

MCM5303 INDIAN FINANCIAL SYSTEM

Course Code	MCM5303	Semester	III
Course Title	INDIAN FINANCIAL SYSTEM		
Credits	4	Type	CORE

This course shall have 3 lecture hours, 2 practicals, 1 tutorial.

This is a Skill based, employability based, and entrepreneurship skill based course.

Course Objective

To impart knowledge on conceptual and regulatory framework within which the financial intermediaries operate and to familiarize students with the various management and operational aspects of financial markets and financial intermediaries.

Learning Objectives

- To introduce students to the world of financial markets.
- To Introduce the Basics of Indian Financial Systems.
- Understand the role and function of the financial system.
- Understand different activities of different financial institutions such as commercial banks, insurance companies.
- Critically examine the recent innovation in the financial markets.
- To provide the basic objectives of Regulating Agencies like SEBI.

Course Structure

UNIT I:

Introduction: Nature and role of financial system; Financial system and financial markets; Financial system and economic development; Sustainable Development Goals and Green Financing - Indian financial system - an overview – Financial Regulation

UNIT II:

Financial Markets: Money markets -Meaning, constituents, functions of money market; Money market instruments- call money market, treasury bills, certificates of deposits, commercial bills, trade bills, commercial papers; Recent trends in Indian money market; Capital market - primary and secondary markets; Government securities market; Role of SEBI as a regulator and capacity- an overview; Recent developments.

UNIT III:

Reserve Bank of India: and Commercial Bank Organization, management and functions; Credit creation and credit control; monetary policy. Commercial Bank: Meanings, functions, management and investment policies of commercial banks, Present structure; E-banking and e trading; Recent developments in commercial banking. – State and National Level Financial Institutions –Mutual fund.

UNIT IV:

Insurance Sector: Objectives, role, investment practices of LIC and GIC; Insurance Regulatory and Development Authority-role and functions. Non-Banking Financial Institutions: Concept and role of non-banking financial Institutions; source of finance; Functions of non-banking financial institutions; Investment policies of non-banking financial institutions in India.

UNIT V:

Financial Inclusion: Extent of exclusion, financial inclusion initiatives including SHG-Gender gap in financial inclusion - Bank Linkage Model. Micro finance- emerging issues & regulation.

Practicals

- Presentation and Discussion on latest developments in Commercial banking.
- Conduct of study on the functioning of commercial banks.
- Analysis of micro finance industry in India

Skills

- Students develop proper understanding of shares and share prices.
- Students understand the working of banking industry.
- Students should be able to apply concepts of flow of funds and level of interest rates to current events.

Learning/Course Outcomes

- Acquire understanding of structure of various financial markets.
- Students will understand the characteristics of different financial assets such as money market instruments, bonds, and stocks, and how to buy and sell these assets in financial markets.
- Evaluate and create strategies to promote financial products.
- Students should be able to work within financial institutions and/or financial consulting.
- Students develop an understanding of different types of depository and non-depository institutions and their primary roles.

Books for Reference:

1. Avdhani: Investment and security market in India, Himalaya publications, Delhi.
2. Averbach, Robert D: Money Banking and financial Markets; MacMillan, London.
3. Bhole L.M.: Financial markets and Institutions, 4theditionTata McGraw Hill Delhi.
4. Ghosh, D , Banking Policy in India, Allied publications Delhi.
5. Giddy, I.H; GLOBAL Financial Markets, A.I.T.B.S., Delhi.
6. Khan M.Y Financial Services Tata McGrawHill.
7. Khan, M.Y.: Indian Financial system, Tata McGraw Hill Delhi.

8. Kidwell, David S., Backwell, David W., Whidbee, David A. and Sias RichardW., 'Financial Institutions, Markets and Money', Wiley.
9. Kohn Meir, Financial Institutions and Markets, Oxford University Press.
10. Machiraju, Indian Financial System, (Vikas Publishing House).
11. Madura Jeff, Financial Markets and Institutions, South Western Cengage Learning
12. Pathatak B V, Indian Financial System, Pearson Education
13. Reserve Bank of India, various Report, RBI Publication, Mumbai
14. Srivastava R.M; Management of Indian Financial Institution; Himalaya Publication house Mumbai 2ndedition
15. Varshney, P.N. Indian Financial System, Sultan Chand &sons, New Delhi.
16. Verma JC. Guide to mutual Funds and Investments portfolio, Bharat Publishing House New Delhi.