

**Uka Tarsadia University**  
**Department of Commerce and Management**



## **B.Com (Computer Application)**

**GE 2 Macro Economics  
(030100224)**

**Semester - II**

**Effective from January-2016**

**Syllabus Version: 1.01**

**Semester-II****(030100224) GE 2 Macro Economics****Credits: 6 [Theory + Tutorial]****Contact Hours per Week: [5+1]****Course Objective:**

To familiarize the students with various concepts of Macro Economics and Monetary Policy.

**Learning Outcomes:**

Students will be able to relate different concepts of Macro Economics and Monetary Policy with day to day economic issues pertaining to National and Global scenario.

**Pedagogic Tools:**

Lectures, Chalk and Talk method, IT enabled audio-visual techniques, Cases, Field Assignment, Skill Development Exercises.

<b>No.</b>	<b>Unit</b>	<b>Minimum No. of Contact Hours [Theory]</b>	<b>Minimum No. of Contact Hours [Tutorial]</b>	<b>Approx. Weight age %</b>
1	National Income	11	2	20
2	Nature and Functions of Money and Monetary Standards	11	2	15
3	Trade Cycles and Inflation and definition	11	3	15
4	Commercial Banks	11	2	20
5	Central Banking	10	2	15
6	Monetary Policy, International Monetary fund	11	2	15
	<b>Total</b>	<b>65</b>	<b>13</b>	<b>100</b>

<b>B.Com (Computer Application)</b>	<b>Subject</b>	<b>Hours</b>
<b>Semester - II</b>	<b>(030100224) GE 2 Macro Economics</b>	<b>5hrs/week[Theory] 1hr/week [Tutorial]</b>
	<b>(Theory + Tutorial)</b>	<b>6 Credits</b>

	<b>SECTION - I</b>	<b>No. of Hours Required</b>
<b>Unit-1 [Weight age 20%]</b>	<b>National Income</b> Meaning and Concepts, Introduction, Definition of National Income Factors determining National Income. Concepts of National Income, Gross National Product (G.N.P), Net National Product (N.N.P), National Income or National Income at Factor Cost (N.I), Personal Income (P.I), Disposable Income (D.I), Measurement of National Income: Product or Output Method, Income Method, Expenditure Method, Identity of Methods, Difficulties of Measurement Special Difficulties of Measurement in Under-developed Countries, Significance of National Income Statistics, Trends in India's N.I. Growth and Structure.	<b>11</b>
<b>Unit-2 [Weight age 15%]</b>	<b>Nature and Functions of Money and Monetary Standards</b> Nature and Functions of Money: Meaning & Definition, Dangers of Money, Money in a Socialist state, Functions of Money, Essentials of Good Monetary Demand for Money, Supply of Money. Monetary Standards: Meaning and Types Gold Standard, (Currency, Bullion, Exchange, Parity Std) Advantages of Gold Standard, Disadvantages of Gold Standard, Paper Currency Standard, Advantages of Paper Money, Disadvantages of Paper Money, Essentials of a Sound Currency System.	<b>11</b>
<b>Unit-3 [Weight age 15%]</b>	<b>Trade Cycles and Inflation and definition</b> Trade Cycle: Meaning and Definition of Trade Cycle, Characteristics of a Trade Cycle, Phases of a Trade Cycle. Inflation: Definition, Meaning, Types and Features of Inflation, Causes of Inflation, Control of Inflation.	<b>11</b>

	<b>SECTION - II</b>	
<b>Unit-4</b> [Weight age 20%]	<b>Commercial Banks</b> What is a bank?, Functions of Commercial Banks, Creation of Credit, How Banks Create Credit, Process of Credit Creation, Significance of Credit Creation, Utility of Banks, Role of Banks in Economic Development, Commercial Banking in India, Nationalization of Commercial Banks, Progress of Commercial Banks after Nationalization, Shortcomings of Commercial Banks in India.	<b>11</b>
<b>Unit-5</b> [Weight age 15%]	<b>Central Banking</b> Importance of Central Bank, Central Banking Principles, Functions of Central Banks, Control of Credit: Objectives of credit Control, Difficulties of Credit Control; Central Bank Vs Commercial Bank, Central Bank in an Era of Globalisation, Role of RBI, Functions of RBI. Security Printing & Minting Corporation of India Ltd- Introductions.	<b>10</b>
<b>Unit-6</b> [Weight age 15%]	<b>Monetary Policy, International Monetary fund</b> Objectives, Dear Money Vs Cheap Money, Neutral Money Policy, Role of Central Bank in Economic Development, Monetary Policy for a Developing Economy, Limitations of Monetary Policy, Role of Monetary Policy in Indian Economic Development, Monetary Policy in Post Liberalization Era, International Monetary Fund: Establishment, Purpose and Objectives, Organisation of the Fund, Functions of the Fund. World Bank: Introduction, Objectives, and Functions.	<b>11</b>

**Text Book:**

1. K.K. Dewett: Modern Economic theory, S. Chand & Company Ltd, New Delhi. 1<sup>st</sup> Multicolor Edition.  
(Pages No. 339-448, 563-571, 572-584, 545-560, 601-608, 619-628, 629-641, 642-649, 712-726)

**References Book:**

1. M.L. Seth: Macro Economics, Lakshmi Narain Agarwal Educational Publishers, Agra.  
(Pages No. 14-15, 47-48, 474-477)
2. Dr. H.L.AHUJA: Managerial Economics, S.chand & Company Ltd., New Delhi
3. Handouts prepared by faculty.
4. CPT 254-8, 321-326, 394, 396-397, 402-403.
5. <http://igmmumbai.spmcil.com/Interface/Home.aspx>