

303: Indian Financial System

1. Financial System: Meaning, significance, and components; Composition of Indian financial system.
Reserve Bank of India: Organization; Management; Functions – credit creation and credit control; Monetary policy.
2. Commercial Banks: Meaning; Functions; Development of Commercial Banking in India, Recent trends in Indian commercial banks. Development Banks: Concept, objectives, and functions of Development Banks. IFCI, IDBI, IRBI, ICICI, STDBI, NABARD, EXIM, State Level Development Banks:
State Level Development Banks: Objectives, function, and role of state level banks; State financial corporations; Development banks in industrial financing.
3. An overview of financial markets in India.
Money Market: Indian money market's composition and structure; (a) Acceptance houses, (b) Discount houses, and (c) Call money market; Recent trends in Indian money market.
4. Capital Market: Security market –(a) New issue market, (b) Secondary market; Functions and role of stock exchange; Listing procedure and legal requirements; Public issue-pricing and marketing; Stock exchanges-National Stock Exchange and over-the counter exchanges.
5. Financial Services: Depository System, Merchant banking –functions and role; SEBI: Objective and Function; Credit rating –concept, functions, and types.

Suggested Readings:

1. Bhole L. M: Financial Markets and Institutions; Tata McGraw-Hill Publishing Company, New Delhi.
2. Chandra Prasanna: Financial Management: Theory and Practice; Tata McGraw Hill, New Delhi.
3. Gupta Suraj B: Monetary Economics; S. Chand and Co., New Delhi.
4. Khan M. Y : Financial Services; Tata Mcgraw Hill, New Delhi.
5. Khan M. Y: Indian Financial System: Theory and Practice; Vikas Publishing House, New Delhi.
6. Machiraju H.R: Indian Financial System; Vikas, Delhi.
7. Sengupta A. K. and Agarwal M. K: Money Market Operations in India; Skylark Publication, New Delhi.
8. Srivastava, R. M: Management of Indian Financial Institutions; Himalaya Publishing House, Mumbai.
9. Mathur M, Indian Financial System Himanshu Publications, Udaipur