Sankalchand Patel University
Faculty of Commerce
Bachelor of Commerce (SEM – 3)
In Effect from Academic Year 2022-23

Subject Code: 2CM1010302	**Subject Title: Indian Financial System**
	COURSE TYPE : CORE COURSE

Course Objective: To make the students aware about the various financial concepts of Indian financial system and to enhance the practical knowledge of the students in the stock market and relevant areas.

Teaching Scheme (Hours per week)				**Evaluation Scheme (Marks)**		
Lecture	**Tutorial**	**Practical**	**Credit**	**University Assessment**	**Institutional Assessment**	**Total**
3	-	-	3	70	30	100

Subject Contents

Sr. No	**Topic**	**Total Hours**	**Weight (%)**
1	**Overview of Indian financial system:-** • Introduction of Indian financial system • Meaning of Indian financial system • Role & functions of financial system, • Structures of Indian financial system(organised-unorganised), • Pre-post liberalization position of Indian financial system, • Components/Elements of financial system – ▪ financial Market(money & capital), ▪ financial instrument ▪ financial institutions/intermediaries, ▪ financial Services	9	25%
2	**Financial markets in India:** **(1) Capital market:-** Meaning , functions , overview of capital market **1.1 Primary market:-** Meaning/Definition of Primary Market , • Features of New issue Market, • Functions of Primary Market, • Objectives of primary market, • Modes/Methods of procuring long term fund:- Public issue, right issue, bonus issue, placement, offer for sale etc. **1.2 Secondary market:-**Meaning of Secondary Market • Functions of Secondary Market, • characteristic of stock exchange**,** • Major stock exchanges in India, • Membership of stock exchange, • Benefits to community-investors –companies, • Listing of securities- Objectives, merits and its limitations.**,** • Difference between Primary market v/s secondary market **(2) Money market:-** Definitions/Meaning of Money Market • structures of Indian money markets, constituents or players, • organized and unorganized money market**,** • Instruments of money market, • Difference between capital market v/s money market	9	25%

3	**Financial instrument:-** **(a) Capital market instrument:-** • Equity shares , • preference share, • debenture and bond & others instrument **(b) Money market instrument:-** • Treasury bill, • Commercial paper, Commercial bills, • certificate of deposits, • call money, • interbank participation certificate, • Inter corporate deposits.	9	25%
4	**Financial institutions/Intermediaries:-** **(a) Commercial banking:-** Meaning , functions, nationalization of commercial banking, management of NPAs **(b) Non banking finance companies(NBFC):-** Meaning, functions & Types of NBFCs Services, **(c). Insurance:-** Introduction to LIC, meaning, characteristics of insurance, Types of Insurance:-Life Insurance ,Health Insurance & General Insurance Public & Private insurance companies **(d). Mutual Funds:-**Meaning ,concept, advantage –limitations , History of mutual fund in India	9	25%

Reference Books:

1. Chandra Prasanna, 'Financial Management'-, Tata McGraw Hill
2. Desai Vasant, 'The Indian Financial System and Development', Himalaya Publishing House
3. Dr. Gurusamy S. Financial Markets and Institutions-,Tata McGraw Hill.
4. Dr. Pathak, Bharti, 'The Indian Financial System' Pearson Education
5. Khan M..Y. 'Indian Financial System', Mc.Graw Hill
6. Kumar Prakashan (Educational Publishers), Indian financial Management, Ahmedabad