

Dr. BABASAHEB AMBEDKAR MARATHWADA UNIVERSITY, AURANGABAD
DEPARTMENT OF ECONOMICS
M.A. (Economics) SYLLABUS

Course Code No.: ECO- 312	No. of Credits: 04	Semester: III
Course Title:	BANKING & FINANSIAL SYSTEM	
Course Objectives:		
<p>The Objectives of this course is to introduce different roles that various financial institutions play in our economy and learn the risks inherent in the operation of these financial institutions, particularly interest rate risk and credit risk.</p>		
Unit	Course Content	Periods
I	Money and Finance: Money and near money: Financial inter mediation and financial intermediaries, the structure of financial system, indicators of financial development, equilibrium of financial market, financial system and economic development	14
II	Theories of interest rate determination: long period and short period rates, term structure, of interest rate, spread between lending and deposit rates, administered interest rate, appropriate interest rate policy.	12
III	Functions of central Bank, the aims objectives of the monetary policy in developed and developing countries, instrument of monetary policy, changing trends in monetary policy in India, RBI's short term liquidity management, effectiveness of monetary policy.	12
IV	Performance of commercial banks, function & proliferation of commercial banks, district cooperative and urban co-operative banks in India, financial inclusion in India.	10
V	Development banks : rate and functions, investment banking and merchant banking, meaning and types of non bank financial intermediaries.	12
Course Outcomes:		
<ul style="list-style-type: none"> • Understand the meaning of financial concepts. • Understand the functioning of bank system. • Understand the monetary policy of RBI. • Know the structure of cooperative banks • Understand the role of development banks in economic development. 		

D. Mahajan
Professor and Head
Department of Economics
Dr. Babasaheb Ambedkar
Marathwada University,
Aurangabad.