

**PUNYASHLOK AHILYADEVII HOLKAR SOLAPUR  
UNIVERSITY, SOLAPUR**



NAAC Accredited-2015

'B' Grade (CGPA 2.62)

**Name of the Faculty:**

**Commerce & Management**

CHOICE BASED CREDIT SYSTEM

**Syllabus of:**

**Money and Financial System**

**(DSC- 3 & 4 D), Credits: 4+4**

**Name of the Course: B.Com. II (Sem-III & IV)**

**(Syllabus to be implemented w.e.f. June 2020-21)**

**Punyashlok Ahilyadevi Holkar Solapur University, Solapur**

Faculty of Commerce and Management

Semester Pattern Syllabus (CBCS)

**B.Com. II**

**Money and Financial System**

**(DSC- 3 & 4 D), Credits: 4+4**

(w.e.f. June 2020)

**Semester – III**

**Marks – 50**

**Introduction:**

The study of money and financial system in India is much more beneficial to the student of commerce faculty. Especially the study of types of money, evolution of money, Constituents of money supply, money and capital market, structure of Reserve Bank of India and Banking system, bank account operations and recent technology in Indian banking will help to the students. Also it gives more practical approach to the students.

**Course Objectives:**

The objectives of the course are...

1. To explain the nature, functioning and issues related to money, banks and non-banking institution in India to the student.
2. To acquaint the students fully with the changing role of Reserve Bank of India and financial institutions in the process of growth and development.

**Course Outcomes:**

The students will be able to....

1. Apply the knowledge of money and banking in their life.
2. Apply the knowledge of money and capital market for their financial stability.
3. Versed the concepts and types of finance.

**Unit- I- Money:**

**15 Lectures**

- 1) Meaning, evolution of money
- 2) Types of money,
- 3) Functions of money,
- 4) Constituents of money supply in India / money measures (M1, M2, M3, M4,). Concept of High power money,

**Unit- II- Money and Capital Market in India:**

**15 Lectures**

- 1) Concept and Structure of Money Market—organized sector and unorganized sector,
- 2) Instruments of the Money Market – treasury bill market, bill market, call money market, certificate of deposit (CD) market, commercial paper (CP) market,
- 3) Role of Money Market in Economic Development,
- 4) Features and Structure of Indian Capital market

**Unit- III- Reserve Bank of India:****15 Lectures**

- 1) History and Organizational Structure of Reserve Bank of India.
- 2) Functions of Reserve Bank of India.
- 3) Meaning, objectives and instruments of monetary policy.
- 4) Role of Monetary Policy in Economic Development.

**Unit- IV- Finance:****15 Lectures**

- 1) Role of Finance in an Economy.
- 2) Kinds of Finance.
- 3) Components of Indian Financial System- organized sector and unorganized sector.
- 4) Financial Intermediaries: banking and non - banking financial institutions.

**Semester – IV****Marks: 50****Course Objectives:**

The objectives of the course are...

1. To explain the history, structure and nationalization of banking.
2. To acquaint the students fully with the Procedure of opening, operation, transferring and closing of bank accounts.
3. To aware about the credit policy and banking principles.
4. To gives information about the recent technology in banking.

**Course Outcomes:**

The students will be able to....

1. Apply the knowledge of opening, operating, transferring and closing of bank accounts.
2. Aware about the credit policy and banking principles.
3. Apply the knowledge of recent technology of banking operation.

**Unit- I- Indian banking system:****15 Lectures**

- 1) Meaning and History of Banking in India,
- 2) Functions of Commercial Banks in India.
- 3) Types and Features of Banking System in India.
- 4) Reforms in Banking Sector in India.

**Unit- II- Operating Bank Account:****15 Lectures**

- 1) Procedure of Opening, Operation, transferring and closing of an account.
- 2) No Frills Account.
- 3) Operating Accounts: Pay in slip, withdrawal slip, passbook, Cheque book.
- 4) Types of account holders

**Unit- III- Credit Creation and Principles of Banking:****15 Lectures**

- 1) Concept of Credit Money and Procedure of Credit Creation.
- 2) Limitations of Credit Creation.
- 3) Policy Instruments to Control the Credit Creation.
- 4) Principles of Banking – Principles of Safety, Principles of Liquidity, Principle of Profitability. Diversification of risks.

**Unit- IV- Technology in Banking:****15 Lectures**

- 1) Role of technology in banking.
- 2) Recent changes of Technology in Banking - E Banking, ATM, Debit Card, Credit Card, Phone banking, Concept of Core Banking.
- 3) Methods of Remittance – Demand Drafts, Banker’s Cheque, Electronic Transfer – RTGS, NEFT, NPCI (National Payments Corporation of India) – IMPS, UPI.
- 4) Concept and Importance of Cashless Transaction.

**EQUIVALENCE:**

<b>S. N.</b>	<b>Name of the Old Paper</b>	<b>Name of the New Paper</b>
1	Money and Financial System: Sem- III & IV	Money and Financial System: Sem- III & IV (DSC- 3 & 4 D)

**REFERENCES:**

1. Sayers – Modern Banking.
2. Tannans -Banking Law and Practice in India
3. K.C. Shekhar - Banking Theory and Practice
4. M.C.Vaish - Modern Banking
5. Mithani D.M. - Money Banking International Trade & Public Finance
6. Lordon, Nataranjan- Banking: Theory, Law & Practice
7. S.K.Basu - Current banking Theory & Practice

8. Bhole L.M. (2009), Financial Institutions and Market, Tata McGraw Hill, New Delhi
9. Bhasin Nitin (2010), Financial Institutions and Financial Markets in India: Functioning and Reforms. New Century Publications, New Delhi
10. Berg Braam van den (2015), Understanding Financial Markets & Instruments, Academy of Financial Market, <https://eagletraders.com/books/afm/afm4.php>
11. Cade, Eddie (1998) Managing Banking Risks, Woodhead Publishing Ltd., in association with The Chartered Institute of Bankers, England.
12. Joshi Vasant C. and Joshi Vinay V (1998), Managing Indian Banks: The Challenges Ahead, Response Books, New Delhi.

**Dr Santosh N Kadam**

Chairman

BOS in Business Economics

Punyashlok Ahilyadevi Holkar Solapur University, Solapur  
Faculty of Commerce & Management  
**Nature of Question Paper for CBCS Pattern**  
B. Com. (Part- I, II & III) w.e.f.2019-20

Time:- 2 hrs.

Total Marks – 40

<b>Q. 1 A.</b>	<b>Multiple Choice Questions (One Mark Each)</b>	<b>08</b>
1)	-----	
	(a) (b) (c) (d)	
2)		
3)		
4)		
5)		
6)		
7)		
8)		
<b>B.</b>	<b>Explain the following Concepts</b>	<b>04</b>
a)		
b)		
<b>Q.2</b>	<b>Write Short note (any two)</b>	<b>06</b>
a)		
b)		
c)		
<b>Q.3</b>	<b>Long Answer Question</b>	<b>10</b>
1)		
<b>Q.4</b>	<b>Answer <u>any one</u> of the following. (Long Answer)</b>	<b>12</b>
A)		
	OR	
B)		

❖ **College can conduct, internal examination of 10 marks as under (any one)**

- 1) Home Assignment
- 2) Class Assignment
- 3) Tutorial/Unit test
- 4) Seminar
- 5) Industrial visit
- 6) PPT Presentation