



মহাপুরুষ শ্রীমন্ত শঙ্কৰদেৱ বিশ্ববিদ্যালয়  
**MAHAPURUSHA SRIMANTA SANKARADEVA VISWAVIDYALAYA**

[Recognised Under Section 2(f) of UGC Act, 1956]  
SrimantaSankaradeva Sangha Complex, HaladharBhuyan Path,  
Kalongpar, Nagaon, PIN-782001, Assam, India

**DEPARTMENT OF ECONOMICS**  
**SYLLABUS FOR GENERIC ELECTIVE**

**Course Code: PEC-002**

**Course Title: INDIAN FINANCIAL SYSTEM**

**Credit: 04**

**Semester: III**

**Programme: MA/M.Sc./MSW in any Program other than Economics.**

**Course Objective:** This course aims at providing the students the intricacies of Indian financial system for better financial decision making. The Present Course deals with the conceptual foundation related to analysis of the financial system including its various components like markets, assets and institutions, estimation of parameters like cash flow, annuity, net present value, rates of return etc.

**Teaching learning process:** Lecture, assignment, Individual and group presentation.

**Learning Outcome:** It helps to understand the students the role that financial system plays for economic development of the country as it encourages both savings and investment. It helps in mobilising and allocating one's savings. It facilitates the expansion of financial institutions and markets and formation of capital as well.

**Course Evaluation:** End Semester examination: 60 marks and Internal assessment marks: 40 marks (sessional, assignment, viva voce)

**Teaching Learning Plan:**

Unit	Unit Name	Content	Workload	Weightage
I	Structure of Financial System including Indian Financial System	Financial System: Meaning, Characteristics, Significance and Components, Structure of Indian Financial System- Main functions of these constituents and respective roles	18	16
II	Inter temporal Value of Money and Financial Instruments/Assets	Time Value of Money, Future Value: Single Cash Flow, Multiple Cash Flows, Annuity, Present Value: Single Cash Flow, Multiple Cash Flows, Annuity, Present Value, Net Present Value, Rate of Return, Internal Rate of Return; Shares, Mutual Funds, Debentures, Bonds, Derivatives, Money Market Instruments, Hedging Instruments and Others	16	17

<b>III</b>	<b>The Money Market and The Capital Market</b>	Structure and functions, Instruments in the money market, Call Money Market and its participants, Volatility in Call Rates, Money Market Intermediaries: The Discount and Finance House of India and Money Market Mutual Funds, Liquidity Management Instruments in the Money Market System and its operation, Stock Market Index- Method of calculating the index, Mutual Fund and its functional classification, Net Asset Value	<b>15</b>	<b>18</b>
<b>IV</b>	<b>Banking System in India and its Reforms</b>	Commercial Banking: Evolution ,Financial Services, Fiduciary Services ,Off Balance Sheet Activities, Analysis of Assets and Liabilities of Schedule Commercial Banks, Central Banking :Introduction ,Instruments of Monetary Control Reserve Bank of India	<b>17</b>	<b>19</b>

### Recommended Readings:

1. Alexander G J, Sharpe W F & Bailey J V. *Fundamentals of Investments* Pearson Education, Singapore.
2. Bhole L. M. *Financial Institutions and Markets: Structure, Growth & Innovation*, Tata McGraw Hill, New Delhi
3. Bodie Z, Merton R. C. & Cleeton D. L. *Financial Economics*. Pearson/ Prentice Hall
4. Gupta, S. B. *Monetary Economics: Institutions, Theory and Policy*, S Chand & Co, New Delhi.
5. Madura J. *Financial Institutions and Markets*, Thomson South Western.
6. Panday I.M. *Financial Management*. Vikas.
7. Pathak B. V. *Indian Financial System*, Pearson Education, Singapore

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