

**B.Com. Part II**  
**Semester III**  
**Monetary System**

Time: Three Hours

Marks: 80

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**Unit I MONEY:**

- 1.1 Barter System of Exchange and its Problems
- 1.2 Brief History, Meaning, Definition and Nature of Money
- 1.3 Functions and Importance of Money
- 1.4 Kinds of Money: Commodity, Metallic, Paper, E-Money and Virtual Currency
- 1.5 Demonetisation: Merits & Demerits

**Unit II VALUE OF MONEY**

- 2.1 Demand of Money- Meaning and Determinants
- 2.2 Supply of Money: Meaning and Determinants
- 2.3 Demand-Supply Equilibrium-Value of Money
- 2.4 Fishers Quantity Theory of Money
- 2.5 Criticism on Fishers Theory

**Unit III : PRICE FLUCTUATIONS**

- 3.1 Inflation-Meaning, Definition and Causes
- 3.2 Inflation-Effects and Measures
- 3.3 Deflation-Meaning, Definition and Causes
- 3.4 Deflation-Effects and Measures
- 3.5 Trade Cycle-Concept and Meaning

**Unit IV: MONEY MARKET**

- 4.1 Money Market-Meaning, Definition, Nature, Features and Objectives
- 4.2 Indian Money Market-Structure and Components
- 4.3 Functions and Importance of Money Market
- 4.4 Institutions and Instruments of Money Market
- 4.5 Impact of Demonetisation on Indian Money Market

**Unit V: CAPITAL MARKET**

- 5.1 Concept, Meaning, Definition, Features, Nature and Objectives of Capital Market
- 5.2 Structure and Components of Indian Capital Market
- 5.3 Functions and Importance of Capital Market
- 5.4 SEBI: Organisational Structure, Functions, Powers and Responsibilities
- 5.5 Role of SEBI in Money and Capital Market

