

# Solapur University, Solapur

## Semester Pattern Syllabus

### B. Com. II

### Money and Financial System

(w.e.f. June 2014)

### Semester – III

**Unit – I : Money**

Meaning and definition of Money, Types of Money, Functions & Constituents of Money supply in India. (M1, M2, M3, M4) high powered Money – meaning - uses and sources of changes in high powered money.

**Unit – II : Money Market in India**

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.

**Unit – III : Monetary Policy**

Meaning – objectives of monetary policy – instruments of monetary policy application of monetary policy in inflation and recession – monetary policy and economic development – limitation of monetary policy.

**Unit – IV : Finance in India**

Role of finance in economy – Kinds of finance – financial system – components, financial intermediaries – banking and non-banking financial Institutions.

### Semester – IV

**Unit – I : Banking – Meaning – Definitions and Functions**

- a) Primary functions.
- b) Secondary functions.
- c) Other functions/ miscellaneous function or utility services.

**Unit – II : Opening & Operating Banking Accounts**

- 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 account.

- 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.
- c) Transfer of account – closure of accounts –
- d) Types of account holders.
- e) Methods of remittance – Demand Drafts, Banker's Cheque, Electronic Transfer (Real Time Gross Settlement [RTGS]) National Electronic Fund Transfer (NEFT)

### **Unit – III : Credit Money & Lending Principles**

- a) Credit money & Credit creation – Process and limitations.
- b) Lending Principles – Safety, liquidity, Profitability diversification of risks – balancing of profitability and liquidity – priority lending's.

### **Unit – IV : Technology in Banking**

Need and importance of technology in Banking – ATM – Credit Card – Debit Card – Tele Banking – Net Banking – SWIFT (Society for worldwide interbank Financial Tele Communication) Concept of core banking.

#### **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, Natarajan.
- 7) बँकिंगची तत्त्वे आणि बँकिंग पद्धती – डॉ. कुरुलकर
- 8) अधिकोष आणि नाणेबाजार – श्री. आ. देशपांडे
- 9) बँकिंगचे फायदे व व्यवहारपद्धती – वैद्य भा.ह.
- 10) Current Banking Theory & Practice – S.K. Basu.