

**Course-CC-102**

**(Core Compulsory)**

### **Money & Banking**

#### **Objective:**

The main objective of this paper is to introduce the students to basic understanding of macro economics and public finance.

#### **Unit – 1: Basic Concepts :**

Money - meanings, functions and classification. Gresham's law, Role of money in capitalist, socialist and mixed economies; Monetary standards - Metallic and paper system of note issue.

#### **Unit-2: Inflation-1 :**

Concept of Inflation, deflation and reflation , types and causes of inflation; effects of inflation of the different sectors of the economy.

#### **Unit-3: Inflation-2**

Demand-pull and cost-push inflation, Measures to control inflation, Trade off between inflation and unemployment( Philip's Curve).

#### **Unit-4: Commercial Banking :**

Meaning and types of bank, Functions of commercial banks, The process of credit creation - Purpose and limitations, Liabilities and assets of banks.

#### **Basic Reading:**

1. Dewett K.K: Modern Economic Theory, S.Chand, & Co. Ltd. New Delhi.
2. Mithani D.M.,: Money, Banking, International Trade and Public Finance, Himalaya Publication House, New Delhi.
3. Shrivastava P.K.,:Banking Theory and Practice, Himalaya Publication House, New Delhi.
4. Ahuja H.L: Macro Economic Theory & Policy, S.Chand, & Co. Ltd. New Delhi.