

# Teaching Lesson Plan

## MND-1D: MONEY, BANKING, PUBLIC FINANCE AND INTERNATIONAL TRADE

Lecture hours: 60

**OBJECTIVES:** This course is designed to introduce the students to the basic concepts and principles of Money, Banking, Public Finance and international Trade.

SN	Subject and Objectives	Lectures Hrs	Methodology	Evaluation Mode
<b>Unit-I</b>	<b>Money</b>	<b>10Hrs</b>		
	<ol style="list-style-type: none"> <li>1. Money: Concepts and Functions.</li> <li>2. Determinants of Demand for Money and Supply of Money.</li> <li>3. Components of Money Supply (M1, M2, M3 &amp; M4).</li> </ol>	10	PPT, Illustrations	Q & A, Assignments
<b>Unit-II</b>	<b>Banking</b>	<b>10Hrs</b>		
	<ol style="list-style-type: none"> <li>1. Functions of Central Bank; Functions of Commercial Banks.</li> <li>2. Money creation by the Commercial Banking System.</li> <li>3. Instruments of Credit Control of Central Bank – Quantitative and Qualitative.</li> </ol>	10	PPT, Illustrations	CIA
<b>Unit-III</b>	<b>Public Finance</b>	<b>10Hrs</b>		
	<ol style="list-style-type: none"> <li>1. Importance of Public Finance; Scope of Public Finance.</li> <li>2. Theories of Public Finance; Theory of Maximum Social advantage.</li> <li>3. Taxation: Definition; characteristics; Types of taxation; Merits and Demits of Direct Tax and Indirect Tax.</li> <li>4. Public Expenditure; Trends in Public Expenditure in India.</li> </ol>	10	PPT, Illustrations	Q & A, Assignments
<b>Unit-IV</b>	<b>Government Budget and Economy</b>	<b>10Hrs</b>		
	<ol style="list-style-type: none"> <li>1. Government Budget: Meaning; Objectives; Components.</li> <li>2. Classification of Receipts: Revenue Receipts and Capital Receipts.</li> <li>3. Classification of Expenditure: Revenue Expenditure and Capital Expenditure.</li> <li>4. Meaning of Government Deficit – Revenue Deficit and Fiscal Deficit.</li> </ol>	10	PPT, Illustrations	Q & A, Assignments
<b>Unit-V</b>	<b>International Trade</b>	<b>10Hrs</b>		
	<ol style="list-style-type: none"> <li>1. Theories of International Trade: Absolute Cost Advantage Theory; Comparative Cost Advantage Theory; Heckscher Ohlin Theory.</li> <li>2. Free Trade Vs Protection. 5.3 Gains from Trade.</li> </ol>	10	PPT, Illustrations	Q & A, Assignments
<b>Unit-VI</b>	<b>Balance of Trade and Balance of Payment</b>	<b>10Hrs</b>		

	<ol style="list-style-type: none"><li>1. Components of Balance of Payment.</li><li>2. Disequilibrium in the Balance of Payments.</li><li>3. Measures to correct the disequilibrium in the Balance of Payments.</li></ol>	10		
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**Reference Books:**

1. Vaish, M.C., Money, Banking, Trade & Public Finance, New Age International Pvt Ltd.
2. Sundaram, K.P.M., Money, Banking and International Trade, S Chand Publications.
3. Varian, Hal R., Intermediate Microeconomics, 8th Edition, Affiliated East-West Press.

**Prepared by Department**