

COURSE PLAN

Subject: Minor 2 – Money, Banking and International Trade

Class: 5 year BALL B IIIrd Semester

Date of commencement of Classes- 6th August 2018

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 due to impact of Globalisation.

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			This component helps in understanding the process of calculation of economic variables over a period of time for comparative analysis.
	4. a. Index Numbers: Simple and Weighted. b. Construction of Index Numbers. c. Problems and uses.	1	Chalk and Talk	Monetary Economics by M.L. Seth		
	5. Quantity theory of Money: a. Cash Transaction approach. b. Cash Balance Approach.	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.	Two approaches by different school of thought in determining the price.
						Helps in understanding the impact of price fluctuations on the economy.

Unit -2 Money Markets:	<p>Money Markets- meaning, types and causes..</p> <p>2. Commercial Banks and its functions.</p> <p>3. Balance sheet of a commercial bank.</p> <p>4. Liquidity vs. profitability.</p> <p>5. Credit creation</p>	<p>2</p> <p>1</p> <p>1</p> <p>1</p> <p>2</p>	<p>PPT</p> <p>Student Presentation</p> <p>PPT</p> <p>PPT</p> <p>Chalk and Talk</p>	<p>Monetary Economics by M.L. Seth</p>	<p>The unit enhances the knowledge of short term money markets and role of banking sector in contributing to economic growth.</p>
Unit -3 Central Banking:	<p>1. Functions of Central Bank</p> <p>2. Methods of Credit control-</p> <p>a. Quantitative methods</p> <p>b. Qualitative methods.</p> <p>3. Objectives of Monetary Policy.</p>	<p>1</p> <p>2</p> <p>1</p> <p>1</p>	<p>Student Presentation</p> <p>PPT</p> <p>PPT</p>	<p>Monetary Economics by M.L. Seth</p>	<p>The study highlights on role of Central bank in strengthening the finance of a country.</p>
Unit - 4 International Trade:	<p>1. Importance of International Trade.</p> <p>2. Theories of International Trade-</p> <p>a. Comparative Cost Theory.</p> <p>b. Modern Theory</p> <p>3. Terms of Trade.</p> <p>4. Trade Barriers: Tariffs and Quotas</p>	<p>1</p> <p>2</p> <p>2</p> <p>2</p> <p>1</p> <p>1</p> <p>2</p>	<p>Student Presentation</p> <p>Chalk and Talk</p> <p>PPT</p> <p>Chalk and Talk</p> <p>PPT</p> <p>Chalk and Talk</p> <p>PPT</p>	<p>International Economics by M.L. Jhingan.</p> <p>International Economics by M.L. Jhingan.</p> <p>International Economics by M.L. Jhingan.</p>	<p>importance of trade and importance of theories in understanding international trade.</p> <p>Grives a detail study in understanding the role of foreign exchange and its determination over a period of time.</p>

Unit-5 Balance of Payments and Foreign Exchange	b. Demand for and supply of Foreign Exchange.	2	PPT	Modern Economics by H.L. Anuja	Indian Economy by Mishra and Puri	Role of WTO over a period in bringing the global economic changes.
	c. Market Objectives and Methods of Exchange Control. d. Fixed and Flexible exchange rates.	2				
	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			
	5. Foreign Direct Investments: FDI its nature and role. Operations of MNCs.	2	PPT	Modern Economics by H.L. Anuja		

No. of Teaching Hrs- 52
 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) N/A
 Guest Lectures (if any) 1

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

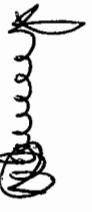
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- Course Outcome:** the study helps in understanding two important areas of study ,
- Money and banking system, on which the whole global economic system functions.
 - A total analysis of changes in trade post emergence of WTO and its impact on global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

Industry/Professional Skills: helpful in understanding the functioning of monetary system and trade relations. Updates the students about the changing global economic changes a prerequisite for legal profession.

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

Course Teacher



Academic Co-ordinator



Internal Quality Assurance Cell
KLE Society's Law College, Bangalore.



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