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| COURSE TITLE | INDIAN FINANCIAL SYSTEM |
| COURSE CODE | 04BB1404 |
| COURSE CREDITS | 4 |

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

- 1 Apply the fundamentals of the Indian financial system in practical contexts
- 2 To examine impact factors of Money Market and Capital Market and financial instruments.
- 3 Evaluate the need and functioning of financial intermediaries within the financial system.
- 4 Analyse the importance and various functions of market regulation.
- 5 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, Role of Financial Institutions in Economic Growth, Relevance of Various Interest/Return Rates, Recent Trends and Developments in the Indian Financial System | 14 |

| Contents : Unit | Topics | Contact Hours |
|----------------------------|---|--------------------------|
| 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, Financial Inclusion and Role of Financial Institutions – Importance, initiatives like Jan Dhan Yojana, Microfinance, and rural banking, Impact of Globalization on Indian Financial Institutions – FDI, foreign banks, financial liberalization, and integration with global markets. | 14 |
| 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, Impact of Globalization on Indian Financial Markets – Influence of FDI, FPI, and international trade on India's financial system. | 10 |
| 5 | Meaning and Importance of Financial services in India Meaning, importance and types of Financial Services, Factoring: Meaning, Types, costs and benefits of factoring, Leasing: Meaning, Definition, advantages to lessor and lessee, types of leases (operating, finance, leveraged, sales and lease-back, leveraged and cross-border.), . Underwriting: Meaning and benefits, Credit Rating Agencies: Meaning and role of such agencies, A brief idea about: CRISIL, CARE & ICRA, Others: A brief idea about: NSDL, STCI, Microfinance and Financial Inclusion: Role in rural development and economic growth., Digital Financial Services: Growth of fintech, UPI, and digital payment systems in India. | 12 |
| Total Hours | | 60 |

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, 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, 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

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 / Creative |
| 0.00 | 0.00 | 35.00 | 35.00 | 30.00 | 0.00 |

Instructional Method:

- 1 theory