

**NIRMA UNIVERSITY**  
**Institute of Commerce**  
**Bachelor of Commerce (Hons.)**  
**[B.Com. (Hons.)]**  
**Semester – V**

<b>L</b>	<b>T</b>	<b>P</b>	<b>C</b>
<b>4</b>	<b>1</b>	<b>-</b>	<b>5</b>

<b>Course Code</b>	<b>DSE-B-1</b>
<b>Course Title</b>	<b>INDIAN FINANCIAL SYSTEM</b>

**Course Learning Outcomes (CLO):**

At the end of the course, students will be able to:

- Outline the structure and functions of the Indian financial system.
- Illustrate the functioning of financial market and government security market in the development of Indian financial system.
- Evaluate the functioning of different financial institutions.

**Syllabus**

**Teaching Hours**

<p><b>Unit I: Introduction</b></p> <ul style="list-style-type: none"> <li>• An overview of Indian financial system</li> <li>• Financial System and its Components: Financial markets and institutions; Financial intermediation; Flow of funds matrix</li> <li>• Financial system and economic development</li> </ul>	10
<p><b>Unit II: Financial Institutions</b></p> <ul style="list-style-type: none"> <li>• Commercial banks: Introduction, its role in project finance and working capital finance</li> <li>• Development Financial Institutions (DFIs): An overview and role in Indian economy; Life and non-life insurance companies in India</li> <li>• Mutual Funds: Introduction and their role in capital market</li> <li>• Non-Banking Financial Companies (NBFCs)</li> </ul>	18
<p><b>Unit III: Financial Markets</b></p> <ul style="list-style-type: none"> <li>• Indian money market – An overview</li> <li>• Money market: Functions, organisation and instruments. Role of central bank in regulating money market</li> <li>• Capital Market: Functions, organisation and instruments.</li> <li>• Indian debt market</li> </ul>	18
<p><b>Unit IV: Equity Market</b></p> <ul style="list-style-type: none"> <li>• Primary and Secondary Market</li> <li>• Role and Functions of Stock Exchanges</li> <li>• Security and Exchange Board of India: Role and Regulations</li> </ul>	14

## **Suggested Readings:**

Desai, V., *Fundamentals of the Indian Financial System*, New Delhi: Himalaya Publishing House, Mumbai.

Machiraju, H. R., *Indian Financial system*, New Delhi: Vikas Publishing House, New Delhi.

Machiraju, H. R., *Working of Stock Exchanges in India*, New Age International Publishers Ltd, New Delhi.

M. Y. Khan, *Indian Financial system*, New Delhi: Tata McGraw-Hill Publishing, New Delhi.

Bhole, L. M and Mahakud, J., *Financial Institutions and Markets*, McGraw Hill, New Delhi.

Pathak, B., *Indian Financial System*, Pearson India, New Delhi.

w.e.f. Academic Year 2018-19 and onwards