

MBA (Financial Services)

Programme	: MBA (Financial Services)
Course Code	: FSC112
Course Title	: Macroeconomics and Corporate Laws
Number of Credits	: 4
Effective from AY	: 2020-21

Need of the Course	: The need of the course is to provide a good understanding of the application and significance of macroeconomics for the financial sector to take key management decisions within the organization. This course is meant to give students insight into the dynamics of our national economy. The knowledge gained in the course will make students better-informed citizens and allow them to follow debates over national economic policy reported in news media.	
Description of the Course	: The course will give students a good understanding of the linkage between financial markets and the real economy and discuss how the government uses fiscal and monetary tools to meet important public policy objectives. The course outlines the topics: Introduction to Macroeconomics, Inflation and Interest rates, National income accounting, Government and Fiscal Policy, Money and Monetary Policy, and Open Economy Macroeconomics.	
Objectives of the Course	: The following are the main objectives of the course - 1. To understand the essentials of macroeconomics and financial markets. 2. To elaborate on various macroeconomics concepts and learn macroeconomics behaviour. 3. To evaluate how markets determine national income, inflation and interest rates. 4. To enhance quality research relating to macroeconomics and financial markets.	
Course Content		
Unit 1	: Introduction to Macroeconomics	14 Hours
Introduction - Microeconomics and Macroeconomics – Significance of Macroeconomics for the financial sector - The concept of ‘equilibrium’ in economics - Inflation and Interest Rates – Measurement of Inflation - inflation - Impact of inflation on macroeconomic variables - Controlling inflation - Interest Rates - Factors affecting the level of Interest Rate - Impact of Interest Rates - Concept of Real Interest Rate - National Income Accounting- Unemployment-Saving and Investment in India - The changing composition of India’s economic environment and latest trends – Case studies using relevant research articles.		
Unit 2	: Government and Fiscal Policy	12 Hours
Role of the Government in an Economy - Government Expenditure and Revenue: Understanding the Government accounts - Bringing together the Revenue and the Expenditure side - The Deficit Indicators - Financing of the deficit by the Government - Fiscal Deficit and sustainability of Internal Debt - Fiscal policies and their impact on the financial markets - Relevance of annual budget on Indian economy - Case studies using relevant research articles.		

Unit 3	: Money and Monetary Policy	12 Hours
Role of Money - Components of Money in India - Demand for Money - Supply of Money - Different roles of RBI in India - Role of Commercial Banks in Money Supply - Other Instruments of Money Supply - Market Stabilization Scheme - Use of Monetary policy - Case studies using relevant research articles.		
Unit 4	: Corporate and Economic Laws	10 Hours
Company law – Appointment and qualification of directors, meetings of board and its powers, Inspection and investigation, arrangements and amalgamation, Mismanagement and winding up Securities Laws – Securities Contract Regulation Act 1956, SEBI Act 1992 - Foreign Exchange Management Act 1999		
Pedagogy	: Lectures/ classroom discussion/ presentation/case study/ group project/ assignment or a combination of some of these. The sessions shall be interactive to enable peer group learning.	
Reference/Readings	<ol style="list-style-type: none"> 1. MuraliIyengar, Money Matters: Macro Economics and Financial Market, Sage Publication India. 2. Rangarajan and Dholakia, Macroeconomics, TMH. 3. D N Dwivedi, Macroeconomics- Theory and Policy, McGraw-Hill HED. 4. H. L. Ahuja, Principles of Microeconomics, S. Chan. 5. NCFM Macro-Economics for Financial Markets Module. 6. Corporate and Economic Laws, Taxmann Publications. <p>Reference Websites:</p> <ol style="list-style-type: none"> 1. https://www.india.gov.in/ 2. https://www.rbi.org.in/ 3. https://www.indiabudget.gov.in/ 	
Course Outcome	:Upon completion of this course, the students will able to: CO1: Explore the significance of macroeconomics in financial markets. CO2: Discuss the implications of various macroeconomic variables. CO3: Understand the provisions of corporate and economic laws. CO4: Perform empirical research relating to macroeconomics and financial markets.	