

BHAGWAN MAHAVIR UNIVERSITY, SURAT
SY B.Com. (Bachelor of Commerce)
1060204305 MACRO ECONOMICS - I

Second Year B.Com

Semester - III

Subject Name	Macro Economics - I
Subject Code	1060204305
Objectives	<ul style="list-style-type: none"> ▪ To enable the students to understand macroeconomic concepts relevant for business decisions. ▪ To help the students for learning the fundamentals of economics and they can apply these concepts to their lives and to the world in which they live. ▪ It enhances the capability of students to understand the prevailing economic condition and business policy
Subject Outcome	<ul style="list-style-type: none"> ▪ Students will be able to identify the determinants of various macroeconomic aggregates like Inflation, Money Supply and Credit control policy.
Course Duration	The course duration is of 45 sessions of 60 minutes each.
Teaching Methods	<p>The course will use the following pedagogical tools:</p> <p>(a) Lectures and Discussions</p> <p>(b) Role Plays / Case Discussions / Projects/ Assignments/ Quizzes/ Class participation & Market surveys.</p>
Evaluation	Continuous Evaluation
	<p>Internal Assessment-(30 Marks) Internal Exam/Assignments/Class participation/Attendance, etc.</p> <p>External Assessment- (70 Marks)</p>

Course Contents

Unit 1	MONEY	30%
	1.1 Introduction – Origin and evaluation of Money 1.2 Definition of Money & Function of Money 1.3 Concept of Near Money 1.4 Economics Significance of Money 1.5 Evils of Money and Need for its control 1.6 The Demand for Money & The supply of money and its components Factors affecting money supply.	

UNIT 2	INFLATION AND DEFLATION	25%
	2.1 Introduction – Meaning, Causes and Measurement of Inflation (WPI and CPI) 2.2 Types – Demand pull and Cost Push inflation 2.3 Concept of Stagflation 2.4 Inflationary Gap and Effects of Inflation 2.5 Anti-Inflationary measures 2.6 Indexation policy 2.7 Philips Curve & Natural rate of unemployment 2.8 Deflation and its meaning.	
Unit 3	CENTRAL BANK AND CREDIT CONTROL	25%
	3.1 Introduction, Meaning and need for credit control 3.2 Objective of credit control 3.3 Different methods of credit control 3.4 Function of central bank 3.5 Limitation of RBI, Bank rate, Repo rate and Reverse repo rate.	
Unit 4	INTERNATIONAL FINANCIAL INSTITUTION	20%
	4.1 Introduction: International Monetary Fund (IMF) 4.2 World Bank (International bank for reconstruction and development) 4.3 Asian Development Bank (ADB)	

Text Book:

1. Macro Economics – R.C Joshi. – Popular

Reference Books:

1. H. L. Ahuja – Modern Economics, S. Chand & Co, New Delhi.
2. K.K Dewett, Modern Economics Theory, S. Chand & Co, New Delhi.
3. S.B Gupta: Monetary Economics: Institution, Theory and Policy