

## SARDAR PATEL UNIVERSITY

(Effect from June, 2021-22)

M.COM. (BUSINESS STUDIES) SEMESTER-I		
<b>Paper Code</b> PB01ECOM54	<b>Title of the Paper</b> FINANCIAL MARKETS AND SERVICES -I	<b>Total Credit</b> 4

<b>Course Objectives</b>	To create awareness and provide basic understanding about various concepts and practical dynamics of Financial Markets and Financial Services.
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Course Description		
Unit	Description	Weightage
<b>1.</b>	<b>The Financial System of India</b> Functions of the Financial Market Financial Concepts Financial Assets – Properties of Financial Assets, Financial Intermediaries, Financial Markets, Financial Rates of Return, Financial Instruments, Development of Financial System in India, Financial System and Economic Development, Weakness of Indian Financial System	<b>25%</b>
<b>2.</b>	<b>Financial Markets</b> Concept, Role of financial markets, Functions of financial markets - Constituents of financial markets, Indian Money and Capital Markets – Money market - Definition, characteristics, Importance, Functions; Capital market - Meaning, Characteristics, Functions, SEBI as a regulating body; Call money market - Meaning, Features, Benefits, Participants, Nature of dealings, Mode of operations; Debt markets - Meaning, Advantages, Functions, Role of Bond market; Conceptual Discussion of Forex Market and Derivative Market	<b>25%</b>
<b>3.</b>	<b>Financial Services: Conceptual Framework</b> Meaning, Characteristics, Objectives, Scope of financial services, Factors retarded the growth of financial services sector prior to the economic liberalization, causes for financial innovations, Innovative Financial Instruments, Problems/Challenges facing the financial services sector, Present scenario	<b>25%</b>
<b>4.</b>	<b>Financial Markets Instruments</b> <u>Equity Market Instruments</u> –Equity Shares, Preference Shares, Deferred/Founders Shares, Non-voting Shares, Tracking Stocks. <u>Debt Market Instruments</u> – Debentures, Kinds of Debentures,	<b>25%</b>

	<p>Debentures and Share Capital: Distinction, Convertible Debentures, Valuation of Convertibles.</p> <p><u>Hybrid Debt Instruments</u> – Zero Interest Bond, Equity Warrants with NCDs, Secured Premium Notes, Deep Discount Bond, Zero Coupon Convertible Note, Step-up and Step-down Debentures, Coupon Stripping, Debt for Equity Swap, Junk Bonds, Mezzanine Debt, Floating Rate Bonds, Other Hybrid Debt Instruments – Multi-option Secured Redeemable Convertible Debenture; Callable Bond; Option tender Bonds; Guaranteed Debentures; Subordinated Debentures; Indexed Bonds; Inflation Adjusted Bonds; Credit Wrapping; STRIPS; Oil Bonds; Call and Put Option in Debenture Issue</p> <p><u>Money market instruments</u> – Treasury Bills, Central Government Securities (Gilt-edged Securities), State Government/Public Sector/ Municipality Issued Securities, Commercial Papers, Certificate of Deposit, Bills Rediscounting, Call Money, Repurchase Agreements, Interbank Participation Certificates, Other Money Market Instruments – Bank Deposits; Term Money; Corporate Debentures and Bonds; Banker’s Acceptance; Commercial Bills and Fringe Market, Selection of Securities</p> <p><u>Financial Engineering</u> – Meaning and Features</p>	
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\*Units will have the same Weightage in the evaluation as suggested in the course outline.

<b>Teaching-Learning Methodology</b>	<ul style="list-style-type: none"> <li>• Lecture method</li> <li>• Learning from web-based contents</li> <li>• Group Discussion</li> <li>• Activity Based Learning</li> </ul>
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<b>Evaluation Pattern</b>		
Sr.No.	Details of the Evaluation	Weightage
<b>1.</b>	Internal/Written Examination	<b>20%</b>
<b>2.</b>	Internal Continuous Assessment in the form of Practical , Viva-Voce, Quizzes, Seminars, Assignments, Attendance	<b>10%</b>
<b>3.</b>	University Examination	<b>70%</b>

\* Students will have to score a minimum of 40 (Forty) Percent to pass the course.

<b>Course Outcomes: Having Completed this course, the students will be able to</b>	
<b>1.</b>	Develop conceptual understanding about Indian financial system and economic development
<b>2.</b>	Get insights about Financial Markets

3.	Clarify concepts of various constituents of financial markets
4.	Learn about fundamentals of financial services

**Suggested References: (include Reference Material from where a student is expected to study the said content in APA Style) Reference Websites can also be included)**

Sr. No	References
1.	Gurusamy, D. S. (2015). <i>Financial Market and Institutions</i> (Forth ed.). Chennai: Vijay Nicole Imprints Pvt Ltd.
2.	Gurusamy, D. (2009). <i>Financial Services</i> (Second ed.). New Delhi, India: McGraw Hill Education India.
3.	Gordon, E., & Natrajan, K. (2016). <i>Financial Markets and Services</i> (11th Revised ed.). Mumbai, India: Himalaya Publishing House.
4.	Sasidharan, K., & Mathews, A. K. (2008). <i>Financial Services and System</i> . Delhi, India: McGraw Hill Education.
5.	Avadhani, V. A. (2015). <i>Financial Services in India</i> (Third Revised ed.). Mumbai, India: Himalaya Publishing House.
6.	Kaur, J., & Wadera, D. (2015). <i>Marketing of Services</i> (Revised ed.). New Delhi, India: Global Academic Publishers & Distributors.

**On-Line Resources available that can be used as Reference Material**

[http://ugcmoocs.inflibnet.ac.in/ugcmoocs/view\\_module\\_pg.php/650](http://ugcmoocs.inflibnet.ac.in/ugcmoocs/view_module_pg.php/650)

SUBJECT	COMMERCE
Paper No. and Title	11: Money and Banking
Module No. and Title	34: Financial markets in India
	27- Commercial Banks