

Course-CE (I)-104 (Subject Elective)

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.