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What this file is. A study reference that shows how a project proposal (synopsis) for **MECP 301 Project Work** in IGNOU's MA Economics (MAEC) programme can be organised. It is not a proposal for submission, and it must not be submitted as your own work.

Why it is built this way. As of October 2026, IGNOU lists MECP 301 Project Work (4 credits) in the Common Prospectus July 2026 but has not published a separate MECP 301 project guide or proforma. This sample therefore follows the proposal guidance printed in the MAEC Programme Guide (School of Social Sciences) for MECP-202: a proposal of 4 to 5 pages with five sections, namely Introduction, Objectives, Data Sources with variables identified and Methodology, Limitations, and Chapter Scheme. Research questions, hypotheses and the expected outcome are added because the MECP-101 Project-Work Guide (SOSS, October 2015) asks for them. If IGNOU issues an MECP 301 guide, follow it wherever it differs.

How to use it. Everything in [square brackets] is for your own facts: state, period, figures and the studies you have actually read. Choose your own topic with your supervisor, check that the data exist before you commit, and write every sentence in your own words.

What only you can do. Fill and sign the Proforma for Approval of Project Proposal from the project guide in force for your course code together with your supervisor, attach your supervisor's signed bio-data (CV), and confirm the submission address in that guide or with your Regional Centre.

Getting your own draft checked. ignouproject.com checks a learner-written proposal against the IGNOU guidance and returns corrections: ignouproject.com/ignou-project-synopsis-correction/. You remain the author; IGNOU's Faculty of Economics decides approval.

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Prepared by BK Sahni, ignouproject.com, 3 October 2026. ignouproject.com is an independent service, not affiliated with or endorsed by IGNOU.

PROJECT PROPOSAL

Growth and Instability of Agricultural Credit in [State], 2011-12 to [Latest Year]: A Secondary-Data Study

Field	Entry
Programme	Master of Arts (Economics), MAEC
Course code	MECP 301 Project Work (4 credits)
Semester 4 group	Group B, Specialisation in Insurance and Finance [or your group]
Enrolment number	[]
Study Centre code / Regional Centre	[] / []
Name of the learner	[]
Name and designation of the supervisor	[]
Enclosures	Signed and dated proforma; supervisor's signed bio-data (CV)

Proposal length target: 4 to 5 pages of text (MAEC Programme Guide).

1. Introduction

1.1 Background

Credit allows farm households to buy inputs before the harvest and to carry consumption between seasons. In India, a large share of formal agricultural credit is supplied by scheduled commercial banks under the priority sector framework of the Reserve Bank of India (RBI). Mohan (2006) reviews the status of agricultural credit in India and the issues in its delivery. How fast this credit has grown in a particular state, and how steady that growth has been from one year to the next, matters for farm planning and for credit policy. [Two sentences in your own words on why agriculture and bank credit matter in your state, with a source.]

1.2 Review of relevant studies

Growth in an economic time series is commonly estimated by fitting a semi-log trend (Gujarati and Porter, 2009), and year-to-year instability around that trend is commonly measured with the index proposed by Cuddy and Della Valle (1978). [In four to six sentences, summarise in author (year) format the recent studies you have actually read on agricultural credit in India or in your state, and note what they did not cover.]

1.3 Statement of the problem

[Two or three sentences stating the gap. Frame: Studies on bank credit to agriculture in [State] for the years after [year] are [few / limited to ...]. This study examines the growth and instability of that credit from 2011-12 to [latest year], and whether it kept pace with agricultural output.]

1.4 Research questions

RQ1. How fast did outstanding agricultural credit of scheduled commercial banks in [State] grow between 2011-12 and [latest year]?

RQ2. How stable was that growth from year to year?

RQ3. Did credit relative to agricultural output differ between the first and the second half of the period?

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2. Objectives and Hypotheses

The MAEC Programme Guide asks that each objective begin with a functional verb such as compute, estimate, test or infer. The MECP-101 guide advises not more than two to three objectives.

O1. To **compute** the compound annual growth rate of outstanding agricultural credit of scheduled commercial banks in [State] for 2011-12 to [latest year] and for two sub-periods.

O2. To **estimate** the year-to-year instability of this credit using the Cuddy-Della Valle index.

O3. To **test** whether the ratio of agricultural credit to agricultural Gross State Value Added (GSVA) differed between the two sub-periods.

Hypotheses (not more than two, as the MECP-101 guide advises):

H01: The trend coefficient of log agricultural credit is zero, that is, there is no significant growth.

H02: The mean ratio of agricultural credit to agricultural GSVA is the same in the two sub-periods.

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3. Data Sources, Variables and Methodology

3.1 Nature and periodicity of data

Secondary data, annual, [n] years from 2011-12 to [latest year].

Sub-period I: [2011-12 to 20xx-xx]; sub-period II: [20xx-xx to latest

year]. [State why you split the period where you did.]

