

Paper Code: 2322

Second Year T.D.C. Arts
Paper – II
FINANCIAL ECONOMICS

UNIT – I

Money – Meaning, Functions and Classification; Importance of Money, Gresham's Law; Main Components of Money Supply, Concept of Money Multiplier, Electromagnetic Card – Debit, Credit, Smart and Member Cards.

UNIT – II

Quantity Theory of Money – Cash Transaction, Cash Balance and Keynesian Approach.

Inflation – Types, Causes and Effects of Inflation, Demand Pull and Cost Push Inflation, Measures to Control Inflation, Trade off between Inflation and Unemployment (Phillip's curve).

Deflation, Reflation and Stagflation – Causes, Effects and Measures to control it.

UNIT – III

Commercial Banks – Meaning, Types and Functions, The Process of Credit Creation, Limitation to Credit Creation; Liabilities and Assets of Banks. Introduction to Retail Banking.

Functions of 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.

UNIT – IV

Public Finance – Meaning and Scope, Distinction between Private and Public Finance, Public Goods v/s Private Goods, Public Expenditure, Meaning, Classification, Principles and Effects.

Sources of Public Revenue; Taxation – Meaning, Canons and Classification of Taxes, Impact and Incidence of Taxes, Effects of Taxation, Sources of Public Borrowings and Effects Methods of Debt Redemption; Basic Concept and Components of Budget, Objectives and Importance of Fiscal Policy.

UNIT – V

Components, Functions and Importance of Money Market and Capital Market, Sources of Long Term and Short Term Finance.

Types and Objectives, Role and Functions of SEBI, Concept of Bombay Stock Exchange and National Stock Exchange of India.

Basic Reading List

1. Sengupta, A.K. and Agarwal, M.K. – Money Market Operations in India, Skylark Publication, New Delhi.
2. Vinaya Kumar, N. – A Profile of Indian Capital Market, K.P.S. Publication, New Delhi.
3. Seema, Vaid – Mutual Fund Operation in India, Rishi Publication, Varanasi.
4. Rao, S.L. – Economic Reform and Indian Markets, A.H. Wheeler, Mumbai.
5. Mithani, D.M. – Money, Banking and Public Finance, Himalaya Publishing House, New Delhi.
6. Vaish, M.C. – Money Banking Trade and Public Finance, New Age International, New Delhi.
7. Singh, A.K. – Finance Budget in India, Gyan Books, New Delhi.
8. वैश्य, एम.सी. एवं सुदामा सिंह – अन्तर्राष्ट्रीय अर्थशास्त्र, ऑक्सफोर्ड एण्ड आई.बी.एच. पब्लिशिंग कम्पनी लि., नई दिल्ली।
9. सेठ, एम.एल. – मुद्रा एवं बैंकिंग, लक्ष्मीनारायण अग्रवाल, आगरा।
10. सेठी, टी.टी. – मुद्रा, बैंकिंग एवं अन्तर्राष्ट्रीय व्यापार, लक्ष्मीनारायण अग्रवाल, आगरा।
11. ओझा, बी.एल. – मुद्रा बैंकिंग एवं राजस्व, रमेश बुक डिपो, जयपुर।