interest
- Evidence of Conflict of Interest
- Regulating Conflicts of Interest
- The Distributional Impact of Insider Trading
- The Hirshleifer, Subrahmanyam and Titman Model
- Insider Trading
- Stock Options and Construction of Earnings
- Consequence of Insider Trading for Outsiders.

Suggested Readings:

Book

- Forbes, William, 2011, Behavioural Finance, Wiley- India Edition.
- Shefrin, Hersh, 2005, A Behavioral Approach to Asset Pricing, Elsevier Academic Press.
- Montier, James, 2002, Behavioural Finance- Insights into Irrational Minds and Markets, John Wiley & Sons Ltd.
- Montier, James, 2007, Behavioural Investing- A Practitioner's Guide to Applying Behavioural Finance, John Wiley & Sons Ltd.
- Pompian, Michael M. 2006, Behavioral Finance and Wealth Management- How to Build Optimal Portfolios That Account for Investor Biases, John Wiley & Sons Inc.
- Thaler, Richard H. 2005, Advances in Behavioral Finance- Volume II, Russell sage foundation, New York.
- Shleifer, Andrei. 2000, Inefficient Markets- An Introduction to Behavioral Finance, Oxford University Press.

Course Code: IBEF-B-12

Course Name: Financial Economics

Course Outcome:

The course will enable the students:

- To familiarize students with the financial system and its components (Module 1 and 2)
- To understand the risk and return structure in financial markets (Module 1)
- To comprehend the students with the functioning of capital market (Module 3)
- To help students with contemporary theories related to financial markets including money market, capital markets (bonds, stocks and hybrids) and derivative markets. (Module 4, 5, 6, 7, 8 and 9)
- To familiarize them with the policy and regulatory framework within which financial markets are required to function (Module 10)

Module 1:

The demand for securities (15 hours)

- The time dimension, Present value and duration, The calculation of yields on zero-coupon bonds
- The term structure of interest rates
- The risk dimension, Measurement of risk
- Bivariate distributions, Conditional probabilities and expected values
- Estimating the mean and variance of returns, Expected utility

Module 2:

The supply of securities (15 Hours)

- Regulations governing supply of securities,
- General characteristics of securities,
- Government bonds
- Index linked bonds
- Corporate Securities, equities, bonds, convertible securities
- Stock market operations
- Money market funds
- Claims on financial institutions.

Module 3:

Securities markets and their efficiency (5 Hours)

- Stock exchanges
- The over the counter stock market
- Operational efficiency and the Efficient Market Hypothesis(EMH) - The weak, semi-strong and the strong form of EMH.

Module 4:

The determination of equity prices (6)

- Shares as claims on future dividends and on corporate net worth
- The Capital Asset Pricing Model (CAPM)- The simplest form, Estimating betas, Implications for portfolio management, Validity of CAPM
- Arbitrage Pricing theory- An alternative approach

- Stock indices – Bombay Sensitive Index, Bombay National Index, Dow Jones Industrial Index(DJI), New York Stock exchange composite index(NYSE)

Module 5:

Security analysis and market efficiency (6 Hours)

- A modern view of security analysis
- Macroeconomic developments and securities markets
- Performance of securities markets
- Industry growth, structure and firm specific factors
- Uses and pitfalls of Price / Earnings ratios.

Module 6:

Derivatives Uses of Derivatives – Futures contracts and futures markets – Forward contracts – The origins of Futures trading – Basic elements and organization of futures contracts.

Module 7:

Futures prices Relation among spot and futures prices – financial futures – commodity futures – Closing out with futures – Hedgers, speculators, market equilibrium – The role of expectations – Futures and portfolio management.

Module 8:

Options and option pricing Institutional aspects – Exchange traded stock options – The pay offs from buying and selling options – Boundary conditions on option prices – The put-call parity theorem – The BlackScholesformula – Other option models

Module 9:

Swaps, Currency and Interest Rate Swaps Vanilla Interest Rate Swaps – Swaptions – Other types of swaps – Currency, Equity and Commodity Swaps.

Module 10:

Regulation of financial markets (3 hours)

- The ethics of finance and the economic function of financial markets
- The purpose of regulation, levels of regulation
- Securities Contract Regulation Act – Securities and Exchange Board of India (SEBI).

Suggested Reading

Books

- Black, F., Jensen, M.C. and Scholes, M.A. (1972), “*The Capital Asset Pricing Model: Some Empirical Tests*”, in M.C. Jensen (ed.), *Studies in the Theory of Capital Markets*, (Praeger, New York)
- Chandra, Prasanna (2008), *Investment Analysis and Portfolio Management*, Tata McGraw Hills
- Fabozzi (2009), *Bond Markets*, 7th revised edition, Pearson Publications, USA, February 27
- Shapiro, Alan C. (1999), 4 th edition, *Multinational Financial Management*, International McGraw Hills, Prentice-Hall of India
- Mishikin, F.S., Eakins, S. G., Jayakumar, T and Pattanaik, R.K (2005), *Financial Markets and Institutions*, 8th Edition, Pearson.

Papers

- Barsky, R. and Long, J. De (1993), “*Why Does the Stock Market Fluctuate?*”, *Quarterly Journal of Economics*, 108, pp. 291-311
- Basu, S., (1977), “*The Investment Performance of Common Stocks in Relation to their Price to Earnings Ratios: A Test of the Efficient Market Hypothesis*”, *Journal of Finance*, 32, pp. 663- 682.
- Fama E.F. (1970), “*Efficient Capital Markets: A Review of Theory and Empirical Work*”, *Journal of Finance*, 25 May, pp. 383-417

Additional Reading List:

- (Basel: BIS, April 1986) “*Bank for International Settlements*”, Recent Innovations in International Banking.
- Benjamin M. Friedman H. Hahn (1990) “*A formal treatment of the requirements for targets*” is available in Benjamin M. Friedman, “*Targets and Instruments of Monetary Policy*,” chapter 22 in Benjamin M. Friedman H. Hahn, *handbook of Monetary Economics*, (Amsterdam: North-Holland, 1990).
- Cox. Ingersoll, and Ross, “*A Re-examination of Traditional Hypothesis*,” pp. 774-775.

Course Code: IBEF-B-13

Course Name: International Marketing

Course Outcomes:

- To develop a comprehensive understanding of international marketing inclusive of environmental responsibilities.
- To evaluate the different types of market and the types of international organizations that can be established.
- To study the distribution channels and supply chains.
- To learn about planning of international markets and pricing under it.

Module 1:

International Marketing: Environment, Features and Participants.

- Global Economy
- Global Interdependence, International Markets, Markets for goods and services, Size, Factors affecting Growth of Markets and Benefits of International Marketing
- Participants in International Markets: Private Sector, MNCs, Export Management Companies, Multinational Banks and Insurance Companies
- Factors affecting International Marketing: Like Culture, Politics and Law
- Regional Integration and Protectionism
- International Monetary System and World Trade

Module 2:

International Market Segmentation and Positioning: Screening and selection of markets; International market entry strategies - Exporting licensing contract manufacturing, Joint ventures, setting -up of wholly owned subsidiaries abroad.

