

**KLE's Lingaraj College, Belagavi
(Autonomous)**

Department of Economics

B.A.: III-Semester

Monetary Economics

(w.e.f. 2017-18 and onwards)

SYLLABUS

Teaching hours per week - 5

Maximum Marks: 100 Marks
Semester End Examination: 70 Marks
Internal Assessment: 30 Marks

Course Outcome: (52 Hours)

At the end of this course students will be able to:

1. To enhance understanding of Money, Value of Money and Supply of Money in Indian context.
2. It will make them aware about Indian Money Market, Commercial Banking and working of Reserve Bank of India.
3. Students will be familiar with the concepts like inflation, deflation, stagflation and measures to control inflation.
4. They will be able to analysis the Balance Sheet of a Bank, Liabilities and assets of Banks.

Unit	Content	No. of Hours
Unit I	Money – Functions of Money, Supply of Money - Estimates of Supply of Money in India viz; M1, M2, M3, and M4, Money and Near Money, Digital Money- meaning and its instruments, Demonetization- Concept and Consequences.	10Hrs
Unit II	Value of Money - Meaning and Measurement, Consumer Price Index Numbers – Simple and Weighted, Analysis with the help of examples; Quantity Theory of Money - Cash Transactions and Cash Balances Approach, Demand for Money –Keynesian approach.	12Hrs
Unit III	Inflation and Deflation -Meaning and Causes, Demand pull and Cost Push Inflation, Effects of Inflation, Control Inflation, Inflationary Gap; Deflation – Meaning and Causes, Inflation vs. Deflation, Stagflation – Meaning.	10Hrs
Unit IV	Money Market - Meaning, Structure and defects of Indian Money Market; Banking – Meaning and Functions of Commercial Banks, Credit Creation - Liquidity vs. Profitability, Analysis of the Balance Sheet of a Bank.	10Hrs
Unit V	Reserve Bank of India the Central Bank of India - Traditional Functions and Promotional Role; Methods of Credit Control – Quantitative and Qualitative Methods; Reforms in Indian Banking System.	10 Hrs
	Tests, Seminars, Group Discussion, Case Analysis, Field Visits, Projects etc.	

Suggested Readings:

- M.L.Seth : Money Banking and International Trade –LaksmiAgarwal
Educational Publications, Agra
- K.P.M. Sundaram : Money Banking and International Trade – S.Chand& Co
NewDelhi
- A.B.N.Kulkarni
- A.B.Kalkundrikar : Monetary Economics – R.Chand& Co.
- Paul R.R. : Monetary Economics –Kalyani Publishers
- Sethi T.T. : Monetary Economics - S.Chand& Co.
- Jingan M.L. : Money Banking and International Trade - Publications Ltd. New
Delhi
- Geoffrey Crowther : An Outline of Money
- Robertson D. : Money
- De Kock M.H. : Central Banking
- Chandler L.V. : The Economics of Money and Banking
Reserve Bank of India Bulletin (Various Issues) – Mumbai