

PROGRAM: UG COURSE: BA V SEMESTER

PAPER: Specialisation

TITLE: INVESTMENT ECONOMICS

CREDITS: 06

INTERNAL MARKS: 20

THEORY MARKS: 80

Course Outcomes:

After successfully completing this course, students will be able to:

1. Understand the fundamental concepts, theories, and role of real investment in economic growth and development.
2. Evaluate the key determinants and influences (economic, institutional, and environmental) affecting real investment decisions.
3. Analyze the economic implications of investments in infrastructure, industry, agriculture, housing, and rural development.
4. Apply capital budgeting techniques and cost-benefit analysis to assess the feasibility and risk of long-term investment projects.
5. Examine the role of public policies, regulations, and institutional frameworks in promoting sustainable and inclusive real investment.
6. Develop an understanding of environmental and sustainability considerations in investment planning and resource allocation.
7. Assess real investment case studies and contemporary issues, gaining insights applicable to national and international economic contexts

Module I: Fundamentals and Theories of Investment

Concept and nature of real investment, Differences between financial and real investments, Importance of real investment for economic development and stability. Determinants and Influences on Real Investment. Challenges and opportunities in financing real investment in developing economies.

Module II : Theories of Investment

Classical theory of investment, Keynesian theory of investment and the marginal efficiency of capital, Accelerator theory and flexible accelerator models, Neoclassical theory of investment, Tobin's Q theory.

Module III : Significance of Investment.

Need of investment in Industry, Manufacturing sectors, Agricultural and Rural sector in reducing rural poverty and regional imbalances. Transport and Communication sectors, role of Public and private sector role in capital formation (PPP Model) Sustainable Development Goals (SDGs) and investment in green infrastructure,

Module IV : Budgeting Techniques for Investment.

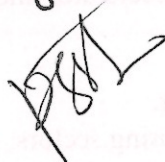
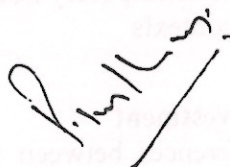
Capital Budgeting Techniques for Real Investment, Cost-benefit analysis for long-term investments, Net Present Value (NPV), Internal Rate of Return (IRR), Profitability Index Risk and uncertainty in long-term investment projects, Social Cost-Benefit Analysis (SCBA).

Module V: Planning and Policy Framework

Role of Government and Policy Framework, Public investment policies and Planning, Regulations, zoning, and land policies, Infrastructure financing and role of international institutions (e.g., World Bank, ADB), Impact of public policies and incentives on real investment.

Suggested Readings & Textbooks

- Richard Brealey and Stewart Myers, Principles of Corporate Finance (for investment evaluation techniques)
- Jorgenson, D. W. (1963). "Capital Theory and Investment Behaviour." Journal of Economic Issues / American Economic Review
- Musgrave, R.A. & Musgrave, P.B. (1989). *Public Finance in Theory and Practice*. McGraw-Hill Education.
- World Bank (2020). *Public Investment Management Reference Guide*. Washington, D.C.: World Bank.
- Aswath Damodaran, Investment Valuation (methods of evaluating long-term projects) Development Reports and Studies from the World Bank, ADB, and UN Case studies from national economic survey documents



PROGRAM: UG

COURSE: BA V SEMESTER

PAPER: Specialisation

TITLE: INDIAN ECONOMY

CREDITS: 06

INTERNAL MARKS: 20

THEORY MARKS: 80

Course Outcomes

After successfully completing this course, students will be able to:

1. Understand the basic structure, features, and challenges of the Indian economy.
2. Analyse population, poverty, and unemployment trends and their policy implications.
3. Evaluate the role and performance of agriculture, industry, and service sectors.
4. Examine government strategies on infrastructure, human development, and environment.
5. Interpret current issues in Indian economic development using official data sources.