International Product Planning: Major Product decisions-Product features and quality, Product design, labeling, packaging, branding and product support International trade product life cycle; New product development

Module 3:

International Marketing Management

- 3.1 Policies regarding Products, Their position, Standardization, Adaptation, Brand, Trade Marks etc,
- 3.2 International Marketing of Services and Technology
- 3.3 Promotion Policy: Advertising and other types of Promotion: International Advertising: Major aspects, Developing International Advertising Strategy and Management of Advertising Function International Sales Forces and Their Management International Advertising Research

Module 4:

Distribution Channels and Policy:

- 4.1 Managing International Distributional Channels Choice of Distributional Channels in different Markets, their roles and functions, Multinational Wholesalers and Retailers
- 4.2 Export Pricing -Tax incentives, Foreign Trade Zones and Exports
- 4.3 Aspects of International supply chain management, International distribution logistics inventory management transportation

- 4.4 Warehousing and Insurance, International direct marketing, leveraging international distribution for competitive advantage

Module 5:

Pricing for International Markets: Pricing strategies; Factors affecting international price determination; environment factors affecting international prices; International pricing process and policies; Delivery terms and currency for export price quotations: Transport pricing. International dumping. Financing marketing transactions.

Module 6:

International Marketing: Organization, Planning and Control

- 6.1 International Marketing Strategy and Entry Methods
- 6.2 International Marketing Information:
- 6.3 Surveys and cross Research, National Consumer Research and Export Marketing Research.

Suggested Readings:

- International Marketing by V.H. Kriplani.
- International Marketing Concepts, Techniques and Cases by Saxena and Kapur.
- International Marketing by J. M. Hess and P.R. Catecora.
- International Marketing Management by Miracle and G.S. Albaum.
- International Marketing Analysis and Strategy by John Shaw
- Onkvisit Sak and John J Shaw, International Marketing - Analysis and Strategy, PHI, New Delhi
- Joshi, Rakesh Mohan, International, Marketing, Oxford University Press, New Delhi
- Rajgopal, International Marketing, Vikas Publication, New Delhi

Course Code: IBEF-B-14

Course Name: Linear Economics – I

Learning Outcomes

- To expose the fallacies in neoclassical theories of value, distribution and growth (Module 1)
- To make students aware of classical theories of value and distribution (Modules 2, 3, 4)
- To expose students to empirically verifiable classical models of general equilibrium that determine prices, outputs, growth and income distribution. (Modules 5, 6)

Module 1:

Critique of Neoclassical Economics

- Critique of Marshall's theory of supply based on the law of variable proportions.
- Critique of the marginal productivity theory.
- Critiques of neo-classical production functions.

Module 2:

Input-Output Economics

- Economy as a Circular Flow.
- Static closed and open input output models.
- Hawkins-Simon conditions.
- Construction of Input-Output tables.
- Some applications.
- Dynamic input-output analysis.

Module 3:

'Classical' General Equilibrium Models

- The Von Neumann model.
- The Sraffa system and its properties
- Standard Commodity.
- Reduction to dated labour.
- Impossibility of Measuring Capital independently of the distribution of income.

Module 4:

Alternative Theory of Income Distribution

- Alternative theories of income distribution.
- The Kaldor Pasinetti model and its developments.

Module 5:

Alternative Model of General Equilibrium

- Closure for the Sraffa system.
- An alternative general equilibrium model and its empirical relevance.

Module 6:

Theory of Personal Distribution of Income

- Hierarchies in firms

- Size Distribution of firms in industries.
- Human Capital.
- Resulting Frequency Distributions of Personal Income.

Reading List:

Books:

- Hadley, G(1961), Linear algebra, Addison-Wesley Massachusetts
- Bellman, Richard (1970), Introduction to matrix analysis, 2nd edition, McGraw-Hill, New York, NY.
- Mills, Gordon (1970) Introduction to linear Algebra, Aldine Pub. Co. (Chicago).
- Shanti, Narayan, Lipson Marc (2002), A text book of matrices, Schaum Outlines Series.
- Dorfman R., Samuelson P., Solow R. (1958), Linear programming & economic analysis, McGraw-Hill New York.
- Yan, Chiou Shaung (1969), Introduction to -Input-output economics, Holt, Rinehart, and Winston

Articles and Papers:

- Fabio Petri (1999) “*Hahn on the ‘Neo-Ricardian’ Criticism of Neoclassical Economics*”, in Value, Distribution and Capital eds. Gary Mongiovi and Fabio Petri, pp. 19-68, London. (*Article*)
- Hahn, F.H. ((1982) “The Neo Ricardians”, *Cambridge Journal of Economics*, Vol.6.
- Hayek, F.A. (1932) “Reply” *Economic Journal*.
- Kahn, R.F. (1959) “Exercises in the Analysis of Growth”, “*Oxford Economic Papers*, Vol. II.
- Kaldor, N. (1956) “Alternative Theories of Distribution,” *Review of Economics Studies*, Vol. 23.

Course Code: IBEF-B-15

Course Name: Linear Economics II

Course Outcomes:

- Determination of monetary variables such as the money wage and prices velocity of money and nominal values of the national income and related aggregates, alongside interest rates and commodity outputs (Modules 2, 3, 4)
- Effects of a deflationary gap and appearance of an unemployment equilibrium. Policies to cure it (Modules 4, 5)
- Exchange Rate determination in a multicountry setting (Module 5)
- Methods to determine world trade equilibrium with several countries trading in several commodities (Module 6)
- World trade equilibrium with trade in capital goods (Module 6)
- Empirical Results an World Trade equilibria ((Module 6)

Module 1:

Difficulty of Standard General Equilibrium Theory with Money

- Keynesian Counter revolution
- Patinkin's Theory
- Findings of Arrow, Clower, Hahn, Ostroy
- Essentiality of Money in the real world

Module 2:

Essentiality of Money

- Nature of Barter Equilibrium.
- Problem of transactions costs.
- Arrangements to reduce transaction costs.
- Equilibrium with currency money.

Module 3:

Liquidity Preference Theory of the Level and Structure of Interest Rate

- Dichotomy in the theories of the level and theories of the term structure of interest rates.
- Integrated model of the level and structure of spot interest rates.

Module 4:

Monetary General Disequilibrium

- Effects of an excess demand for money.
- The Minsky Moment.
- Effectiveness of Monetary and Fiscal Policies in a Deflationary Gap situation.

Module 5

- Critique, of the Heckscher-Ohlin-Samuelson trade model.
- 'Twoness' in trade theory.
- Non-viability of reduction of reality to 2 x 2 x 2 models.
- Critique of exchange rate theories: the demand supply diagram, the purchasing power parity theory, etc.
- Exchange Rate Determination in a Multicountry Setting.

