

Paper Code :1333

B.A. HONOURS IN ECONOMICS
FIRST YEAR HONOURS – 2015-16
Paper – III
BANKING AND FINANCIAL MARKETS

Unit – I

Money – Meaning, Functions and Kinds of Money, Components of Supply of Money, High Power Money, Inflation – Types, Causes and Effects, Demand Pull and Cost Push Inflation, Deflation and its Effects.

Unit – II

Commercial Banks – Functions, Types and Objectives, Liabilities and Assets of Banks, Mechanism of Credit Creation – purpose and limitations, Nationalization of Commercial Banks, Banking Reforms and their Impact on Economic Growth of India.

Unit – III

Central Bank – Functions and Objectives (with special reference to RBI), Credit Control and its Instruments, Monetary Policy – Objectives and Limitations, New Monetary Policy of RBI, Measures taken by RBI to control Inflation and Deflation.

Unit – IV

Financial System in India – Components, Functions and Importance, Money and Capital Markets, Measures taken by Government of India to liberalize the financial system, Types and Objectives of Non-Banking Financial Institutions (NBFI's) – Mutual fund, LIC, Investment Companies, Venture Capital, Structure, Objectives and Limitations of Co-operative Institutions, Financial Sector Reforms and their Impact on Economic Growth in India.

Unit – V

Foreign Exchange – Determination of Exchange Rate under Fixed and Flexible Exchange Rate, Spot and Forward Exchange Rate, The role of hedging in the determination of Exchange Rate, Euro-Dollar Markets – Its rate and significance.

Basic Reading List

1. Mitthani, D.M. – Money and Banking, Himalaya Publishing Company, New Delhi.
 2. Sethi, T.T. – Monetary Economics, Laxmi Narayan Agarwal, Agra.
 3. Sethi, M. L. – Money and Banking, Lakshmi Narayan Agrawal, Agra.
 4. Ojha, B.L. – Money Banking and Public Finance, Ramesh Book Depo., Jaipur.
- 5^प अग्रवाल, एम. आर. – वित्तीय प्रबन्ध ।
- 6^प मिश्रा, वी.के. – वित्तीय बाजार परिचालन ।
- 7^प सेठी, टी.टी. – मौद्रिक अर्थशास्त्र, लक्ष्मीनारायण अग्रवाल, आगरा ।