



DR. BABASAHEB AMBEDKAR OPEN UNIVERSITY
SCHOOL OF COMMERCE & MANAGEMENT
B.B.A. (Bachelor of Business Administration)
SEMESTER –5 (Credit -4)
DSE 2/Finance

Financial Markets & Instruments

Unit No.	Details of Unit	Writers Name and Contact No.
1	Introduction to Financial Markets <ul style="list-style-type: none">• Introduction• Meaning and definition of financial markets• Role of financial markets in economic development• Functions of financial markets• Participants in financial markets• Structure of financial markets in India• Exercise	
2	Classification of Financial Markets <ul style="list-style-type: none">• Introduction• Money market• Capital market• Primary market• Secondary market• Organized and unorganized financial markets• Exercise	
3	Indian Money Market <ul style="list-style-type: none">• Introduction• Meaning and features of money market• Objectives and importance of money market• Components of Indian money market• Role of RBI in money market• Recent developments in Indian money market• Exercise	
4	Money Market Instruments <ul style="list-style-type: none">• Introduction• Treasury Bills• Commercial Paper• Certificate of Deposit• Call and Notice Money• Repurchase Agreements	

	<ul style="list-style-type: none"> • Repo and Reverse Repo • Exercise 	
5	Capital Market <ul style="list-style-type: none"> • Introduction • Meaning and characteristics of capital market • Importance of capital market • Structure of Indian capital market • Capital market reforms in India • Role of SEBI in capital market • Exercise 	
6	Primary Market <ul style="list-style-type: none"> • Introduction • Meaning and functions of primary market • Methods of issuing securities • Initial Public Offer (IPO) • Book building Process • Red herring Prospectus • Follow-on Public Offer (FPO) • Rights issue and private placement • Exercise 	
7	Secondary Market <ul style="list-style-type: none"> • Introduction • Meaning and functions of secondary market • Stock exchanges in India • Trading mechanism in stock market • Settlement and clearing process • Role of brokers and depositories • Exercise 	
8	Equity and Debt Instruments <ul style="list-style-type: none"> • Introduction • Meaning of equity shares • Types of equity shares • Advantages and limitations of equity financing • Meaning of debt instruments • Debentures and bonds • Government securities • Corporate bonds • Advantages and risks of debt instruments • Exercise 	
9	Merchant Banking <ul style="list-style-type: none"> • Introduction • Meaning and concept of merchant banking • Evolution of merchant banking in India • Functions of merchant bankers • Role of merchant bankers in capital market • Merchant banking activities • SEBI regulations for merchant bankers • Importance of merchant banking for corporate 	

	<p>growth</p> <ul style="list-style-type: none"> • Exercise 	
10	<p>Credit Rating</p> <ul style="list-style-type: none"> • Introduction • Meaning and definition of credit rating • Objectives of credit rating • Credit rating process • Factors influencing credit rating • Credit rating symbols and their meaning • Credit rating agencies in India • Advantages and limitations of credit rating • Role of credit rating in investment decisions • Exercise 	
11	<p>Derivative Market</p> <ul style="list-style-type: none"> • Introduction • Meaning and features of derivatives • Types of derivatives • Forwards • Futures • Options and swaps • Exercise 	
12	<p>Foreign Exchange Market</p> <ul style="list-style-type: none"> • Introduction • Meaning and structure of forex market • Participants in forex market • Exchange rate determination • Spot and forward exchange market • Role of RBI in forex market • Exercise 	
13	<p>Mutual Funds and Financial Services</p> <ul style="list-style-type: none"> • Introduction • Meaning and objectives of mutual funds • Types of mutual fund schemes • Net Asset Value (NAV) • Advantages and limitations of mutual funds • Role of asset management companies • Exercise 	
14	<p>Recent Trends and Regulatory Framework</p> <ul style="list-style-type: none"> • Introduction • Financial market regulations in India • Role of RBI, SEBI, IRDAI, NPCI • Digital trading platforms • FinTech and financial markets • Investor protection measures • Exercise 	