Module 6

- Frank D. Graham's theory of Multicountry Multicommodity trade.
- Extensions of the theory to taxes, tariffs, and intercountry transfers and taxation.
- Trade in intermediate and final goods.
- Empirical Results

Reading List:

Books:

- Arrow, K.J. and Hahn, F.H. 1971. *General Competitive Analysis*, San Francisco: Holden-Day Inc.
- Davidson, P. 1978. *Money and the Real World*, 2nd ed. London: Macmillan.
- Gale, D. 1982. *Money; In Equilibrium*, Cambridge: Cambridge University Press.
- Grandmont, J.M. 1983. *Money and Value: A Reconsideration of Classical and Neoclassical Monetary Theories*, Cambridge: Cambridge University Press.
- Keynes, J.M. 1936. *The General Theory of Employment, Interest and Money*, London: Macmillan.
- Krugman P. (2015) *The Austerity Delusion*. The Guardian, 29 April.

Articles and Papers:

- Arestis P. and M. Sawyer (2010) "The Return of Fiscal Policy" *Journal of Post-Keynesian Economics*, 32, 327-46.
- Clower, R. 1967. 'A reconsideration of the micro-foundations of monetary theory', *Western Economic Journal*, 6: 1-9.
- Clower, R.W. 1965. "The Keynesian Counter-Revolution: A Theoretical Appraisal," in *The Theory of Interest Rates*, eds. F.H. Hahn and F.P.R. Brechling, 103-125, London: Macmillan.
- Sraffa P. (1960). "Dr. Hayek on Money and Capital", *The Economic Journal*, 42, 42-63.
- Starrett, D. 1973. 'Inefficiency and the demand for 'money' in a sequence economy', *Review of Economic Studies*, 40: 437-448.

Course Code: IBEF-B-16

Course Name: Mathematics for Economic Analysis

Course Outcomes:

- To gain an understanding of fundamental mathematical concepts those are useful in economics.
- To recognise the importance of real analysis and dynamic operations in understanding situations.
- To learn the fundamentals of linear algebra and matrix operations to apply in economics.

Module 1:

Linear Algebra

- Review of Matrices
- Eigenvalues and Eigenvectors, Principal Minors and Sign Definiteness
- Introduction to Vector Spaces
- Applications of Linear Algebra in Economics and Econometrics

Module 2:

Real Analysis

- Open and Closed Sets, Compact Sets, Convex Sets
- Rolle's Theorem and Mean Value Theorem
- Taylor Series
- Convex and Concave Functions,
- Brouwer and Kakutani Fixed Point Theorems

Module 3:

Static Optimization and Comparative Statics

- Introduction to Linear Programming and Game Theory
- Unconstraint and Constraint Optimization
- Euler's Theorem
- Kuhn-Tucker Conditions and Non-Linear Programming
- Maximum Value Functions and Envelope Theorem
- Comparative Statics
- Applications in Microeconomics
- An Overview of Matrix Differentiation and Applications to Econometrics

Module 4:

Dynamic Optimization

- First and Second Order Differential Equations and Difference Equations
- Simultaneous Differential and Difference Equations
- Optimal Control Theory
- Applications in Macroeconomics and Growth Theory
- Dynamic Programming
- Applications in Macroeconomics

Readings

- Chiang, A.C., Fundamentals Methods of Mathematical Economics, McGraw-Hill, 2005
- Chiang, A.C., Elements of Dynamic Optimization, McGraw-Hill, 1992
- Dorfman, R., P. A. Samuelson and R. M. Solow, Linear Programming and Economic Analysis, Dover Publications, Inc., 1958
- Shone, R., An Introduction to Economic Dynamics, Cambridge University Press, 2001
- Shone, R., Economic Dynamics: Phase Diagrams and their Economic Applications, Cambridge University Press, 2002
- Simon, Carl P. and Lawrence Blume, Mathematics for Economists, W. W. Norton & Company, Inc., 1994
- Sydsaeter, K and P. J. Hammond, Mathematics for Economic Analysis, 2002

Additional Readings

- Anton H. and Chris Rorres, Elementary Linear Algebra, Wiley India, 2005
- Bartle R. G. and D. R. Sherbert, Introduction to Real Analysis, John Wiley & Sons, 2000
- Binmore, K., Foundations of Analysis, Books 1, Cambridge University Press, 1980

Course Code: IBEF-B-18

Course Name: Strategic Finance & Investment Banking

Course Outcomes:

- To identify the role of financial management in decision making.
- To know about the valuation and pricing methods of a company.
- To develop an understanding of choices between various financial structures.
- To analyze the role of models in financial analysis.
- To know about the procedure of mergers and acquisition.

Contents:

Module 1:

Valuation Concepts for Mergers and Acquisitions: Valuation and Pricing of a company – Modes of Valuation Earnings basis Asset basis Discounted Cash Flows (DCF) DCF valuation, and frequently encountered errors in practical implementation – Return on Investments (ROI) – Return on Equity (ROE) – Estimating synergy values – Relative Valuation

Module 2:

Broad Overview of Financial Restructuring: Changing shape of the corporates Forms of Business Alliances – Strategic Choice of Type of Business Alliance – Merger and Acquisition and Takeover – Introduction to restructuring problems – Types of mergers – Reasons for Mergers and Acquisitions: Vertical, Horizontal, Conglomerate, Concentric Mergers – Circumstances in which financial restructuring takes Place - Factors Governing the M&A Process in India - Developments in the competitive environment History of Mergers – The first to the fourth wave and causes thereof

Module 3:

Mergers & Acquisitions- Strategic Perspectives: The different motivations for business acquisition – The principles of acquisition search – SWOT Analysis of the company Identification of the Target Company – Due Diligence Inquiry Selection of methods for merger or takeover Procedures and Processes in an M&A – Step-by-step approach Defining and Selecting Target – Pricing of Mergers (Pricing the Competitive Bid for Take-over) – different forms of M&A activity – Negotiation/Approach for Merger – Acquisition and Take-over Contracting – Implementation of Merger and Acquisition – M&A statistics Managing Post-Merger Issues – Winner's curse Ethics in M&A.

Module 4:

Merger (Acquisition) Modelling: Uses for a Merger Model – How to build a Merger Model – Calculation of Equity Value and Purchase Price – Explanation of Consideration used in Purchase (stock, cash, assumed debt) – Discussion of Multiples Paid – Post-Merger Control Issues – Synergies and pre-tax Synergies required to breakeven – Revenue and EBITDA contribution – Proforma Income Statement – EPS Dilution for Acquirer – Discussion of Goodwill – Other accounting treatment issues – Sensitivities.

Module 5:

Complete LBO Modelling: Uses for An LBO Model on Sell-side and Buy-side – Review of LBO Model Structure – Purchase Price Calculations and Considerations – Capital Structure Options / Reviews – Discussion of Typical Financing Sources for LBO – Creation of a Sources and Uses Worksheet – Proforma Income Statement, Balance Sheet, Cash Flow – Goodwill Calculation – Integration of Income Statement, Balance Sheet, Cash Flow – Debt and Interest

Schedule – Revolver and mandatory / option debt prepayment and impact on returns – Returns Analysis - IRR on debt, hybrid instruments and equity investments.

