

COURSE: BA IV SEMESTER

PAPER: CORE

TITLE: MONEY, BANKING AND PUBLIC FINANCE

CREDITS: 06

INTERNAL MARKS: 20

THEORY MARKS: 80

Course Outcomes:

After successfully completing this course, students will be able to:

1. Understand the nature, role, and functioning of money and banking institutions.
2. Analyze the theoretical foundations of money demand and supply.
3. Evaluate the role and impact of monetary policy in economic development.
4. Interpret the structure and functioning of the financial system.
5. Examine public finance mechanisms and fiscal policies used by governments.
6. Apply fiscal and monetary tools to understand real-world economic scenarios, especially in the Indian context.

Module I: Money – Concept and Theories

Definition and Functions of Money, Types of Money: Commodity, Fiat, Fiduciary, Money Supply – Measures and Determinants (M1, M2, M3, M4), Quantity Theory of Money – Fisher and Cambridge Equations, Keynesian Theory of Money and Liquidity Preference Monetarist Approach (Milton Friedman)

Module II: Banking System and Central Banking

Commercial Banks – Functions, Credit Creation Process, Role of Commercial Banks in Economic Development, Central Bank – Functions and Objectives, Monetary Policy: Tools and Objectives. Reserve Bank of India – Structure and Functions. Digital Banking – Use of ATMs-Debit / Credit Cards, RTGS/NEFT – Payment Platforms – PhonePe- Paytm-Google Pay, CIBIL – need for CIBIL awareness and NPA. Financial Inclusion.

Module III: Financial System and Institutions

Overview of Indian Financial System, Role of Financial Markets – Capital and Money Markets, Development Banks and Non-Banking Financial Institutions (NBFI), Financial Sector Reforms in India, Role of SEBI and NABARD, Financial Inclusion and Microfinance

Module IV: Public Finance – Introduction and Public Expenditure

Meaning, Scope and Importance of Public Finance, Principles of Public Finance – Maximum Social Advantage, Types and Causes of Public Expenditure, Effects of Public Expenditure on Production and Distribution, Trends in Public Expenditure in India, Performance Budgeting and Zero-Based Budgeting

Module V: Public Revenue, Taxation, and Fiscal Policy

Sources of Public Revenue – Tax and Non-Tax, Classification and Principles of Taxation, Direct and Indirect Taxes – Merits and Demerits, Goods and Services Tax (GST) in India Public Debt –

Types, Effects, and Management, Fiscal Policy – Objectives, Instruments, and Role in Development, Deficit Financing and Fiscal Responsibility in India.

References

- "Indian Financial System" – Bharati V. Pathak
- "Money, Banking and International Trade" – M.L. Jhingan
- "Money and Financial Systems" – R.K. Uppal
- "Money, Banking, and Public Finance" – D.M. Mithani
- "Banking Theory and Practice" – K.C. Shekhar and Lekshmy Shekhar
- "Modern Banking: Theory and Practice" – R. K. Uppal
- "Banking and Financial System" – Vasudevan, S.V.
- "Public Finance" – H.L. Bhatia
- "Public Finance" – M.K. Agarwal and K.K. Gupta
- "Public Economics" – R. K. Lekhi & Joginder Singh

P. M. L. M.

Guidelines for Skill Enhancement of the students of UG BA Course for Department of Economics for IV / V / VI Semester.

List of guidelines each will have 4hrs / week (minimum 12 hours)

1. Preparation of questionnaire for conducting survey related to economic problems of the local area.
2. Preparation of Detailed Project Report (DPR) of a new / any existing plant /firm/ units in the locality.
3. Visit to a nationalized commercial bank in the locality to acclimatize the functioning and the services of the banks.
4. Survey of the FMCGs (Fast Moving Consumer Goods) at the local shops or Mall.
5. Visit to the nearest APMC (Agricultural Produce Marketing Committee) yard to have the first hand information of procurement, Warehouses, storage, marketing and Payment to the farmers.
6. Visit to the nearest Gram Panchayaths to understand the importance and relevance of MNREGA .
7. To conduct a survey of Socio-economic conditions of labour with special reference to the migrated labours.
8. To conduct survey of food Processing units or agro product based processing units.
9. To conduct a minor research on Transport and Communication facilities of the local area.
10. Ask the students to prepare a socio-economic-cultural-educational profile of their respective village or locality in the town /city.
11. To arrange a visit to the nearest Fair Price Shop to understand the need for PDS (Public Distribution Sytem)
12. To arrange visit and prepare a report on the nearest Agricultural Research Centres/ Stations/ Univesrity to understand the recent development in farming techniques to increase farm productivity.
13. To visit a nearest farm land to acclimatize and participate in the farming activities, to know the problems of farmers and farm laborers and to have information about the facilities in the cooperative socities.
14. To prepare a annual plan / budget of the household of each student or of the instiyution he / she studies.

P. M. Kumar





