



## Punyashlok Ahilyadevi Holkar Solapur University, Solapur

**Class:** B.Com. II, **Semester-III**

**Major :** Business Economics

**Category:** Mandatory Major

**Title of the Subject:** Economics of Money and Finance-I

**Faculty Code:** G08

**Subject Code:** G08-DSC-0310

### Teaching Scheme

Lectures: 04 Hours/week,  
Credits:4  
Total Hours: 60 Hours

### Examination Scheme

Total Marks( Theory ) : 100  
(UA: 60 Marks  
CA: 40 Marks)

### Preamble:

The study of money and financial system becomes imperative to the student of commerce faculty to understand working of the real-world financial system that ultimately will help them to manage personal finance effectively, identify financial risks and seek investment opportunities. The basic study of concept, functions, supply and constituents of money enable students to understand working of money market and capital market.

### Course Objectives:

- a. to equip students with the knowledge of money, monetary elements and Financial System, and Its role in Economic Development,
- b. to give the knowledge to the students of economic principles and theories to analyze monetary and financial issues,
- c. to equip students with the knowledge of financial institutions and its role in the economy

### Course Outcomes:

At the end of this course, students will :

- a) understand money, monetary elements and Financial System, and Its role in Economic Development.
- b) Apply economic principles and theories to analyze monetary and financial issues,
- c) Evaluate the role of financial institutions in the economy

<b>Unit No: 1- Money</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>1.1. Money-</b> Meaning and definition, Functions, Types-digital money and crypto-currency- uses and limitations <b>1.2. Supply of money-</b> Constituents of money supply, RBI's Approach of measuring money ( M1, M2, M3, M4 ), <b>1.3. High Powered Money-</b> uses and sources of changes in high powered money, changes of money supply and its effect on businesses		
<b>Unit No: 2- Money Market in India</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>2.1. Money Market-</b> Concept, Nature & features of money market <b>2.2. Indian Money Market-</b> Features and Role of money market in economic development <b>2.3. Organized money market</b> – meaning , components , and call money market, Unorganized money market – money lenders and hawala market		
<b>Unit No: 3- Monetary Policy</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>3.1. Monetary Policy-</b> Meaning and Objectives overview of Indian Monetary policy <b>3.2. Instruments of monetary policy-</b> Application of monetary policy in recession and in inflation, Monetary policy and economic development , Limitations of monetary policy <b>3.3. RBI's Monetary Policy</b> -tools (Repo Rate, CRR, SLR); inflation targeting; transmission mechanisms, its effect on Financial sector and businesses		
<b>Unit No: 4 Financial System</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>4.1. Finance-</b> meaning, Kinds and Role of finance in the economy <b>4.2. Financial system-</b> meaning, features and its components <b>4.3. Financial institutions</b> -banking and non -banking financial institutions. Financial intermediaries		
<b>Above Unit Weightage is given for 60% marks of UA assessment only. There could be variation of 10-15% in the Unitwise weightage distribution.</b>		

## Reference Books

1. K. Puttaswamaian, Theory and Practice of Macro and Micro Economics.
2. Bhasin Nitin (2010), Financial Institutions and Financial Markets in India: Functioning and Reforms. New Century Publications, New Delhi
3. Berg Braam van den (2015), Understanding Financial Markets & Instruments, Academy of Financial Market, <https://eagletraders.com/books/afm/afm4.php>
4. Cade, Eddie (1998) Managing Banking Risks, Woodhead Publishing Ltd., in association with The Chartered Institute of Bankers, England.
5. Joshi Vasant C. and Joshi Vinay V (1998), Managing Indian Banks: The Challenges Ahead, Response Books, New Delhi.
6. Bhasin Nitin (2010), Financial Institutions and Financial Markets in India: Functioning and Reforms. New Century Publications, New Delhi
7. Bhole L.M. (2009), Financial Institutions and Market, Tata McGraw Hill, New Delhi
8. Mithani D.M., Monetary Theory, Vora and Company, Mumbai.
9. Hajela T. N., “Money and Banking, International Trade and Public Finance”, Shival Agrawala and Company, Agra-3.
10. M. C. Vaish (2005) Monetary theory, Vikas Publishing House Pvt Ltd; Sixteenth edition
11. Kiran Desle (2020) Indian Economy, Deepstambh Publication
12. Mishra and Puri (2019) Indian Economy, Himalaya Publication House
13. Sayers – Modern Banking.
14. Tannans -Banking Law and Practice in India
15. K.C. Shekhar - Banking Theory and Practice
16. M.C.Vaish - Modern Banking
17. Mithani D.M. - Money Banking International Trade & Public Finance
18. <https://www.rbi.org.in/>
19. Monetary theory- K. K. Dewett
20. Monetary Theory – Vaisha M. C.
21. RBI and SEBI websites for regulatory frameworks.
22. Indian Financial System- Pathak, B. V. (2020).
23. Indian Economic Survey (latest edition), Government of India.