Module 6:

Investment Banking Process and Best Practices: Conclusion of Financial Modeling – Investment Banking Process – M&A and Private Placement – Investment Bank – Industry Overview – Market Overview – Client – Valuation– Process – Buyer/Investor Descriptions – Financing – Investment Bank – Industry

Reading List:

- Weston, Fred, Mitchell, Mark L. and Mulherin, Harold (2004), Takeovers, Restructuring, and Corporate Governance, 4th Ed. Pearson.
- Reed and Reed Lajorex (1999), The Art of Mergers & Acquisitions, McGraw Hill.
- S. Ramanujam (2000), Mergers et al., Tata MacGraw Hill.
- Sridharan and Pandian (2002), Guides to Takeover and Mergers, Wadhava Publications.
- Weston, Sen and Johnson (2003), Takeovers, Restructure and Corporate Governance, Prentice Hall.
- Gaughan, Peirick A. (2003), Mergers, Acquisitions and Corporate Restructuring, John Wiley & Sons.
- Joshua, Rosenbaum, Joshua, Pearl (2009), Investment Banking: Valuation, Leveraged Buyouts, and Mergers & Acquisitions, Wiley Finance.
- Stowell, David (2010), An Introduction to Investment Banks, Hedge Funds, and Private Equity: The New Paradigm, Elsevier

Course Code: IBEF-B-19

Course Name: Financial Risk Management

Course Outcome:

The course will enable the students:

- To understand the meaning of Risk Management, its significance in organizations and studying in brief banking regulations pertaining to risk. (Module 1)
- Learn building blocks of Market Risk Management – Understand the process for risk measurement for key asset classes, models used for risk measurement, numerical techniques and overview of risk reporting framework. (Module 2 & 3)
- Study the importance of volatility in risk models, various volatility measures and popular models for vol calculation, option pricing models (IR and FX). Relating volatility measures with Value at Risk and other techniques, Understanding volatility smiles (Module 4, 5)
- Overview of Various techniques used to use for controlling market risk, relevance of options Greeks in risk measurement & control (Module 6)
- Study the building blocks credit risk, concepts of CVA, exposure monitoring etc. (Module 7)
- Importance of Reporting framework – both regulatory and MIS for key risk measures (Module 8)

Module 1:

Introduction to Risk Management: (4 hours)

- Meaning and relevance of Risk Management
- Key types of risks faced by organizations
- Importance of firm wide risk policies

Module 2:

Market Risk models an introduction: (6 hours)

- Key types of market risk measurement models
- Linking VaR and other measures with the valuation of financial instruments
- Introduction to key risk factors impacting risk models

Module 3:

Market Risk models in-depth: (8 hours)

- Building market risk measurement models through Excel / scripting
- Understand nuances of key concepts like initial & boundary conditions etc.
- Differentiate between different approaches to measure and report market risk

Module 4: Numerical techniques for finance: (8 hours)

- Understanding the relevance of math finance to risk measurement
- Study concepts like Ito's calculus, GBM, partial differential equations
- BSM and Binomial options pricing models
- Interest Rate options

Module 5:

Relation of volatility with risk measurement: (4 hours)

- Different Volatility measures
- Measurement methods of volatility
- Relating the volatility measures with their relevance in pricing & risk models

Module 6:**Risk control measures: (2 hours)**

- Understanding parameters like Greeks, duration, PV01, beta and their relevance in risk measurement
- Relating these measures with firm wide risk policies

Module 7:**Foundations of Credit Risk management (6 hours)**

- Use of credit risk management for bank risk
- Credit ratings process in brief
- Credit Value Adjustment
- Exposure monitoring

Module 8:**Risk Reporting Framework (2 hours)**

- Understand the importance of Regulatory reporting
- Key MIS metrics used by management for risk assessment
- Overview of key measures measured and reported by banks

References

Books:

- Options, Futures and Other Derivatives, John C Hull, Pearson publication, 2012-18.
- Paul Wilmott on Quantitative Finance, Wiley publication, 2012.
- Wes McKinney, 2013, “Python for Data Analysis”, 1st Edition, O’Reilly Publication, USA

Course Code: IBEF-B-20

Course Name: Introduction to Game Theory

Course Outcomes:

- To understand the basic principles, concepts and of game theory.
- To explain the strategies and outcomes in various types of games.
- To utilize the concepts and predict behavior in competitive situations.
- To analyze the strategic interactions in complex games with multiple players.
- Assess the relevance of game theory in understanding strategic decision-making.

Module 1:

Introduction

Introduction and uses of game theory, the normal form, payoffs, dominant strategies

Module 2:

The Nash Equilibrium

Pure and mixed strategy Nash Equilibrium – existence, properties and applications

Module 3:

Finite Two-Player Games

Basic definitions, finite zero-sum two-player games, Nash Equilibria in finite two-person games

Module 4:

Extensive Form Games

Extensive form (trees), Strategic Form, backward Induction, subgame perfect Nash equilibrium, introduction to imperfect-information games

Module 5:

Repeated Games

Repeated prisoners' dilemma, finite and infinite repeated games, folk theorems for Nash equilibrium

Module 6:

Games of Incomplete Information

Bayes-Nash equilibrium, signaling games

Module 7:

Introduction to Cooperative Games

Introduction to TU-games, core, Shapley Value, Nucleolus

Reading List:

- Game Theory, by Fudenberg and Tirole, 1st Edition, MIT Press
- Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life (Norton Paperpack), Dixit and Nalebuff
- Games of Strategy, Dixit, Skeath et al, W.W. Norton and Co., 2020
- Games and Decisions, Luce and Raiffa, Dover Publications
- Collected Papers, Vol. 1, Robert J Aumann

Course Code: IBEF-B-21

Course Name: Social Exclusion and Inclusive Policy

Course Outcomes:

- To identify the dimensions and factors contributing to social exclusion in different contexts.
- To interpret the theoretical frameworks and models related to inclusive policy.
- To apply analytical tools to assess and measure the impact of social exclusion in specific populations.
- To design intervention strategies to empower and enhance social participation of marginalized groups.
- To critically evaluate the impact of existing policies.

Module 1:

Understanding Social Exclusion

Conceptualising Social Exclusion, Origin and Basis of Social Exclusion; Forms of Social Exclusion: Religion, Race, Caste, Gender, Ethnicity, Region, Culture, Language, Disability, Migrants and Refugees; Excluded Groups and Socio- Economic Disparities: Scheduled Castes, Tribals, Minorities, Women, Old Aged and the Physically Challenged; Contemporary Discussions on Social Exclusion

Module 2:

Theoretical Perspectives on discrimination

Economics of Discrimination; Marxist and Liberal Perspective; Capability Approach and Theories of Poverty; Economic Justice, Economic Freedom and Welfare; Social Choice and Human Rights Approach

Module 3:

Social Exclusion of Caste, Tribe and Minority

Indian society: Social Order in Caste, Tribe and Minority; Caste System as an Institution of Exclusion; Exclusion of Tribes: Nation-State Formation, Industrialization, Urbanization, Globalization etc.; Dimensions of Exclusion for Marginality: Development, Issues of Identity and Human Rights Violation

Module 4:

