



**PARVATHANENI BRAHMAYYA  
SIDDHARTHA COLLEGE OF ARTS & SCIENCE**  
*Autonomous*  
Siddhartha Nagar, Vijayawada-520010  
*Re-accredited at 'A+' by the NAAC*

**23FMMIL121: FINANCIAL INSTITUTIONS & MARKETS**  
**(FINANCIAL MANAGEMENT – MINOR)**

**Offered to : All UG Programs**

**SEMESTER-II**

**Minor Course 1: Theory**

**4 Credits**

**75 hrs.**

**Course Objective:**

The course aims to impart conceptual knowledge on financial system in the economy and to provide the knowledge on the role development banks and other financial institutions.

**Course Outcomes:**

After completing this course, the student will be able to:

**CO1:** Appreciate the role of the financial system in the economy.

**CO2:** Gain knowledge on the financial institutions, markets and its regulations.

**CO3:** Understand the banking and non-banking financial institutions, its regulations.

**CO4:** Realize the role of development banks.

**CO5:** Understand the role and functions of International Financing Institutions.

CO-PO MATRIX								
	CO-PO	PO1	PO2	PO3	PO4	PO5	PO6	PO7
23FMMIL121	CO1	3	3	2	0	0	0	0
	CO2	3	3	2	0	0	0	0
	CO3	3	3	2	0	0	0	0
	CO4	3	3	2	0	0	0	0
	CO5	3	3	2	0	0	0	0

**UNIT-I Indian Financial Systems**

1.1 Structure of Indian Financial System

1.2 Role of Financial System in Economic Development

1.3 Capital Market Instruments – Equity, Debentures, Bonds and Derivatives

1.4 Money Market Instruments – Treasury Bills, Certificate of Deposit, Commercial Paper

**UNIT –II Financial Markets**

2.1 Capital and Money Market

2.2 Primary vs Secondary Market

2.3 Role and Functions of Stock exchanges

2.4 Forex Market

2.5 Commodity Market

2.6 Derivatives Market

**UNIT-III Financial Institutions - I**

3.1 Introduction to Financial Institutions

- 3.2 Indian Banking System
- 3.3 Regulatory Mechanism of Indian Banking System – Role of RBI
- 3.4 Non - Banking Financial Institutions NBFCs
- 3.5 Regulatory Mechanism of Non - Banking Financial Institutions – Role of RBI, SEBI, IRDA.
- 3.6 Depository System – Depositories - NSDL, CSDL; Depository Participants.

#### **UNIT-IV Financial Institutions - II**

- 4.1 Development Banks
- 4.2 Objectives and Scope of Development Banks
- 4.3 Role and Functions of Industrial Finance Corporation of India (IFCI Ltd.),
- 4.4 Role and Functions of National Bank for Agricultural and Rural Development (NABARD)
- 4.5 Role and Functions of National Housing Bank (NHB)
- 4.6 Role and Functions of Small Industrial Development Bank of India (SIDBI).

#### **UNIT-V International Financing Institutions**

- 5.1 Role and objective of International Financial Institutions
- 5.2 Objectives and Functions of International Bank for Reconstruction and Development (IBRD)
- 5.3 Role of International Finance Corporation (IFC)
- 5.4 Role of International Development Association (IDA)
- 5.5 Role of Asian Development Bank (ADB)
- 5.6 Role of International Monetary Fund (IMF)

#### **Text Book:**

1. N K Gupta, Monika Chopra, Financial Markets and Services, 2nd 2008, Asian Business Publications Limited, New Delhi.

#### **References:**

1. Bhole LM, Financial Institutions and Market-Structure, Growth and Innovations, 6<sup>th</sup>, 2018, Tata McGraw Hill, Chennai.
2. V A. Avadhani, Financial Services in India, 2<sup>nd</sup> 2010, Himalaya Publishers, Mumbai.
3. Vasant Desai, Financial Markets and Financial Services, 4<sup>th</sup> 2013, Himalaya Publisher, Mumbai.