3.2 Variables and sources

Variable	Unit	Source (verify the exact table you use)
Outstanding credit of scheduled commercial banks to agriculture, [State]	Rs crore, end-March	RBI, Basic Statistical Returns of Scheduled Commercial Banks in India (annual), credit by occupation and state
GSVA from agriculture, forestry and fishing, [State]	Rs crore, [current / constant] prices	RBI, Handbook of Statistics on Indian States, or the [State] Directorate of Economics and Statistics
Ratio of credit to agricultural GSVA	Per cent	Computed from the two series above

Use the same price basis for both series, or state clearly why you do not.

3.3 Methods by objective

For O1. Fit $\ln Y_t = a + b t + u_t$ by ordinary least squares, where Y_t is credit in year t and $t = 1, 2, \dots, n$. Compound annual growth rate (per cent) $= (e^b - 1) \times 100$. Fit the same equation for each sub-period. Test of $H_0: t = b / SE(b)$ with $n - 2$ degrees of freedom at the 5 per cent level of significance.

For O2. Cuddy-Della Valle index $= CV \times \text{square root of } (1 - \text{adjusted } R^2)$, where CV is the coefficient of variation of Y_t in per cent and adjusted R^2 comes from the trend equation of O1 (Cuddy and Della Valle, 1978). Compute it for the full period and each sub-period.

For O3. $R_t = (\text{credit} / \text{agricultural GSVA}) \times 100$. Test of H_0 : two-sample t -test on the mean of R_t in the two sub-periods, in Welch's form if the variances differ.

Software: [Excel / gretl / R / Stata]. These techniques are taught in MEC-109 Research Methods in Economics and in the econometrics course of the programme.

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4. Limitations

- (i) State-level data do not show how credit is shared among small, marginal and large farmers.
- (ii) Outstanding credit is a stock at the end of March and includes renewals; it is not the same as fresh loans disbursed during the year.
- (iii) A change in the GSVA base year can break the series; [state the base year used and how you handled any change].
- (iv) A trend and instability study describes patterns; on its own it does not establish what caused them.

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5. Chapter Scheme

- Chapter 1: Introduction (background, review of studies, problem, objectives, hypotheses, data and methodology, limitations)
- Chapter 2: Agricultural credit in India and [State]: the policy setting
- Chapter 3: Growth and instability of agricultural credit in [State] (O1 and O2)
- Chapter 4: Credit relative to agricultural output (O3)
- Chapter 5: Objective-wise findings and suggestions
- References and annexures (data tables)

The MECP-101 guide suggests dividing the report into about 4 to 5 chapters.

6. Expected Outcome

The study is expected to give the growth rate and the instability of bank credit to agriculture in [State] for the full period and for two sub-periods, and to show whether credit relative to agricultural output changed. [Do not write results here. Findings can come only from your

own analysis of the data.]

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References

Cuddy, J. D. A., & Della Valle, P. A. (1978). Measuring the instability of time series data. *Oxford Bulletin of Economics and Statistics*, 40(1), 79-85.

Gujarati, D. N., & Porter, D. C. (2009). *Basic econometrics* (5th ed.). New York: McGraw-Hill.

Indira Gandhi National Open University. (n.d.). *MEC-109 Research methods in economics*. New Delhi: IGNOU.

Indira Gandhi National Open University, School of Social Sciences. (n.d.). *M.A. Economics (MAEC) programme guide*. New Delhi: IGNOU.

Mohan, R. (2006). Agricultural credit in India: Status, issues and future agenda. *Economic and Political Weekly*, 41(11), 1013-1023.

Reserve Bank of India. (annual). *Basic statistical returns of scheduled commercial banks in India*. Mumbai: RBI.

Reserve Bank of India. (annual). *Handbook of statistics on Indian states*. Mumbai: RBI.

[Add every study you actually read and cite. List only sources you used.]

Before You Send Your Own Proposal

Check	Basis
Proposal is 4 to 5 pages with the five sections in order	MAEC Programme Guide
Every objective begins with a functional verb; not more than 2 to 3 objectives	Programme Guide; MECP-101 guide
Data periodicity, formulae and test statistic are written out	Programme Guide
For a survey: area, survey unit, sample size and random method stated; sample within about 100 units	Programme Guide; MECP-101 guide
Studies cited in author (year) form	Programme Guide
Proforma signed and dated by you and your supervisor; supervisor's signed bio-data enclosed	MECP-101 guide Annexure A; Programme Guide FAQ
Title will not change after you send the proposal	MECP-101 guide
Proposal sent to the Faculty of Economics, SOSS, IGNOU, not to the Study Centre	Programme Guide (MECP 201/202 rule; confirm for MECP 301)
A copy kept with you; sent by registered post	MECP-101 guide

Under the MECP-202 rules the address is: Course Coordinator, MECP-202 Course, Block F, School of Social Sciences, IGNOU, Maidan Garhi, New Delhi 110068. IGNOU has not published an MECP 301 guide as of October 2026, so confirm the address for MECP 301 with your Regional Centre before posting.

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