

COURSE PLAN

Subject: Minor 2 – Money, Banking and International Trade

Class: 5 year BALL.B II Semester

Date of commencement of Classes- 11<sup>th</sup> February, 2019

Course Objectives: to help students understand the theoretical concepts of Money and International trade.  
To familiarize students with the functioning of banking system and behavior of trade related concepts like BOT, BOP and Foreign Exchange.  
To impart knowledge on emergence of WTO, global economic changes and its impact.

Modules/Units	Topic	No of Hours	Method of Teaching	Prerequisites- Readings/Assignments	Supplementary Reading	Unit Outcomes
Unit – 1 Value of Money	1. Meaning and definition of Money. Functions of Money.	3	PPT	Monetary Economics – M.L.Seth	Modern Economics by H.L.Ahuja	Study helps in understanding the importance of money, its Role in growth and development of a economic system.
	2. a. Supply of Money- M1, M2, M3 and M4.	1	PPT	Monetary Economics by M.L. Seth	Money, Banking and International Trade - Jhingan	
	3. Value of Money – Meaning.	1	Student Presentation			
	4. a. Index Numbers: Simple and Weighted. b. Construction of Index Numbers. c. Problems and uses.	1 2 1	Chalk and Talk	Monetary Economics by M.L. Seth		This component helps in understanding the process of calculation of economic variables over a period of time for comparative analysis.
	5. Quantity theory of Money: a. Cash Transaction approach. b. Cash Balance Approach.	2 2	Chalk and Talk	Monetary Economics by M.L. Seth		
	6. Inflation and Deflation- Types, Causes and effects.	3	Chalk and Talk/PPT	Monetary Economics by M.L. Seth	Principles of Economics by M.L. Seth.	
Unit -2 Money	Money Markets- meaning, types and causes..	2	PPT			

				Monetary Economics by M.L. Seth		impact of price fluctuations on the economy.
Unit -2 Money Markets:	Money Markets- meaning, types and causes.		PPT			
	2. Commercial Banks and its functions.	2	Student Presentation			
	3. Balance sheet of a commercial bank.	1	PPT	Monetary Economics by M.L. Seth		The unit enhances the knowledge of short term money markets and role of banking sector in contributing to economic growth.
	4. Liquidity vs. profitability.	1	PPT			
	5. Credit creation	2	Chalk and Talk			
Unit -3 Central Banking:	1. Functions of Central Bank	1	Student Presentation	Monetary Economics by M.L. Seth		The study highlights on role of Central bank in strengthening the finance of a country.
	2. Methods of Credit control-		PPT			
	a. Quantitative methods.	2				
	b. Qualitative methods.	1	PPT			
	3. Objectives of Monetary Policy.	1				
	1. Importance of International Trade.	1	Student Presentation	International Economics by M.L. Jhingan.		
Unit - 4 International Trade:	2. Theories of International Trade-			International Economics by M.L. Jhingan.		
	a. Comparative Cost Theory.	2	Chalk and Talk			
	b. Modern Theory	2				
	3. Terms of Trade.	2	PPT			
	4. Trade Barriers: Tariffs and Quotas	2	Chalk and Talk			
	1. Balance of Trade and Balances of Payment.	1	PPT	International Economics by M.L. Jhingan.		
	2. Disequilibrium of Balance of Payment.	1	Chalk and Talk			
	3. Determination of Foreign Exchange-		PPT	International Economics by M.L. Jhingan.		Gives a detail study in understanding the role of foreign exchange and its determination over a period of time.
	a. Foreign exchange rates	1				
	b. Demand for and supply of Foreign Exchange.	2				
	c. Market Objectives and Methods of Exchange Control.	2	PPT			
Unit -5 Balance of Payments and Foreign	d. Fixed and Flexible exchange rates.	2				

Exchange	4. a. Brief History of GATT, achievements of GATT. b. WTO - its objectives and functions. c. Agreements on TRIPS and TRIMS. WTO and India.	1 1 2	PPT Student presentation PPT	Modern Economics by H.L. Ahuja	Indian Economy by Mishra and Pari	Role of WTO over a period in bringing the global economic changes.
5. Foreign Direct Investments: FDI its nature and role. Operations of MNCs.	2	PPT	Modern Economics by H.L. Ahuja			

No. of Teaching Hrs- 65  
 No. of Library Hrs- 1  
 No. of Assessment Hrs- 2  
 No. of Hrs. for revision and Question Paper Solving- 3  
 No. of documentaries to be screened: nil  
 Service Learning (if any)  
 Guest Lectures (if any)

No. of Students Presentation- 5  
 No. of Hand-Outs: 5  
 No. of writing exercises: 3  
 No. of Case Studies: nil

Any Links: <https://www.jstor.org/stable/1837253>  
<https://www.jstor.org/stable/4406238>  
<https://www.jstor.org/stable/1818365>  
<https://www.jstor.org/stable/24711208>  
<https://www.jstor.org/stable/3062162>  
<https://www.jstor.org/stable/24711208>

**Course Outcome:** the study helps in understanding two important areas of study,  
 a. Money and banking system, on which the whole global economic system functions.  
 b. A total analysis of changes in trade post emergence of WTO and its impact on global scenario.

**Industry/Professional Skills:** helpful in understanding the functioning of monetary system and trade relations. It updates the students knowledge about the changing global economic scenario and the study is a requisite for legal profession.

Human Values: helps in understanding the value of money in all aspects of life.

Course Teacher

Academic Coordinator

Internal Quality Assurance Cell  
 K.L.E Society's Law College, Bangalore.

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