Module I: Structure and Features of Indian Economy

Meaning and nature of the Indian economy (developing, mixed economy)- Basic features of Indian economy: demographic pressure, dependence on agriculture, inequality, low per capita income - National Income: Concepts and recent trends in GDP, GNP, NNP, PCI - Role of public and private sectors -Sources of official data: Economic Survey, RBI, CSO, NSSO

Module II: Population, Poverty, and Unemployment

Population growth: trends, causes, and implications on economic development - Demographic Dividend and Youth employment challenges -Poverty: Concept, types (absolute and relative), measurement (Head Count Ratio, MPI) - Unemployment: Types and extent, rural vs. urban, educated unemployment - Government policies on poverty alleviation and employment (MGNREGA, PMEGP)

Module III: Agriculture and Rural Development

Role and significance of agriculture in Indian economy - Land reforms and agricultural productivity - Agricultural credit and marketing - APMC and e-NAM - Challenges: MSP, irrigation, price volatility - Rural development programmes: NRLM, RURBAN, SHG-based development

Module IV: Industry, Services and Infrastructure

Role and growth of industrial sector - MSMEs and Make in India - Public Sector Enterprises and Disinvestment - Role and growth of the service sector - IT, banking, tourism - Infrastructure development: transport, power, communication - Public-Private Partnership (PPP) in infrastructure

Module V: Sustainable Development and Policy Framework

Sustainable Development: Concept and SDGs - India's performance - Human Development Index - India's position and state-wise comparison - Environmental issues: climate change, pollution, and mitigation efforts - Government policies on inclusive growth and sustainability - Role of fiscal policy and planning institutions - NITI Aayog and Five-Year Plans overview

References

1. **Datt, R. & Sundaram, K.P.M.** – *Indian Economy*, S. Chand & Co.
2. **Mishra, S.K. & Puri, V.K.** – *Indian Economy: Its Development Experience*, Himalaya Publishing
3. **Economic Survey of India** – Ministry of Finance (latest edition)
4. **Government of India.** – *NITI Aayog Reports and Five-Year Plans Archives*
5. **Uma Kapila** – *Indian Economy: Performance and Policies*, Academic Foundation
6. **RBI Annual Reports and Handbook of Statistics on Indian Economy** – Reserve Bank of India

P. M. L.

Adikavi Sri Maharshi Valmiki University Raichur

Department of Economics

Vth SEMESTER

Introduction to Indian Economy (Elective Paper) SEP

Course outcome

Students will be able to understand the Historical Background of the Indian Economy

Examine Demographic Features and Human Resource Development.

Students can assess the Role of planning and Economic Reforms.

Analyze Key Economic Problems and Indicators.

Understand Sectoral Developments in the Indian Economy.

3Hrs/Week(48 Hrs/Semester)

Unit -1	Introduction to Indian Economy & Population
Chapter -1	Introduction
	Meaning and Features of Indian Economy , National Income-Trends, Composition, per-capita Income, Difficulties in Measurement, Comparing GVA & GDP
Chapter-2	Human Resource of India
	Population-Importance,Size,Composition,Growth,demographic dividend, Causes and consequences of rapid Growth of Population, population control Measures, population policy
Unit-2	Agriculture & Industrial Sector In India
Chapter -3	Agriculture Sector in India
	Role of Agriculture, Agriculture Productivity-causes of low productivity and remedies, Cropping Pattern, Agriculture Finance, Agriculture Marketing, Green Revolution.
Chapter-4	Industrial Sector
	Role of Industrial Sector, Industrial policies-1956,1991,Public and Private Sector, Micro, Small, Medium and Large Scale Industries, Industrial Finance

Recommended Readings:

1. Gopalappa, H.S- Karnataka Economy, Soudamini Publisher
2. Puttaswamaiah, K _ Economic Development of Karnataka, Oxford & IBH
3. Government of Karnataka – Karnataka Economic Survey (Latest Edition)
4. Datti, R.& Sundharam, K>P>M – Indian Economy, S. Chand (Chapters related to State Economy)
5. Reports of Dr. D.M Nanjundappa Committee on Regional Imbalances
6. Karnataka State Budget Documents (Latest), Department of Planning, Programme Monitoring and Statistics