Dimensions of exclusions and inclusive policy perspectives

Scheduled Castes, Minorities and Affirmative Action; The Question of Reservation and Affirmative Action – Constitutional Provisions and Contemporary Debates with reference to the Mandal Commission Report and the Sachar Committee Report; Labour Market Discrimination, Wage Differentials, Problems of Employability, Social Security and Pension; Access to Finance, Micro Finance and Financial Inclusions of the Excluded People

Module 5:

Physically challenged and Old Aged Social Exclusion

Physically Challenged and Social Exclusion: Constitutional Provisions, National and State Policies and Social Security Policy; Community Support, Awareness and Assimilation

Activities; Aging: Social and Economic Exclusion; Gerontology Outlook in Policy Framework: Government Laws and Welfare Programmes

Module 6:

Institutions and Inclusive Policies

Inclusive Policy Agenda: United Nations Organization, Constitutional Provisions, Nodal Government Agencies and Planned State Interventions; Human Rights Framework, Affirmative Action and Reservation Policies; Designing Innovative Strategies for Inclusive Policies

Reading List

- Sen, A. (2000), 'Social Exclusion: Concept, Application, and Scrutiny', Asian Development Bank, Manila.
- Byrne, David (2003), 'Social Exclusion: Issues in Society', Open University Press, 2005.
- Lal, A.K. (2005) (Ed.), 'Social Exclusion: Essays in Honour of Dr. Bindeshwar Pathak', New Delhi, Concept
- Jordan, Bill (1996), 'A Theory of Poverty and Social Exclusion', Polity Press
- Breman, Jan (2002), 'The Labouring Poor in India: Patterns of Exploitation, Subordination, and Exclusion', Oxford University Press
- Stoer, Stephen R. (2003), 'Theories of Social Exclusion (European Social Inclusion)', Lang Publishing Incorporated, Bilingual Edition.
- Arrow, Kenneth, J., Sen, Amartya and Suzamura, K. (2002), 'Handbook of Social Choice and Welfare, Vol. 1, Handbooks in Economics 19', Netherlands, Elsevier
- Dreze, Jean and Amartya Sen, (ed.) (1995), 'India: Economic Development and Social Opportunities', New Delhi: Oxford University Press.
- Government of India (2006), 'Social, Economic and Educational Status of the Muslim Community in India: A Report (Sachar Committee Report)', Government of India
- Sameera Khan (2007), 'Negotiating the Mohalla: Exclusion, Identity and Muslim Women in Mumbai', Economic and Political Weekly, April 28-May 4

Course Code: IBEF-B-22

Course Name: Economics of Banking

Course Outcome:

The course will enable the students:

- To gain the basic economic aspects of the functioning of banks (Module 1)
- To understand policy implications of functioning of commercial banks in general and of India in particular. (Module 2 and 3)
- To comprehend the risks in banking and tools and strategies for managing those risks. (Module 4)
- To understand the overall functioning of banks in India and to help students gain insights into novel ways of looking at banking and bank's role in monetary policy. (Module 1, 2 and 3)
- To study the new developments in banking technology and its implications (Module 5)

Module 1:

Structure of the Indian Banking System (10 hours)

- Financial intermediation by banks - their functions;
- What do commercial banks do in particular and why?
- Impact of the banking structure on a developing economy;
- Twin Balance sheet problem;
- Impact of innovation and globalisation on financial intermediation;
- Is banking essential to banks?
- Banking reorganization- Narasimham committee reports; Banks and Financial inclusion

Module 2:

Banks and Their Business (12 hours)

- Structure of financial statements (balance sheet and Profit and Loss) of a bank;
- Profit Equation; Fund and non-funded based products and services;
- Banks as providers of liquidity insurance and of delegated monitoring due to their information advantages and imperfect (incomplete) markets;
- Trends in the structure of balance sheet and profit and loss accounts of banks in India;
- Regulations related to banks in India and their limitations;
- Maintenance of CRR and SLR - Debate;
- Capital Market Exposures;
- Directed Lending;
- Prudential & Exposure norms

Module 3:

Structure, Conduct and Performance of Banks in India (10 Hours)

- Optimal size of a banking system;
- Analysis of various components of income and costs of banks;
- Business models of Banks – competitive bank and monopoly bank pricing of loans and deposits;
- RBI guidelines on Interest rates on deposits and loans - PLR, BPLR, Base Rate and MCLR - impact on profit maximisation strategies of Banks;

- Methods of bank liquidity management - a simple model of portfolio theory of wholesale and retail interest income;
- Equivalence of fees and bank minimum balance requirements for operation of customer accounts;
- Ownership and Bank performance;
- CAMEL Rating of Banks

Module 4:

Risks in Banking Business and Management (14 hours)

- Types of bank risks - credit risk, market risk and operational risks and their quantification;
- Simple models of credit risk management; Asset-Liability GAP method of management of liquidity and interest risk;
- Introduction to risk capital and its impact on lending costs- Securitisation and its role in management of originator bank's risk-capital;
- Basel I, II and III norms;
- Credit and Forex Derivatives- the what, why and how of them for banks;
- IRAC Norms and Loan loss provisioning

Module 5:

Banking in the 21st Century (14 hours)

- New trends in Banking Technology - block chain - crypto currencies - artificial intelligence - implications for future banking;
- India as the youngest nation and the need for life-cycle banking;
- Income and geographic diversification of business and banking risk;
- Non-performing assets;
- Prompt Corrective Action (PCA) Framework of RBI;
- Norms for declaring banks as weak banks and prescription of Narrow banking;
- Report on Trends and Progress of Banking in India;
- Financial Stability Report of RBI

Readings:

Text books

- Barbara, C., Girardone, C., and Molyneux, P. (2015). Introduction to Banking, 2nd Edition, Pearson.
- Berger, A.N., Molyneux, P., Wilson, J. O. S. (2010). The Oxford Handbook of Banking, Oxford University Press.
- Chorafas, D.N. (1998). Handbook of Commercial Banking, Palgrave Macmillan (1998).
- Freixas, X. (2008). Microeconomics of Banking, 2nd Edition. MIT Press.

Research papers:

- Berger, A.N. (1995). The profit–structure relationship in banking: Tests of market power and efficient structure hypotheses’, *Journal of Money, Credit and Banking*, 27(2), 404–431.
- Blundell-Wignall, A., Wehinger, G. and Slovik, P. (2009). The elephant in the room: The need to deal with what banks do. *Financial Market Trends*, V2, 1–26.
- Boot, A.W. A. (2000). Relationship Banking: What Do We Know? *Journal of Financial Intermediation*, 9(1), pp. 7-25.
- Cosimano, T. F., Hakura, D. S. (2011). Bank behavior in response to Basel III: A cross-country analysis. IMF Working Paper 11/119, International Monetary Fund, Washington, DC.

Other Readings:

- Cafral (2014), Funds Transfer Pricing in Banks, Centre for Advanced Financial Research and Learning.
- Reserve Bank of India (2013), Discussion Paper on Banking Structure in India - The Way Forward.
- Reserve Bank of India (2012), Report of the High Level Steering Committee for Review of Supervisory Processes for Commercial Banks, Chapter 3.

