

Semester	III	Specialization	Finance
Course Code	306 FIN	Type	Specialization - Core
Course Title	Financial Systems of India, Markets & Services		

Course Objectives:

1	To enlighten the students with the Concepts & Practical dynamics of the Indian Financial System, Markets, Institution and Financial Services.
---	---

Syllabus:

Unit Number	Contents	Number of Sessions
Unit – 1	<p>1.1: Financial System – functions of financial system – meaning and importance – Role of financial system in economic development – Structure and Components of financial system in India – Introduction to financial Institutions – Banking – Non Banking Institutions.</p> <p>1.2: Financial Markets – Money Market and Capital Market – Financial Instruments on the basis of Term of instruments – Types of Securities, Financial services – fund based services and fee based services.</p>	(Hours: 6+2)
Unit – 2	<p>2.1: Regulators of Financial System in India -The RBI as a Central Bank, Functions and working 2.2: SEBI- Purpose – Objectives, structure – functions and powers of SEBI – SEBI guidelines with respect to IPO, Anti Money laundering, listing and delisting of securities , FMC (Forward Market Commission of India) – Structure and Function.</p> <p>2.3: PFRDA (Pension Fund Regulatory and Development Authority) – Structure and Functions – National Pension System- Understanding and benefits, IRDA-(Insurance Regulatory and Development Authority) – Role and Functions.</p>	(Hours: 8+2)
Unit – 3	<p>3.1: Financial Market Functions – Classification – Money Markets – Structure and components of money market – Participants in Indian Money Market – Money Market Instruments – Features of the Instruments – Recent Developments in Indian Money Market.</p> <p>3.2: Capital Markets – Characteristics – Components of Capital Markets – Primary Market Operations – Functions- Methods of Raising Funds in Primary Market (Viz- Public Issue, offer for sale, Right Issue, Private Placement of Securities and other methods such as Tender Method, Bonus shares) Methods of determining prices of new shares viz – Fixed Offer Method and Book Building Method. New Instruments in Capital Market.</p> <p>3.3: Stock Exchange – Characteristics and functions of stock exchanges, listing</p>	(Hours: 6+2)

	of securities, Major Stock Exchanges in India- Important Stock Indices in India, BSE and NSE Sensex.	
Unit – 4	<p>4.1: Financial Services: Concept, Nature and scope of financial Services – Regulatory Frame work of Financial Services – Growth of Financial Services in India.</p> <p>4.2: Merchant Banking – Meaning – Types – Responsibilities of Merchant Bankers – Role of Merchant Bankers in Issue Management – Regulation of Merchant Banking In India.</p> <p>4.3: Venture Capital – Growth of Venture capital in India – Financing Pattern under venture capital,</p> <p>4.4: Factoring, Forfeiting, Securitization (Concepts and Applications): Types of factoring Arrangements – Factoring in the Indian Context.</p> <p>4.5: Mutual Fund, Concept and Objectives, Guidelines for Mutual Funds, Working of Mutual Finds in India.</p> <p>4.6: Loan Syndication, De-materialization of Services – need and operations – other types of funding –Crowd Funding, Asset Backed Finance, Depository Services – Role of NSDL and CSDL.</p>	(Hours: 7+2)
Unit – 5	<p>5.1: Financial Institutions in India : Functions and working of Banking – Commercial Banks- Cooperative Banks- Urban Cooperative Banks – Post Office Saving Banks, Functions & Working of Non Banking Companies – Finance Companies Investment Trusts, Housing Companies, Functions and working of Development Institutions NABARD, SIDBI, NHB, EXIM Bank, BIFR and SFC's.</p> <p>5.2: Credit Rating Agencies – CRISIL and ICRA.</p> <p>5.3: Insurance Companies in India – LIC and GIC – Features and functions.</p>	(Hours: 8+2)
	Note: Theoretical questions will be asked on all topics.	

Learning Resources:		
1	Text Books	<p>Financial Services by Shashi K Gupta and Nisha Agarwal (Kalyani Publications_</p> <p>Merchant Banking and Financial Services by Guruswamy, Third Edition (TATA McGraw Hill)</p> <p>Indian Financial Services – M.Y.Khan</p> <p>Indian Financial System in the World Monetary Order – H. Y. Kulkarni.</p>

2	Reference Books	Indian Financial System and Markets by Siddhartha Sankar Saha (TATA McGraw Hill) Company Law by N D Kapoor Indian Financial System – Vasant Desai
3	Supplementary Reading Material	Financial Institutions and Markets by Madura
4	Websites	RBI, IRDA, SEBI
5	Journals	Journals on Indian Financial Systems