

**SES's L.S. RAHEJA COLLEGE OF ARTS AND COMMERCE
(AUTONOMOUS)**



BOARD OF STUDIES: Economics

PROGRAMME: Bachelor of Commerce (Financial Markets)

SEMESTER: IV

NOMENCLATURE OF THE COURSE: Macroeconomics

NEP Vertical: Minor

Credit: 04

(As Per Choice Based Credit System (under NEP 2020) with effect from the academic year 2025-2026)



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| Programme: | B.COM (FINANCIAL MARKET) |
| Nomenclature of the Course | MACROECONOMICS |
| Total Marks | 100 |
| Semester: | IV |
| Academic year | 2025-26 |

LEARNING OBJECTIVES:

- 1) To develop an understanding of basic concepts of Macroeconomics.
- 2) To understand and evaluate economic policies and inflation.

COURSE OUTCOMES:

- 1) At the end of this course, the learner will be able to understand concepts related to macroeconomics and national income.
- 2) At the end of this course, the learner will be able to understand and evaluate the economic policies i.e. Monetary and Fiscal policy and Inflation.

| Unit | Course Content | Andragogy | No of Lectures |
|-------------|---|---|-----------------------|
| I | <p>Introduction to Macroeconomics & National Income: Meaning and scope of Macro Economics - Concepts of National Income aggregates: GNP, NNP, GDP, NDP, Per Capita Income, Personal Income and Disposable Income, Green GDP - Methods and difficulties in Measurement of National Income, Nominal and real income, (Numerical sums on National Income), Circular flow of Income: closed (Two and Three sector Models) open economy models – Trade cycles: Features, phases & measures</p> | Classroom Learning, Problem-Solving, Case Studies, Discussion | 15 lectures |
| II | <p>Basic Concepts of Keynesian Economics: Say's law of market-The Principle of Effective Demand. Consumption Function: Properties, Assumptions, and Implications, Savings Function. Investment function and Marginal Efficiency of capital Investment Multiplier effect on Income and Output: Assumptions, Working, Leakages, Criticism, and Importance</p> | Classroom Learning, Case Studies, Group discussion | 15 lectures |
| III | <p>Money & Inflation: Meaning, Functions of money, Reserve Money/Base money, Determinants of Money Supply; Velocity of Circulation of Money; RBI's Approach to Measurement of Money Supply, Constituents and Determinants of Money Supply & Demand for Money. Inflation: Meaning, Causes, Effects of inflation, and Measures to correct inflation. (Case Studies wherever is applicable)</p> | ICT Based Andragogy / Lecture/ Videos followed by discussion/Group work/Case studies/individual and group Assignments etc. | 15 lectures |
| IV | <p>Economic Policy & IS-LM Framework: Monetary Policy: Objectives, Instruments,</p> | ICT Based Andragogy / Lecture/ Videos followed by | 15 Lectures |

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| | <p>Limitations, Analysing the latest monetary policy announced by RBI; Fiscal Policy - Objectives, Instruments, Limitations; Role of Monetary and Fiscal Policy in Developing Economies (Case studies). The IS curve: Derivation, factors causing shifts and changes in slope of IS curve LM: Derivation, factors causing shifts and changes in slope of LM curve Simultaneous equilibrium of IS-LM, Effectiveness of Fiscal and Monetary policy under IS-LM framework, Crowding out effect, Liquidity Trap (Case studies and numerical sums wherever applicable)</p> | <p>discussion/Group work/Case studies/individual and group Assignments etc.</p> | |
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Suggested Readings:

1. Ahuja H.L, (2024): “Macroeconomics: Theory and Policy”, S. Chand Company Ltd. New Delhi
2. McConnell & Brue: “Macroeconomic”, Latest Edition, McGraw-Hill Education Private Ltd. New Delhi
3. Dornbusch & Fischer: ‘Macroeconomics’ McGraw Hill Education, New Delhi.
4. R. Glenn Hubbard & O’Brien: ‘Macroeconomics’, Pearson Education, New Delhi.
5. N. Gregory Mankiw, (2020), Principle of Macroeconomics, Latest edition, Cengage Learning.
6. Abel A. B. B. S. Beranake and D. Croushore, Macroeconomics, Pearson, New Delhi.
7. Dwivedi D.N., (2007), Macroeconomics theory and Policy, TATA Mcgraw - Hill Publication company Ltd. Delhi.

QUESTION PAPER PATTERN

A. FOR CONTINUOUS EVALUATION:

A-1 Rubrics for continuous evaluation (40 Marks)

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| Class Test | 25 marks |
| Assignment/Viva Voce | 10 marks |
| Class participation | 05 marks |

B. QUESTION PAPER PATTERN FOR SEMESTER END EXAMINATION (60 MARKS)

- Q1. Any 1 Question out of 2 on Module 1: (10 marks)
- Q2. Any 1 Question out of 2 on Module 2: (10 marks)
- Q3. Any 1 Question out of 2 on Module 3: (10 marks)
- Q4. Any 1 Question out of 2 on Module 4: (10 marks)
- Q5. Any 2 questions out of 4 on all Modules: (20 marks)