



SIES (Nerul) College of Arts, Science and Commerce (Autonomous)

Open Elective

Money, Inflation and Monetary Policy

COURSE CODE: U23BE2E01

COURSE CREDIT: 02

1 credit - 15 lectures

1 lecture is 60 minutes

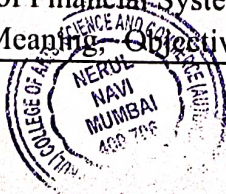
Course Objectives:

- To familiarize students with the basic concepts of money, money supply and inflation.
- To orient students with the role of Central Bank and Monetary Policy in the economy.

Course Outcomes:

- Learners will be able to discuss the basic concepts of money, money supply and inflation.
- Learners will be able to recognize the role of Central Bank and interpret the working of the Monetary Policy in the economy.

Sr. No	Syllabus	No. of lectures
01	MODULE I: Money and Inflation <ul style="list-style-type: none"> • Money: Concept, Functions of money, Evolution of money. • Money Supply: Determination, Measurement, Value of money & Purchasing power. • Inflation: Meaning, Types- Single-digit, double-digit, Headline inflation, Core inflation, Retail inflation. Causes- Demand-pull and Cost-push inflation, Effects of inflation in the economy Related case studies. 	15
02	MODULE II: Central Banking and Monetary Policy <ul style="list-style-type: none"> • Central Bank: Meaning, Central Banking in India-Role and Functions of RBI- Banker to the Government, Bankers' Bank, Custodian of Foreign Exchange Reserves, Regulator of Financial System and Controller of Credit. • Monetary Policy- Meaning, Objectives, Instruments of Monetary Policy- 	15



	Quantitative and Qualitative- Mechanism and Effectiveness, related case studies.	
	<ul style="list-style-type: none"> Monetary Policy and Inflation Targeting. Related case studies. 	

References:

- 1) Ackley.G (1976), Macro Economic Theory and Policy, Macmillan Publishing Co. New York
- 2) Ahuja. H.L., Modern Economics — S.Chand Company Ltd. New Delhi.
- 3) Blanchard Olivier (2000), Macro Economics, Englewood Elitt, Prentice Hall
- 4) Dornbush , Rudiger, Fisher Stanley and Startz, Richards Macroeconomics, Ninth edition 2004 Tata-Mac Graw Hill, New Delhi.
- 5) Dwivedi, D.N. (2001), Macro Economics: Theory and Policy, Tata-Mac Graw Hill, New Delhi.
- 6) Gregory .N. Mankiw, Macroeconomics, Fifth Edition (2002) New York:Worth Publishers
- 7) Jhingan, M.L., Principles of Economics — Vrinda Publications (P) Ltd.
- 8) Shapiro, E (1996), Macro-Economic Analysis , Galgotia Publication, New Delhi.
- 9) Vaish .M.C. (2010) Macro Economic Theory 14th edition, Vikas Publishing House(P)Ltd



SCHEME OF EXAMINATION

The scheme of examination shall be divided into two parts:

- Internal assessment 40% i.e. 20 marks
- Semester end examination 60% i.e. 30 marks

(A) Internal Assessment 20 marks

Description	Marks
Internal tests of 10 marks each Q.1. Multiple choice Questions/True or False - 5 Marks Q.2. Attempt 1 question out of 3 questions (5 marks each)- 5 Marks	10
One Project and Viva voce/Presentation/Case studies/Assignments	5
Attendance and Class behavior	5
Total	20

(B) Semester end examination 30 marks

PAPER PATTERN

Duration : 1 hour	
Total Marks: 30	
Q.1 10 marks OR 10 marks	10
Q.2 10 marks OR 10 marks	10
Q.3 10 marks OR 10 marks Two short notes out of four for 5 marks each or case study	10
Total	30
Note: Q.1, 2 - 10 marks question may be divided into sub questions if required. Q.3 May include theory (short notes) /Case study in one of the options.	

Passing criteria: Minimum 40% in Internal (8 out of 20) and 40% (12 out of 30) in semester end examination.

