

**Model Syllabus for Financial Management (Minor) in consonance with
Curriculum framework w.e.f. AY 2026-27**

COURSE STRUCTURE

Year	Semester	Course	Title of the Course	No.of Hrs /Week	No. of Credits
II	IV	2	Money, Banking and Financial Markets	4	4

SEMESTER-IV

COURSE2: MONEY, BANKING AND FINANCIAL MARKETS

Theory

Credits: 4

4hrs/week

Course Objectives:

The course is designed to:

1. Analyze the impact of money on macro economic variables such as interest rates, inflation, and the banking industry.
2. Provide theoretical and practical understanding of the monetary and financial sectors of the economy.
3. Examine the organization, structure, and role of financial institutions and markets.
4. Evaluate interest rate dynamics and instruments of monetary management and control.
5. Study banking and financial sector reforms with special reference to the Indian context.

Course Outcomes (COs):

Upon successful completion of this course, students will be able to:

- CO1: Define the nature, functions, and role of money in different economic systems and explain theories of money supply.
- CO2: Describe the structure of banking institutions, credit creation process, and evaluate reforms in the Indian banking sector.
- CO3: Analyze the functions of the central bank and assess various tools of credit control.
- CO4: Evaluate the role and structure of financial markets and institutions including recent financial innovations and reforms in India.
- CO5: Examine interest rate determination theories and the term structure of interest rates in a financial system.

UNITI: MONEY

Meaning, functions and classification, Role of money in capitalist, socialist and mixed economies, theories of money supply determination. RBI approach to money supply; High powered money and money multiplier. Monetary standards – Metallic and paper standards, system of note issues in India. RBI approach to money supply; High powered money and money multiplier.

UNITII: BANKING

Types of Banks. Functions of Commercial banks. Process of credit creation, Purpose and limitations. Liabilities and assets of banks. Commercial banking in India, Nationalization of commercial banks in India. Recent reforms in banking sector in India.

UNITIII: CENTRAL BANKING

Functions of Central Bank. Quantitative and qualitative methods of credit control- Bank rate policy, Open market operations, Cash reserve ratio and selective methods. Role and functions of the Reserve Bank of India.

UNITIV: FINANCIAL INSTITUTIONS, MARKETS, INSTRUMENTS AND FINANCIAL INNOVATIONS

Role of financial markets and institutions, Structure of money market and capital market — Call money market. Treasury bill market, Commercial bill market including commercial paper and certificate of deposits, Government securities market, Primary and secondary market for securities. Financial sector Reforms in India, Role of Financial Derivatives Financial Institutions: Types; Banking and Non-Banking Financial Institutions.

UNITV:INTEREST RATES

Interest Rates Determination; sources of interest rate differentials; theories of term structure

Student-Centric Activities

- Class room Debate on central bank autonomy and monetary control in India.
- Group Presentation on the evolution and structure of money markets in India.
- Case Study: Analysis of recent RBI monetary policy measures and their impact on inflation and interest rates.
- Simulation Exercise: Role-play on monetary policy decision-making by a mock RBI monetary policy committee.
- Mini Project: Study and prepare a report on a selected Indian financial institution (e.g., NABARD, SIDBI, SEBI).

Recommended Books:

1. F.S.Mishkin and S.G. Eakins, Financial Markets and Institutions, Pearson Education
2. F.J.Fabozzi, F.Modigliani, F.J.Jones, M.G .Ferri, Foundations of Financial Markets and Institutions, Pearson Education.
3. Rakesh Mohan, Growth with Financial Stability-Central Banking in an Emerging Market, Oxford University Press, 2011. 32
4. L.M.Bhole and J.Mahukud, Financial Institutions and Markets, Tata McGraw Hill.
5. M.Y.Khan, Indian Financial System, Tata Mc Graw Hill.

MODEL QUESTION PAPER
SEMESTER - IV
COURSE 2: MONEY, BANKING AND FINANCIAL MARKETS
(w.e.f. 2026-27)

Time: 3 hrs

Max. Marks 75

SECTION - A

Answer any Five of the following

5 X 3= 15 Marks

1. Short answer question from Unit-1
2. Short answer question from Unit-1
3. Short answer question from Unit-2
4. Short answer question from Unit-2
5. Short answer question from Unit-3
6. Short answer question from Unit-3
7. Short answer question from Unit-4
8. Short answer question from Unit-4
9. Short answer question from Unit-5
10. Short answer question from Unit-5

SECTION - B

Answer Five of the following One question from each Unit. 5 X 12= 60 Marks

11. Long answer question from Unit-1

OR

12. Long answer question from Unit-1

13. Long answer question from Unit-2

OR

14. Long answer question from Unit-2

15. Long answer question from Unit-3

OR

16. Long answer question from Unit-3

17. Long answer question from Unit-4

OR

18. Long answer question from Unit-4

19. Long answer question from Unit-5

OR

20. Long answer question from Unit-5