

FINANCE GROUP
MASTER OF COMMERCE - FIRST SEMESTER
FINANCIAL MARKETS AND INSTITUTIONS

Code: **SC 1.5 (B)**

Contact Hours: 64

Credit Points: 4

Evaluation: Continuous Internal Assessment – **30 Marks**

Semester-End Examination – **70 Marks**

Univ Code:

Work load: **4 hours per week**

Objective: This course aims at providing students with an understanding of structure and working of financial institutions and markets.

Pedagogy: Lectures, Case analysis, Group discussion, Presentation and Assignments.

Module 1: Financial Markets - Nature, functions, financial system and economic development; Financial assets – meaning, properties, types and role of financial assets; financial markets - meaning, role and types of financial intermediaries, an overview of Indian financial system; analysis of supply and demand for funds; regulation of financial markets

Module 2: Money and Capital Market - Organization, instruments, functioning and regulations of money markets; role of RBI; capital market and its structure, recent developments in capital market.

Module 3: Theory and Structure of Interest rates - The theories of interest rates-current and future, nominal interest rates; base interest rate; yield curve and the term structure; determinants of interest rate.

Module 4: Banks and Financial Institutions - Commercial banks and industrial finances; working capital finance by commercial banks; term lending; industrial finance by financial institutions; performance of Indian banking; regulatory aspects of banking.

Module 5: Investment Institutions-Meaning, Importance and Growth; UTI and private sector mutual funds; insurance funds-growth and development of life and non-life insurance companies in India; regulation of insurance; pension funds-organization and working of pension funds; regulatory framework

Recommended Books

1. Santomero A.M., & Babbel D.C., **Financial Markets, Instruments and Institutions**, McGraw-Hill, New York.
2. Rose & Marquis, **Money and Capital Markets: Financial Institutions and Instruments in a Global Market Place**.
3. Meir Kohn, **Financial Institutions and Markets**, Oxford University Press, New Delhi,
4. Fobozzi & Modigliani, **Capital Markets, Institutions and Instruments**, PHI New Delhi
5. Madura Jeff, **Financial Markets and Institutions**, West Publishing Company, New York.
6. Khan, M.Y, **Indian Financial Markets and Institutions**, THM, New Delhi.
7. Bhole, M.K, **Financial Markets and Institutions**, THM, New Delhi.
8. Thygerson Kenneth J, **Financial Markets and Institutions**, Harper Collins, New York.
9. Mishkin, F.S., & Eakins, **Financial Markets and Institutions**, Addison Wesley
10. RBI Reports on Currency and Finance and RBI Bulletins.