

 वसुधैव कुटुम्बकम् SYMBIOSIS		Symbiosis College of Arts and Commerce (An Autonomous College Affiliated to University of Pune)											
Subject code		Semester	I	II	III	IV	V	VI	M.A.	I	II	III	IV
Title of Subject		FINANCIAL SYSTEM											
Objectives		<ol style="list-style-type: none"> 1. The Course is designed to serve both conceptual clarifications and discuss latest developments in Financial System. 2. The Course encompasses new developments in Financial Institutions in India and discusses various components such as institutions, instruments, agencies and regulations in an analytical and critical manner. 3. To acquaint the students with the working and functioning of Financial Markets and its various segments. 4. To provide an insight into the working of Money and Capital Markets. 											
Detailed syllabus													
Unit	Contents of the Syllabus												Number of Hours
1	Introduction to Financial System 1.1 Components of Financial System 1.2 Meaning and Functions of Financial System 1.3 Relationship between Financial System and Economic Development 1.4 Overview of the Indian Financial System												06
2	Indian Financial Institutions 2.1 Commercial Banks- Profile of Scheduled Commercial Banks(SCBs); Post Reform Progress – Profitability of Banks, Bank wise Capital and Adequacy Ratio (CRAR) 2.2 Developments in Indian Banking – Overview of Basel Norms I, II, III; Consolidation, Financial Inclusion and KYC Norms, Recapitalization of Banks, Digitization in Banking 2.3 Role of Payment and Small Banks in Financial System												15
3	Reserve Bank of India 3.1 Role of RBI in the Financial System												10

	3.2 Reserve Management and Liquidity Management in the post Liberalization period 3.3 RBI and Policy debates 3.4 Changing role of Monetary Policy and Inflation targeting	
4	Non - Banking Financial Institutions 4.1 RBI's Classification of NBFCs. 4.2 Non - Banking Institutions -small savings, Pension Funds, Mutual Funds, Insurance Companies 4.3 Leasing, Hire Purchase Companies, Merchant Banking, Venture Capital Companies, Factoring 4.4 Regulation of NBFCs in India, Performance of NBFCs in India (Post 2008)	14
5	Financial Markets 5.1 Money market – Structure, Functions and significance of Money Market, characteristics and instruments 5.2 Capital market -Structure, Functions, Characteristics, Participants & Instruments 5.3 Foreign Exchange Markets - Functions, organization and structure, Participants and transactions in the Foreign exchange market, risks in the market, Forwards, Futures, Speculation, Hedging and Arbitrage 5.4 Regulatory framework for Financial Markets (SEBI, IRDA, FEMA)	15
	Total Number of Hours	60

Suggested Reference Books

- **Pathak, Bharati, [2009] 'The Indian Financial System, 'Pearson Education Publication, New Delhi.**
- **Chandra P., Financial Markets, Tata McGraw Hill, New, New Delhi.**
- **Bhole, L. M. [2000]' Indian Financial System,' Chugh Publications, Allahabad.**
- **Bhole, L. M. [2012]. 'Financial Institutions and Markets,' Tata McGraw Hill Co. Ltd. New Delhi.**
- **Vasant Desai, (2010), 'Financial Markets & Financial Services', Himalaya Publishing House; First Edition edition.**

- **Pk Srivastava, (2016) 'Banking Theory & Practice', Himalaya Publishing House.**
- **Harker, P.T. and S. A. Zenios, [2000]Ed. 'Performance of Financial Institutions, CUP, UK.**
- **Prasad, K.N. [2001] 'Development of India's Financial System,' Sarup and Sons, New Delhi.**
- **D. Muralidharan. [2009]'Modern Banking Theory and Practice,' PHI Learning Pvt. Ltd. New Delhi.**
- **Sharma, K.C. [2007]'Modern Banking in India,' Deep and Deep Pub. New Delhi.**
- **Uppal,R.K. [2009]' Modern Banking in India – Dimensions and Risk' New Century Pub. New Delhi.**
- **Shiller, Robert J. (2008) 'The Sub-Prime Solutions- How Today's Global Financial Crisis happened and what to do about it.'**
- **International Banking' Ed. MacMillan Pvt. Ltd. 2011. Indian Institution of Banking and Finance, New Delhi.**

Other Readings-

- **RBI Annual Reports and web site**
- **RBI Report on Trends & Progress of Banking in India**
- **Reports on Currency and Finance**
- **Basel Committee Report on Banking Supervision, 2001.**
- **RBI Bulletins, Economic and Political Weekly issues**
- **<http://www.sebi.gov.in/>**