Course Code: IBEF-B-23

Course Name: Insurance Economics

Course Outcome:

- The Course will enable the students:
- To know the conceptual inputs related to Insurance Environment in India (Module I)
- To Understand implications of insurance legislation in India (Module II)
- To have insurance product knowledge – both life and non life for all classes of business so as to succeed in techno marketing assignment (Module III)
- & v) To apply principles of economics and related mathematics to Insurance (Module IV & V)
- To get knowledge of underwriting acceptances and risks measurement including pricing a. (Module VI)
- To have awareness of new techniques, products and processes of Insurance which will be covered for remaining updated in the industry (Module VII)

Module 1:

Introductory Inputs (7 Hrs.)

- Insurance concepts like, History and Advantages of insurance, Insurance Environment, Contribution to economy, Latest Trends.
- Insurance value chain PESTLE Analysis, H'ubiverse's Theory of Human Life Value.
- Principles Of Insurance like Indemnity, Utmost good faith, Insurable interest and proximate cause.
- Basic terms like Risk, Perils, Hazard, Spread of Risk, Co insurance, Reinsurance etc.

Module 2:

Insurance Legislation (7 Hrs.)

- Like Insurance Act, Indian Contracts Act, IRDAI Act.
- Latest IRDAI Regulations, Investment Norms for insurers, Organizational Structure of insurance companies.

Module 3:

Types of Insurance Products (9 Hrs.)

- Life Insurance policies like ULIPs, Double Endowment, Term Assurance, Survival benefits, death cover, Group Insurance Policies.
- Key man Insurance, Whole life policies, types of Annuities, Life & Death Annuities, Immediate & Deferred Annuities.
- Various types of Health Insurance policies including Mediclaim & OMP, Group Health Insurance Policies for Corporates etc. critical illness, OPD covers, corona kavach etc.
- Various types of Nonlife Policies like Fire, Motor, Marine, Liability, PA, Engineering etc.

Module 4:

Principles of Economics (6 Hrs.)

- Approach of Mathematics and basic actuarial concepts like theory of probability, law of large numbers.
- Mortality, Morbidity, Risk Based underwriting, Maximum & Minimum probable loss.
- Control of expenses, aiming at profitability, claim minimization measures, contingency risks v/investment risks, sharing & Spreading risks.

Module 5:**Mathematics of Insurance (9 Hrs.)**

- Special features of Insurance accounting, Investment function in insurance companies, present value methods, compounding effect, perpetuities.
- Discounted cash flow, sinking fund, life fund, yield, profitability, stationary population, select mortality tables, survival rates, morbidity concept, BMI, Valuation of surplus, Assets & Liability.
- Types of Financial Reserves in Insurance Companies Balance Sheets, Premium Loadings, Pricing of insurance products etc. Bonus/Malus concepts, “Fair Value” of assets/liabilities, life office valuations.
- Concepts of Estate & Trading Profits, distribution of surplus, payment of dividends/bonus, profit centers, management expenses, fresh/renewal expenses, solvency margins etc.

Module 6:**Underwriting (7 Hrs.)**

- Definition, importance, profits generation, underwriting process, physical & moral hazards.
- Extras & discounts in rating structure, deductibles, underwriting factors in Life Insurance & General Insurance.
- Risk inspection, risk minimization, adverse selection, Use of riders, Loss sensitive pricing, Embedded devices, comparison between Indian & Global underwriting practices and need for contract certainty, proposal form.

Module 7:**Basic Concepts (5 Hrs.)**

- This module is for creating awareness for advanced course in insurance.
- Reinsurance, claims settlement, coinsurance.
- Risk Management, Insurance Marketing and Intermediaries, Futuristic Insurance Products, “Insure Tech”.

Readings:

Text Books

- Understanding General Insurance - PC James PCJ Value Media, Bengaluru
- Insurance Institute of India Books on various aspects of general insurance IC 51 to IC 54, IC 71 to IC 74, IC 77.
- Black, Kenneth Jr, Skipper, Harold D Jr, Life & Health Insurance Latest Edition, Prentice Hall.
- Rejda George E (2010) Principles of Risk Management and Insurance Prentice Hall (11th Edition)
- Zartman, Lester W (2003), Yale Readings in Insurance, Life Insurance, William S Hein & Company
- Bates, Ian and Atkins, Derek (2009) Management of Insurance Operations, Global, Professional, Publications.

Research Papers:

- Underwriting Prudence – Winning Strategy, MD Garde, BIMAQUEST, Volume 17, January 2017.
- KPMG Report titled “The Connected Ecosystem a New Business Model for Insurance.
- “BIMAQUEST” & “Pravartak” Publications of National Insurance Academy, Pune.
- Asian Insurance Review, Publication from Singapore.
- The Journal, Insurance Institute of India.

Webliography References:

- <https://www.insuranceinstituteofindia.com>
- <https://www.licindia.in>
- <https://www.agriinsurance.gov.in/pmfby.aspx>

Course Code: IBEF-B-24

Course Name: Insurance Economics (Advanced Practices)

Course Outcome:

The Course will enable the students:

- To know the marketing principles applied to insurance (Module I)
- To deal with claim matters as after sales service (Module II)
- To get knowledge of innovative insurance products (Module III)
- To learn the importance of reinsurance and its methods (Module IV)
- To understand applications of risk management to insurance issues (Module V)
- To learn the best practices followed globally including India (Module VI)

Module 1:

Insurance Marketing (10 Hrs.)

- Fixing premium goals annually, need for marketing strategy, front desk skills, insurance intermediaries like agents, brokers etc.
- Bancassurance tie ups as a win – win mechanism, direct/tied clients servicing, Market funneling, segmentation.
- New products development, PR & Publicity, Customer Service Pre – Sale, POS & Aftersales, Lead generation thro referrals, Broker development programs.
- Customer focus at all levels, grievances resolution etc.

Module 2:

Insurance Claims (8 Hrs.)

- Use of claim form, need for Claims Investigations, Importance of claims as a service parameter, types of claims for each class of insurance business.
- Stages involved in the claims process, control over claims ratio, typical claim disputes, out sourcing of claims function, arbitration process.
- Compliance of section 64 VB, salvage disposal, reinstatement and loss of profits claims, fraudulent claims handing etc.

Module 3:

Innovative Insurance Products (8 Hrs.)

- Innovative policies in Health Insurance. The process of product innovation as a 24×7 activity, Customer Focused & Tailor Made Products.
- New Global Products Like Autonomous Car Insurance, PAYD, Genetic Defects Coverage, Aerospace Related Products, Cyber Liability, Robot Surgeons Cover, Political risk.
- Demat Policies, Drone Insurance, Sports events, Retirement Products, Managed Care, Retroactive Liability, Gaming & Entertainment Covers.

Module 4:

Reinsurance (7 Hrs.)

- Types of risks covered in reinsurance, Definition, Importance and the process involved, various methods of reinsurance like Reciprocal, surplus Treaties etc. concept of lines, layers, avoidance of “Spiral” effect.
- Advantages of Reinsurance, reinsurance brokers, consortiums in reinsurance, Increasing retention capacities.
- Big Reinsurance Companies & Reinsurance Brokers.

