III.   <u>CORE COURSE</u>   [CCECO203]:   (Credits: Theory-04, Tutorial-01)

Marks: 30 (MSE: 20Th. 1Hr + 5Attd. + 5Assign.) + 70 (ESE: 3Hrs)=100   Pass Marks (MSE:17 + ESE:28)=45

Instruction to Question Setter:

Mid Semester Examination (MSE):
*There will be **two** groups of questions in written examinations of 20 marks. **Group A is compulsory** and will contain five questions of **very short answer type** consisting of 1 mark each. **Group B will contain descriptive type five** questions of five marks each, out of which any three are to be answered.*

End Semester Examination (ESE):
*There will be **two** groups of questions. **Group A is compulsory** and will contain two questions. **Question No.1 will be very short answer type** consisting of five questions of 1 mark each. **Question No.2 will be short answer type** of 5 marks. **Group B will contain descriptive type six** questions of fifteen marks each, out of which any four are to be answered.*

Note: There may be subdivisions in each question asked in Theory Examinations
*The Mid Semester Examination shall have three components. (a) Two Semester Internal Assessment Test (SIA) of 20 Marks each, (b) Class Attendance Score (CAS) of 5 marks and (c) Class Performance Score (CPS) of 5 marks. **"Best of Two"** shall be applicable for computation of marks for SIA.*

(Attendance Upto75%, 1mark; 75<Attd.<80, 2 marks; 80<Attd.<85, 3 marks; 85<Attd.<90, 4 marks; 90<Attd, 5 marks).

MACROECONOMICS THEORY, INDIAN FINANCIAL INSTITUTIONS
Theory: 60 Lectures; Tutorial:15 Hrs

Module I: Neo classical and Keynesian Synthesis
Neo-classical and Keynesian views on interest; The IS-LM model; Extension of IS-LM model with government sector; Relative effectiveness of monetary and fiscal policies; Extension of IS-LM models with labour market and flexible prices.

Module II: Theories of Inflation
Various concepts of Inflation: Core, Headline, Threshold, Its causes and effects, Quantity theory view, Keynes' view. Phillips curve analysis, long run Phillips curve, Monetarist and Structuralist views of inflation. Inflation and Growth.

Module III: Trade Cycle Theories
Accelerator-multiplier interaction models, Theories of Schumpeter, Kaldor, Samuelson and Hicks, Investment and Savings; Control of business cycles — relative efficacy of monetary and fiscal policies.

Module IV: Monetary and Fiscal Policies :
Objectives, conflicts among objectives, Mundell-Fleming model, Recent Developments : Monetarism. New-classical macroeconomics: Rational expectation revolution and Real business cycle theory. New-Keynesian macroeconomics.

Module V: Indian Financial Markets
Indian Money Market , characteristics , major stakeholders and instruments , Call Money Market, Treasury bill Market, commercial bill market, Certificate of Deposits, Commercial Papers, Discount Market Indian Capital Market – Structure and types Indian Capital markets ,major stakeholders and instruments, Non-Banking Financial Companies ,Regulatory bodies SEBI and IRDA, their functions.