24. RBI Annual Reports and Monetary Policy Statements,

**College Level Assessment (CA) Activities:**

**List of Assignments/Test/Tutorial/Study tour report etc. Any two of the following:**

<b>1.</b>	Assignment
<b>2.</b>	Test
<b>3.</b>	Tutorial
<b>4.</b>	Study tour report



## Punyashlok Ahilyadevi Holkar Solapur University, Solapur

**Class:** B.Com. II, **Semester-IV**

**Major :** Business Economics

**Category:** Mandatory Major

**Title of the Subject:** Economics of Money and Finance-II

**Faculty Code:** G08 **Subject Code:** G08-DSC-0410

### Teaching Scheme

**Lectures:** 04 Hours/week,  
**Credits:**4  
**Total Hours:** 60 Hours

### Examination Scheme

**Total Marks( Theory ) : 100**  
**(UA: 60 Marks**  
**CA: 40 Marks)**

### Preamble:

The study of money and financial system becomes imperative to the student of commerce faculty to understand working of the real-world financial system that ultimately will help them to manage personal finance effectively, identify financial risks and seek investment opportunities. The basic study of concept, functions, supply and constituents of money enable students to understand working of money market and capital market.

### Course Objectives:

- d. to equip students with the knowledge of money, monetary elements and Financial System, and Its role in Economic Development,
- e. to give the knowledge to the students of economic principles and theories to analyze monetary and financial issues,
- f. to equip students with the knowledge of financial institutions and its role in the economy

### Course Outcomes:

At the end of this course, students will :

- d) understand money, monetary elements and Financial System, and Its role in Economic Development.
- e) Apply economic principles and theories to analyze monetary and financial issues,
- f) Evaluate the role of financial institutions in the economy

<b>Unit No: 1- Indian Financial System</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>1.1. Structure of Indian Financial System-</b> Financial markets (money, capital, forex); <b>1.2. Financial institutions-</b> banks-types, credit policy, and NBFCs and insurance <b>1.3. Regulatory bodies-</b> RBI-functions and policy, SEBI- functions and policy, IRDAI- functions and policy.		
<b>Unit No: 2- Banking Sector in India</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>2.1. Structure of banking-</b> meaning, functions and credit policy of public, private, cooperative banks <b>2.2. Banking reforms-</b> Overviews and committees- R.H. Khan Committee (1997), the Narasimham Committee II (1998), and the Raghuram Rajan Committee (2008) <b>2.3.Non-performing assets (NPAs); Basel norms.</b>		
<b>Unit No: 3- Modern Banking Technology</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>3.1. Role of technology in banking.</b> <b>3.2. Recent changes of Technology in Banking</b> – E-Banking, ATM, Debit Card, Credit Card, Phone banking and Concept of Core Banking. <b>3.3. Methods of Remittance</b> – Demand Drafts, Banker’s Cheque, Electronic Transfer – RTGS, NEFT, NPCI (National Payments Corporation of India) – IMPS, UPI. and Concept and Importance of Cashless Transaction.		
<b>Unit No: 4 Capital Markets in India</b>	<b>No. of lectures-15</b>	<b>Weightage:15 Marks</b>
<b>4.1. Capital Market-</b> meaning, kinds and components, and features of Indian capital market <b>4.2. Capital Markets in India-</b> Equity markets -BSE, NSE-; debt markets; derivatives; <b>4.3. Capital Market Efficiency-</b> role of Foreign Institutional Investment (FII) and Domestic Institutional Investment (DII).		
<b>Above Unit Weightage is given for 60% marks of UA assessment only. There could be variation of 10-15% in the Unitwise weightage distribution.</b>		

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