

**BA 2<sup>nd</sup>Year, Sem. IV**  
**Course I**  
**(Theory)**

Program/Class: Degree /BA	Year: Second	Semester: Fourth
Subject: Economics		
<b>Course Code: A080401T</b>	<b>Course Title: Money, Banking and Public Finance</b>	
<b>Course outcomes:</b>		
<ul style="list-style-type: none"> <li>● Understand simple concepts related with monetary economics and banking theory.</li> <li>● Correlate and apply to current events &amp; key models and concepts of monetary economics and banking theory.</li> <li>● Appreciate the potential importance of monetary phenomenon in the economy.</li> <li>● Understand the sources of finance both public and private</li> <li>● Demonstrate the role of government to correct market failures and possible advantage of public financing.</li> <li>● Understand the possible burden, benefits and distribution of various types of taxes among various classes of people, know the general trend and impact on general welfare and arouse them to suggest good and bad tax system.</li> </ul>		
Credits: 6	Core Compulsory	
Max. Marks: 25+75	Min. Passing Marks:40	
Total No. of Lectures-Tutorials-Practical (in hours per week): L- 4/w		
<b>Unit</b>	<b>Topics</b>	<b>No. of Lectures</b>
<b>Part I</b>		
<b>I</b>	Money and Value of Money: Money - Meaning, Functions and Classification; Gresham's Law; Role of Money in Capitalist, Socialist and Mixed Economies; Monetary Standards -Metallic and Paper Systems of Note Issue. Quantity Theory of Money - Cash Transaction and Cash Balance Approaches; The Keynesian Approach.	12
<b>II</b>	Supply of Money: Definitions—Determinants of Money Supply—High Powered Money and Money Multiplier—Indian Currency system.	12
<b>III</b>	Commercial Banking: Meaning and types; Functions of Commercial Banks; The process of Credit Creation - Purpose and Limitations; Liabilities and Assets of banks; Evolution of Commercial Banking in India after Independence; A Critical Appraisal of the Progress Of Commercial Banking after Nationalization; Recent Reforms in Banking Sector in India.	11
<b>IV</b>	Functions of a Central Bank; Quantitative and Qualitative Methods of Credit Control - Bank Rate Policy, Open Market Operations, Variable Reserve Ratio and Selective Methods; Role and Functions of the Reserve Bank of India; Objectives and Limitations of Monetary Policy with Special Reference to India.	11

