



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

COURSE HANDOUT

FINANACIAL INSTITUTIONS AND MARKET (BCMMJ-603)

B.COM 6th SEMESTER

ACADEMIC YEAR (2024-25)

Dr Mamta Sharmaa

Assistant Professor

UG-School of Management



UG-School of Management

Model Institute of Engineering & Technology (Autonomous)

Kot Bhalwal, Jammu - 181122

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Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1



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Course Code	Course Name	Course Type	Cd	L	T	P	Marks		
							Sessional	Final Exam	Total
BCMMJ-603	Financial Institutions & Markets	Major	4	4	0	0	40	60	100

COURSE OUTCOMES

At the end of the course the student will be able to:	
CO1	Explain the framework of Indian financial system.
CO2	Apply the knowledge of money market functions to analyze the real-world scenario.
CO3	Analyze the role of primary market intermediaries for ensuring compliance with regulatory requirements.
CO4	Evaluate the regulatory framework governing the secondary market activities.
CO5	Articulate the regulations of the major financial institutions.

Detailed Syllabus

Section A

Unit I: Overview of the Indian Financial System: Formal and informal, Components, Characteristics, Role and Functions, Nature and Role of financial institutions and financial markets, Interaction among financial system components, Various Classifications of Financial Markets, Financial market players.

(10Hrs)

Unit II: Money Market: Functions, Participants, Sub-markets/Instruments: Interbank call/notice money market, Inter-Bank term deposit market, Bill market: The Treasury and Commercial bill, Bankers' Acceptance, Commercial Paper Market, Certificate of Deposits Market, Money Market Mutual Fund, Repo – Reverse Repo Market.

(09Hrs)

Unit III: Capital Market (Primary Market): History of the Indian Capital Market. Primary Market- Functions, Participants and Intermediaries: Merchant Banker, Banker to an Issue, Underwriter. Primary issues: Public issue, Right issue, Private placement, Bonus, Preferential issue. Process of offering new issues to the public: Book building, Online IPOs and FPOs, Private Equity Market.

(10 Hrs)

Section B

Unit IV: Capital Market (Secondary Market): Secondary Market- Role of a Stock Exchange, Stock Exchanges of India: BSE, NSE. Instruments in capital Market: Equity Shares with or without differential voting rights, preference shares, Debt securities - Corporate bond, corporate debentures, PSU bonds. Market Infrastructure Institutions: Clearing corporations, Depositories, Depository participants.

(10 Hrs)

Unit V: Indian Financial Market Regulators: An overview of working and functions of various Indian Financial Market Regulators: SEBI, RBI, IRDA, PFRDA.

(09 Hrs)

Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Indian Financial System	Bharti V Pathak	Pearsons	5th (2018)
2	Financial Markets & Institutions	Anthony Saunders, Marcia Cornett and Otgo Erhemjamts	Mc Graw Hill	8th (2022)



Reference Books

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Financial Markets and Institutions	Frederic S. Mishkin	The Prentice Hall Series in Finance	8th (2017)

COURSE PLAN

Unit I: Overview of the Indian Financial System

S.No	Topics	Recommended Books
1	Formal and informal	Book 1, Ch 1
2	Components	Book 1, Ch 1
3	Characteristics	Book 1, Ch 1
4	Role and Functions	Book 1, Ch 1
5	Nature and role of financial institutions and financial markets	Book 1, Ch 1
6	Nature and role of financial institutions and financial markets	Book 1, Ch 1
7	Interaction among financial system components	Book 1, Ch 1
8	Various Classifications of Financial Markets	Book 1, Ch1
9	Financial market players	Book 1, Ch 1
10	Financial market players	Book 1, Ch 1

Unit II: Money Market

1	Functions	Book 1, Ch 4
2	Participants	Book 2, Ch 5
3	Interbank call/notice money market, Inter-Bank term deposit market	Book 1, Ch 4
4	Bill market: The Treasury bill	Book 1, Ch 4
5	Commercial bill	Book 1, Ch 4
6	Bankers' Acceptance	Book 1, Ch 4
7	Commercial Paper Market, Certificate of Deposits Market	Book 1, Ch 4
8	Money Market Mutual Fund	Book 2, Ch 5
9	Repo – Reverse Repo Market	Book 1, Ch 4

Unit III: Capital Market (Primary Market)

1	History of the Indian Capital Market.	Book 1, Ch 5
2	Primary Market- Functions, Participants and Intermediaries	Book 1, Ch 6
3	Merchant Banker, Banker to an Issue	Book 1, Ch 17
4	Underwriter	Book 1, Ch 6
5	Primary issues: Public issue	Book 1, Ch 6
6	Right issue, Private placement	Book 1, Ch 6
7	Bonus, Preferential issue	Book 1, Ch 6
8	Process of offering new issues to the public: Book building	Book 1, Ch 6
9	Online IPOs and FPOs	Book 1, Ch 6
10	Private Equity Market.	Book 1, Ch 6



Unit IV: Capital Market (Secondary Market)		
1	Secondary Market- Role of a Stock Exchange,	Book 1, Ch 8 Book 2, Ch 8
2	Stock Exchanges of India: BSE	Book 1, Ch 8
3	NSE	Book 1, Ch 8
4	Instruments in capital Market	Book 1, Ch 5
5	Equity Shares with or without differential voting rights	Ref. Book 1, Ch 2
6	preference shares	Ref. Book 1, Ch 2
7	Debt securities - Corporate bond, corporate debentures, PSU bonds	Book 1, Ch 10
8	Market Infrastructure Institutions: Clearing corporations	Book 1, Ch 18
9	Depositories	Book 1, Ch 18
10	Depository participants	Book 1, Ch 18
Unit V: Indian Financial Market Regulators		
1	An overview of working of various Indian Financial Market Regulators	Book 1, Ch 24
2	An overview of working of various Indian Financial Market Regulators	Book 1, Ch 24
3	Functions of various Indian Financial Market Regulators	Book 1, Ch 24
4	Functions of various Indian Financial Market Regulators	Book 1, Ch 24
5	SEBI	Book 1, Ch 24
6	SEBI	Book 1, Ch 24
7	RBI	Book 1, Ch 24
8	IRDA	Book 2, Ch 15
9	PFRDA	Book 2, Ch 18

ADDITIONAL WEB RESOURCES

1.	MOOC: Financial Institutions and Markets https://onlinecourses.nptel.ac.in/noc20_mg10/preview
2.	Coursera: Introduction to Financial Markets https://www.my-mooc.com/en/mooc/introduction-to-financial-markets

GRADING AND ASSESSMENT

- **Sessional Test:** 20 marks
- **Assignment:** 10 marks
- **Attendance:** 10 marks
- **Final Examination:** 60 marks

COURSE POLICIES

- **Attendance:** Minimum 75% attendance is mandatory to appear in the final examination of the course.
- **Academic Integrity:** MIET's academic integrity policies apply. Plagiarism will not be tolerated.





- **Late Submissions:** Assignments and projects must be submitted by the specified timelines.

FACULTY INFORMATION

- **Office Hours**
Monday (12:05 PM - 12:55 PM)
Friday (12:05 PM - 12:55 PM)
- **Contact Information**
mamta.bcom@mietjammu.in