

# **SOLAPUR UNIVERSITY, SOLAPUR**



NAAC Accredited-2015  
'B' Grade (CGPA 2.62)

## **Faculty of Commerce**

### **Semester Pattern Syllabus (CBCS) B.Com. II**

**With effect From – June 2017**

### **Money And Financial System**

# Solapur University, Solapur

## Semester Pattern Syllabus

### B.Com.II

#### Money and Financial System

(w.e.f.June 2017)

#### Semester – III & IV

#### Objectives :

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

#### Semester – III Marks - 70

| Unit No. | Name of the Topic             | Details   | Lectures/<br>Periods |
|----------|-------------------------------|---|----------------------|
| 1        | <b>Money</b>                  | Meaning and definition of Money, Types of Money, Functions & Constituents of Money supply in India. (M1, M2, M3, M4) Concept of High Power Money Meaning and Uses.  | 15                   |
| 2        | <b>Money Market in India.</b> | Concept of money market – nature of money market – features of money market, Role of money market in economic development, organized money market – call money market – unorganized money market – hawala market. | 20                   |
| 3        | <b>Monetary Policy</b>        | Meaning – objectives of monetary policy – instruments of monetary policy, Monetary policy and economic development.   | 10                   |
| 4        | <b>Finance in India</b>       | Role of finance in economy – kinds of finance – financial system – components, financial intermediaries – banking and non-banking financial Institutions.   | 15                   |

## Semester – IV Marks : 70

| Unit No. | Name of the Topic                                   | Details  | Lectures/ Periods |
|----------|---|--|-------------------|
| I        | <b>Banking – Meaning Definitions and Functions.</b> | a) Primary functions,<br>b) Secondary functions.<br>c) Other functions/miscellaneous function or utility services.   | 10                |
| II       | <b>Opening &amp; Operating Banking Accounts.</b>    | a) Opening & Operating Banking Accounts – Procedure for opening account – know your customer (KYC) norms – Application Form – Introduction – Proof of residence – specimen signature and nomination – their importance – No frills accounts.<br>b) Operating Deposit Accounts – Pay-in-slips – withdrawal slip – passbook – Cheque book – F.D. Receipt – Premature encashment of fixed deposit and loan against fixed deposit – Recurring deposit.<br>c) Transfer of account – closure of accounts –<br>d) Types of account holders.<br>e) Cashless Transactions Concept, Merits & Demerits. | 20                |
| III      | <b>Credit Money &amp; Lending Principles</b>        | a) Credit money & Credit creation – Process & Limitations.<br>b) Lending Principles – Safety, liquidity, Profitability diversification of risks – balancing of profitability and liquidity – priority lending's.   | 15                |
| IV       | <b>Technology in Banking.</b>                       | Need and importance of technology in Banking – ATM – Credit Card – Debit card- Tele Banking – E Banking – SWIFT (Society for worldwide interbank Financial Tele Communications) Concept of core banking.<br><br>Methods of remittance – Demand Drafts, Banker's Cheque. Electronic Transfer ( Real Time Gross Settlement (RTGS) National Electronic Fund Transfer (NEFT)   | 15                |

**Reference Books :**

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