Module 5:**Risk Management (9 Hrs.)**

- Definition and process, its importance, various methods, advantages, covering maximum risk at minimum premium, Risk identification, transfer, evaluation, finance & controlling,
- Risk inspection reports, Types of risks covered, Global risk report, Insurance and reinsurance as risk transfer mechanisms.
- Need for Enterprise Risk Management (ERM)

Module 6:**Global Insurance Best Practice (8 Hrs.)**

- Underwriting desk bench, formation of KPO's, LPO's BPO's, Demat policies.
- Online claims & underwriting, implementation of Insure Tech, Telematics, Telemedicine, Embedded Devices.
- CRM solutions, Artificial Intelligence tools in insurance underwriting & claims, fraud investigations.
- Better practices of Pvt. Insurance Companies in India Project Insurance.

Readings:**Text Books**

- Insurance Institute of India IC 22 to IC 26, IC 81 & 85
- Gastel, Ruth (Ed) (2004) Reinsurance: Fundamentals and New Challenges, Insurance Information Institute latest Edition.
- Fundamentals of Risk Management By Paul Hopkin (irm) (Kogan Page Publications, London).
- Cummins, J David and Doherty, Neil A (2005) The Economics of Insurance Intermediaries, Wharton School, University of Pennsylvania.

Research Papers:

- Case Study, Motor Claims Management, M D Garde and Gautam Prasad, BIMAQUEST, Volume 17, Jaunary 2017.
- Enterprise Risk Management – A Strategy to build a resilient organization & be a Busines Partner – by Delzad D Jivasha – Legal Era Magazine – October 2017 issue.

Webliography References:

- <https://www.irdai.gov.in>
- <https://www.policyholder.gov.in>
- <https://www.insurancethebox.com/telematics>
- <https://www.ibm.com/blogs/insights-onbusiness/insurance/customer-engagement-services-excellencein-insurance>

Course Code: IBEF-B-25

Course Name: Urban Economics

Course Outcomes:

- To understand the fundamentals of urban economics with the help of case studies. (Module 1)
- To get familiar with the conditions of urban cities. (Module 2 and 3)
- To understand the role of urban infrastructure. (Module 4, 5, and 6)
- To synthesize the approaches and limitations associated with urban infrastructure. (Module 4, 5 and 6)
- To analyze the situation of land and rent. (Module 3)
- To critically evaluate the role of local government for urban development. (Module 6)

Module 1:

Introduction (7 Hours)

- Urban Economics, Existence and importance of cities, 5 axioms of urban economics, Case Studies and Reports related to important Indian cities.

Module 2:

The Development of Cities: Clusters & Agglomeration; City Size and Urban Growth (7 Hours)

- Development of a factory town, firm clustering, labor pooling, localization and urbanization economies, differences in city sizes
- Urban employment growth and the multiplier, the effects of taxes and subsidies on location choices

Module 3:

Land Rent & Markets and Land use pattern (7 Hours)

- Land rent and urban structure, Residential Land Market, Urban Land Markets with Factor Substitution
- The Spatial Distribution of Employment and Population, The Monocentric City- Rise and Demise, Urban Sprawl, Neighborhood Choice, Zoning and Growth controls
- Case study of Mumbai and Pune

Module 4:

Urban Transportation (7 Hours)

- Congestion Externalities, Congestion Tax and Alternatives, Autos and Air Pollution, Automobiles and Poverty.
- Commuting and transit Ridership- the Cost of Travel and Model Choice, Efficient Volume of Ridership, Designing a Transit System

Module 5:

Urban Infrastructure (7 Hours)

- Spending and Educational Achievement- Education Production Function, Spending Inequalities and Public Policy
- Crime Facts, the Rational Criminals, the Equilibrium Quantity of Crime, Legal Opportunities and Education
- Water supply and sanitation, Access to basic urban amenities

Module 6:**Housing (7 Hours)**

- Importance of Housing- Durability, Detritions and Maintenance, the Filtering Model of Housing Market
- Housing Policy- Public Housing, Housing Vouchers, Rent Control and Rent Regulation

Model 7:**Local Government (7 Hours)**

- The Role of Local Government, Local Government Revenue and Expenditure, The Tiebout Model and Property tax
- Financial Instruments (municipal Bonds)

*Students would be encouraged to go through the case studies on Indian Cities related to above mentioned topics.

Text Books

Arthur O'Sullivan, *Urban Economics* (7th edition), McGraw Hill Irwin, 2008.

Jan K Brueckner, *Lectures on Urban Economics*, the MIT Press, 2011

Reference Books

Edward L. Glaeser, *Cities, Agglomeration, and Spatial Equilibrium: the Lindahl Lectures*, New York, Oxford University Press, 2008 (ISBN-13: 9780199290444)

(Focus on Mathematical Modeling)

Klein, Daniel B., Moore, Adrian T., and Reja, Binyam. *Curb Rights: A Foundation for Free Enterprise in Urban Transit*. (New York: Brookings Institution, 1997 (ISBN: 978-0815749394)

William Cronon. *Nature's Metropolis: Chicago and the Great West*. W.W. Norton, 1991.

James Howard Kunstler. *The Geography of Nowhere*. Free Press, 1994

William Julius Wilson. *The Truly Disadvantaged: The Inner City, the Underclass and Public Policy*. University of Chicago Press, 1987.

Brueckner, Jan (1987) "Structure of Urban Equilibria: A Unified Treatment of the Muth-Mills Model," *Handbook of Regional and Urban Economics*, Volume II, Edwin W. Mills Ed., 821-845.

Arzaghi & Henderson (2008) "Networking off Madison Avenue" *Review of Economic Studies* (2008) 75, 1011–1038

Edward Glaeser (1998) "Are Cities Dying?" *Journal of Economic Perspectives* 12(2): 127-138.

Adam Jaffe et al. (1993) "Geographic Localization of Knowledge Spillovers as Evidenced by Patent Citations." *Quarterly Journal of Economics* 108(3): 577-598

Quigley (1998) "Urban Diversity and Economic Growth" *Journal of Economic Perspectives*—Volume 12, Number 2—Spring 1998—Pages 127–138

Roger G. Noll and Andrew Zimbalist (1997) "Sports, Jobs, and Taxes: Are New Stadiums Worth the Cost?" *The Brookings Review* 15: 35-39.

Kerr & Kominers (2010) "Agglomerative Forces And Cluster Shapes", Nber Working Paper, 1663918(4): 177-200.

Glaeser, Edward L., Matthew Kahn, and Jordan Rappaport (2007) "Why do the poor live in cities?" *Journal of Urban Economics*.

Book_ Newman, P. and Kenworthy, J. (1999) "Sustainability and Cities. Overcoming automobile dependence". Washington D.C.: Island Press ISBN-13: 978-1559636605, ISBN-10: 1559636602

Glenn Blomquist, Mark Berger, and John Hoehn (1988) "New estimates of the quality of life in urban areas." *The American Economic Review* 78(1): 89-107.

