

INSTITUTE	FACULTY OF MANAGEMENT STUDIES
PROGRAM	BACHELOR OF BUSINESS ADMINISTRATION
SEMESTER	3
COURSE TITLE	INDIAN FINANCIAL SYSTEM
COURSE CODE	04BB0308
COURSE CREDITS	4

Course Outcomes: After completion of this course, student will be able to:

- 1 To understand the fundamentals of Indian financial system.
- 2 To examine impact factors of Money Market and Capital Market and financial instruments.
- 3 To appreciate the Need and Working of Financial Intermediaries.
- 4 To recognize the importance and various functions of Market Regulation
- 5 To Analyze and choose the financial service as per requirements

Pre-requisite of course:NONE

Teaching and Examination Scheme

Theory Hours	Tutorial Hours	Practical Hours	ESE	IA	CSE	Viva	Term Work
4	0	0	50	30	20	0	0

Contents : Unit	Topics	Contact Hours
1	Introduction to Indian Financial System Structure of Financial System, Instruments of Financial System, organised and unorganised Financial System, Components: Financial Assets, Financial Intermediaries, Financial Markets (money and capital markets in India) Relevance of various interest/return rates, Regulatory framework	10
2	Role of Financial Institutions in Indian Financial System Financial Institutions and its meaning, Functions and Role of Financial Institutions; Money market institutions: Meaning, Role of the Central Bank(RBI) in money markets, Commercial banks: Meaning and Functions; Indigenous Financial Agencies: Bankers, Money lenders, Discount houses, Accepting houses (only meaning and features), Capital Market institutions: (Meaning and functions) Merchant Banks, Investment Companies, Development banks, Mutual Funds; Special Financial Institutions: Factors for their growth (need), Objectives and functions of: (1) IDBI (2) IFCI (3) SFCs (4) ICICI (5) EXIM Bank of India; Non-Banking Finance Companies: Meaning, Role, Types of NBFC services; Functions SEBI	10

Contents : Unit	Topics	Contact Hours
3	Financial Instruments Financial Instruments Meaning, importance and classification of Financial instruments; Short-term, Medium-term and Long Term Instruments, Primary and Secondary Securities; Innovative Instruments	10
4	Functions of Financial Markets in India Financial Market in India: Capital Market, Money Market: meaning, function, types	8
5	Meaning and Importance of Financial services in India Meaning, importance and types of Financial Services; 1. Factoring: Meaning, Types, costs and benefits of factoring, 2. Leasing: Meaning, Definition, advantages to lessor and lessee, types of leases (operating, finance, leveraged, sales and lease-back, leveraged and cross-border.), 3. Underwriting: Meaning and benefits, 4. Credit Rating Agencies: Meaning and role of such agencies. A brief idea about: CRISIL, CARE ICRA. 5. Others: A brief idea about: NSDL, STCI	10
Total Hours		48

Textbook :

- 1 Indian Financial System , Khan M. Y, Tata McGraw Hill, 2014
- 2 The Indian financial system and Development, Vasant Desai , Himalaya Publishing House, 2017
- 3 Indian Financial System , Pathak B. V. , Pearson , 2014

References:

- 1 Financial Institutions and Markets: Structure, Growth & Innovations, Financial Institutions and Markets: Structure, Growth & Innovations, Bhole L. M. & Mahakud J, Tata-McGraw Hill, 2012
- 2 Financial Markets and Institutions, Financial Markets and Institutions, Khan M. Y, Tata McGraw Hill, 2010
- 3 Financial Services,, Financial Services,, Khan M. Y, Tata McGraw Hill, 2011
- 4 Financial Management □ Principles and Practice, Financial Management □ Principles and Practice, C.Sudarsana Reddy, Himalaya Publishing House, 2010

Suggested Theory Distribution:

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation					
Remember / Knowledge	Understand	Apply	Analyze	Evaluate	Higher order Thinking
20.00	30.00	25.00	15.00	10.00	0.00

Instructional Method:

1 Theory