<b>Part II</b>		
<b>V</b>	Nature and Scope of Public Finance: Meaning and scope of Public Finance; Distinction between Private and Public Finance; Public Goods Vs. Private Goods; The Principle of Maximum Social Advantage; Market Failure; Role of the Government.	11
<b>VI</b>	Public Expenditure: Meaning, Classification and Principle of Public Expenditure; Canons and Effects of Public Expenditure; Trends in Public Expenditure and Causes of Growth of Public Expenditure in India.	11
<b>VII</b>	Taxation: Sources of Public Revenue; Taxation — Meaning, Canons and Classification of Taxes; Division of Tax Burden — The Benefit and Ability-To-Pay Approaches; Impact and Incidence of Taxes; Taxable Capacity; Effects of Taxation; Characteristics of A Good Tax System.	11
<b>VIII</b>	Fiscal policy: Components, Instruments, Objectives. Role of Fiscal Policy in Developed and Developing Countries, Budget Structure of the Government of India, State Budget- Sources of Revenues and Expenditures. Major Tax Reforms in India. Fiscal Federalism in India: Union-State Fiscal Relations, Federal Fiscal Imbalances and the Role of Finance Commission. Finances of Local Bodies.	11
<p><b>Suggested Readings:</b></p> <ul style="list-style-type: none"> <li>❖ Bagchi, Amaresh (2005) : Readings in Public Finance, Oxford University Press.</li> <li>❖ Cullis, John &amp; Jones Philip (2009) : Public Finance and Public Choice, Oxford University Press.</li> <li>❖ Eyler, Robert (2009) : Money and Banking-An International Text ,Routledge.</li> <li>❖ Gupta, Janak Raj (2011): Public Economics in India Theory and Practice, Atlantic.</li> <li>❖ Gupta, S.B (2009) : Monetary Economics-Institutions, Theory &amp; Policy , S.Chand &amp; Company, New Delhi.</li> <li>❖ Head, J.C (1974): Public Goods and Public Welfare, Durham, NC, Duke University Press.</li> <li>❖ Inge Kaul, Pedro Conceicao (2006): The New Public Finance, Oxford University Press.</li> <li>❖ Jhingan ,M.L (2012) : Monetary Economics , Vrinda Publications, New Delhi.</li> <li>❖ Jhingan, M.L (2012) : Maudrik Arthshastra , Vrinda Publications, New Delhi.</li> <li>❖ Johansen, Life (1965) : Public Economics, Chicago: Rand McNally.</li> <li>❖ Khanna, Perminder (2005): Advanced Study in Money and Banking: Theory and Policy Relevance in The Indian Economy , Atlantic.</li> <li>❖ Lal, S.N (2012): Mudra, Banking, Avam Videshi Vinimay , Shiva Publishing House, Allahabad.</li> <li>❖ Margolis, J &amp; Guitton, H : Public Economics (1974), Mcmillan.</li> <li>❖ Musgrave, R.A (1959) , The Theory Of Public Finance, McGraw Hill.</li> <li>❖ Musgrave, R.A &amp; P.B. Musgrave (1989) : Public Theory: Theory &amp; Practice, McGraw Hill.</li> <li>❖ Nadar, E. Narayanan (2013) : Money and Banking , PHI Learning Press.</li> <li>❖ Paul, R.R (2011): Money, Banking &amp; Exchange , Kalyani Publishers, Delhi.</li> <li>❖ Seth. M.L (2012) : Maudrik Arthshastra , Laxmi Narayan Publications, Agra.</li> <li>❖ Shome Parthasarathi (2002): India's Fiscal Matters, Oxford University Press, New Delhi.</li> <li>❖ Uppal, R.K (2011): Money, Banking and Finance in India- Evolution &amp; Present Structure New Century Publications.</li> </ul>		
<p><b>Suggested Continuous Evaluation Methods:</b> Assignment / test / Quiz (MCQ) / Seminar / Presentations / Research orientation of students</p>		
<p><b>Suggested equivalent online :</b> Swayam Coursera</p>		

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Course I

(Theory) Subject: Economics

Course Code: A080401T

Course Title: Money, Banking and Public Finance

Suggested Readings:

- 1) डॉ० वी० सी० सिन्हा, मुद्रा बैंकिंग एवं राजस्व,
- 2) सेठी, टी० टी०, मुद्रा बैंकिंग अन्तर्राष्ट्रीय व्यापार एवं राजस्व, लक्ष्मी नारायण अग्रवाल, संजय पी० लैस आगरा।
- 3) जे० सी० पंत, राजस्व, लक्ष्मी नारायण अग्रवाल, पब्लिकेशन
- 4) अमरेश वागेची, रीडिंग इन पब्लिक फिनांस, आक्सफोर्ड
- 5) एच० के० सिंह, लोक वित्त, साहित्य भवन पब्लिकेशन, आगरा
- 6) भाटिया, एच० एल०, लोक वित्त, विकास पब्लिशिंग हाउस प्रा० लि०, जंगपुर नई दिल्ली।
- 7) डॉ० एच० एन० गुप्ता, मुद्रा बैंकिंग एवं राजस्व, अग्रवाल पब्लिकेशनस, आगरा।
- 8) डॉ० के० एल० गुप्ता, मुद्रा बैंकिंग एवं राजस्व, साहित्य भवन पब्लिकेशनस
- 9) प्रो० एस० एन० लाल, व डॉ० एस० के० लाल, मुद्रा बैंकिंग तथा अन्तर्राष्ट्रीय व्यापार, शिवम पब्लिशर्स इलाहाबाद।
- 10) एच० एल० भाटिया, लोक वित्त, विकास पब्लिकेशन दिल्ली।