Glaeser, Edward L., Matthew Kahn, and Jordan Rappaport (2007) "Why do the poor live in cities?" *Journal of Urban Economics*.

Glenn Blomquist, Mark Berger, and John Hoehn (1988) "New estimates of the quality of life in urban areas." *The American Economic Review* 78(1): 89-107.

Caitlin Knowles Myers (2004) "Discrimination and neighborhood effects: Understanding racial differentials in US housing prices." *Journal of Urban Economics* 56(2): 279-302.

Michael Greenstone Enrico Moretti (2004) "Bidding for Industrial Plants: Does Winning a "Million Dollar Plant" Increase Welfare?" Working Paper Series, MIT (0-39)

Course Code: IBEF-B-26

Course Name: Economics of Labour

Course Outcomes:

- To introduce students to micro-economic foundations of the economics of labour. (Module 1, 2 and 3)
- To introduce students to equilibrium concepts of labour market, both from the demand side and supply side of the economy. (Module 4 and 5)
- To appreciate the income distribution, wage adjustment process and unemployment issues pertaining to labour market. (Module 6, 7 and 8)
- To enunciate the macro-economic aspects of the labour market. (Module 9 and 10)
- Unions and labour contracts are discussed. (Module 11 and 12)
- Overall, the course gives a comprehensive view of labour economics.

Module 1:

Supply (5 Hours)

- Static Labour-Leisure Choice – Effects of Social Programs and Income Taxes – The Life-Cycle Model – Investments in Human Capital – Collective Models of Household Labour Supply – Occupational Choice

Module 2:

Demand (5 Hours)

- Static Cost, Profit and Labour Demand Functions – Elasticity of Derived demand: the Hicks-Marshall Rules; Adjustment Costs and Dynamic Labour Demand

Module 3:

Equilibrium (5 Hours)

- Compensating Differences – Adam Smith – Evidence on Premium for Risky or Nasty Jobs – Efficiency Wages – Segmented Labour markets – Migration

Module 4:

Wage Structure (5 Hours)

- Industry Wage Differentials – Productivity and Real wages – Returns to Education – Signaling – Pensions and Retirement – Training – Minimum Wage Laws

Module 5:

The Distribution of Income (5 Hours)

- Earnings by Size – The Roy Model – Functional Distribution – Intergenerational Income Mobility

Module 6:

Cyclical Fluctuations (5 Hours)

- Equilibrium Models of Employment Fluctuations – Real Wages over the Business Cycle

Module 7:

Discrimination (5 Hours)

- Economic Effects of Prejudice: Theoretical Analysis – Wage Differentials by Race and Sex

Module 8:**Unemployment (5 Hours)**

- Definition and Measurement – Variations over time and Space – Job Search – Effects of Unemployment Insurance

Module 9:**Macroeconomics of Labour Market (5 Hours)**

- Classical Analysis – Neoclassical Analysis – Keynesian Analysis – Dual and Segmented Labour Market Theory – Marxian Alternative – Human Capital theory – Flexibility and Institutions in Labour Market

Module 10:**Unions (5 Hours)**

- Objectives and Political Structure – Bargaining Theories – Relative Wage Effects – Strikes – Union Growth and Decline – Unions in the Public Sector – Union-Oligopoly Models

Module 11:**Labour Contracts (5 Hours)**

- Employment Determination – Allocation of Risk – Compensation – Bonding; Tournaments; Incentive Pay – Multi-tasking – Team Production – Relational Contracts – Career Concerns – Wages and Promotions

Module 12:**Regulations and International Labour Standards (5 Hours)**

- Regulation of Labour – Experience of India vis-à-vis Other Countries – Entry and Product Market Regulation – International Labour Standards – Comparative Analysis – International Trade and Labour Markets

Reading List

- Sundaram, K, 2001, 'Employment- Unemployment Situation in the Nineties: Some Results from the NSS 55th Round Survey', Economic and Political Weekly, P.931-40.
- Robinson, Joan, R, 1936, 'Disguised Unemployment', The Economic Journal, June
- Banerjee, P C, 1960, 'Full Employment and Low Full Employment in a Developing Economy', Indian Journal of Labour Economics, 2(4): 227-243.
- Rakshit, Mihir, 1983, The Labour Surplus Economy: A Neo-Keynesian Approach, Macmillan India Limited, New Delhi.
- Seth, V K and S C Aggarwal, The Economics of Labour Markets: Policy Regime Changes and The Process of Labour Adjustment in the Organised Industry in India. New Delhi: Ane Books, 2004
- Basu, K, 1984, The Less Developed Economy: A Critique of Contemporary Theory, New Delhi: Oxford India Paperbacks. (Chapter 5: The structure of Dual Economy; Chapter 6: Migration and Unemployment).
- Stephen, Donald Deere. 1994. "Unionization and Profitability: Evidence of Spillover Effects," Journal of Political Economy, 102(6): 1281-128
- Schmidt, C. M., A. Stilz and K. F. Zimmermann (1994): "Mass Migration, Unions, and Government Interventions," Journal of Public Economics, 55, 185- 210.
- Laffont, J. and Martimort, D. (2002), The Theory of Incentives: The Principal-Agent Model, Princeton University Press

Course Code: IBEF-B-27

Course Name: Economic Sociology

Course Outcomes:

- To discuss the various sociological approaches and its boundaries. (Module 1)
- To appreciate the various schools of sociological views of the economy and to critically appraise them. (Module 2)
- To understand the various social contexts of economic action. (Module 3)
- To enunciate the labour market outcomes based on sociological concepts. (Module 4)
- To similarly appraise the consumption aspects of sociological concepts. (Module 5)
- All the above modules culminate in understanding the socio-cultural aspects of economic development. (Module 6)

Module 1:

Emergence of economic sociology and its boundaries; sociological approaches to the study of economy.

Module 2:

Classical sociological views of the economy: Marx: critique of political economy; Durkheim: division of labour; Weber: sociology of capitalism, religious ethics and economic rationality; Polanyi: economy as instituted process.

Module 3:

Social contexts of economic action: Economic action, varieties of embeddedness, social networks in economic behaviour, social structure and competition

Module 4:

Sociology of labour markets: Sociological approaches to labour market; social determinants of inequalities in wage and earning

Module 5:

Sociology of consumption: Sociological theories of consumption (Marry Douglas and Baron Isherwood: the use of goods, Jean Baudrillard: the system of objects, Pierre Bourdieu: forms of capital, Veblen: conspicuous consumption); socio-cultural aspects of consumer spending

Module 6:

Socio-cultural aspects of economic development: Impact of religion, caste, gender, ethnicity, family on economy, social background of business groups and entrepreneurship, debate on influence of social capital and public action on economic progress; social movements and economic development

Basic Reading List

Dobbin, Franf. 2004, "Comparative and Historical Approaches to Economic Sociology" in Neil J. Smelser, and Richard Swedberg, (eds.) Handbook of Economic Sociology, Princeton: Princeton University Press.

Durkheim, Emile, 1960, The Division of Labour in Society, Glencoe: The Free Press. (2 nd ed: Chapter one & two, 3 rd ed: Chapter one)

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