B. J. VANIJYA MAHAVIDYALAYA
(Autonomous) (Grant-in-Aid)
(Affiliated to Sardar Patel University)
Vallabh Vidyanagar- 388 120, Dist. Anand, Gujarat, India
Accredited with CGPA of 2.78 on four-point scale at B++ Grade by NAAC
Syllabus as per the NEP 2020 with effect from July – 2026
Master of Commerce (M. Com.) Semester – I

Course Type	Course Code	Course Title	Teaching-Learning Scheme	Total Notional Hours	Course Credits
			L-P-T		
DSE	P2B01NECOM02	**Financial Systems and Markets**	3-0-1	**120**	04

- **Course Learning Outcomes (CLOs)**

  On completion of this course, students will be able to:

  CLO1: Develop a comprehensive conceptual understanding of the Indian financial system, its structure, and its role in economic development.

  CLO2: Analyze the functions, constituents, and regulatory framework of Indian money and capital markets.

  CLO3: Evaluate the scope, characteristics, and evolving landscape of financial services in the post-liberalization era.

  CLO4: Classify and appraise equity, debt, hybrid, and money market instruments, including their valuation and financial engineering dimensions.

  CLO5: Apply knowledge of financial systems and markets to practical investment and financial management scenarios.

Unit	Course Content	Learning Pedagogies*	CLO(s)
I	**The Financial System of India** • 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; • Weaknesses of Indian Financial System.	CL, CBL, SDL	CLO 1, CLO 5
II	**Financial Markets** • Concept, Role and 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 Regulating Body; • Call Money Market: Meaning, Features, Benefits, Participants, Nature of Dealings, Mode of Operations; • Debt Markets: Meaning, Advantages, Functions, Role of	CL, ICT, PBL	CLO 2, CLO 5

	Bond Market; • Conceptual Discussion of Forex Market and Derivative Market.		
III	**Financial Services: Conceptual Framework** • Meaning, Characteristics, Objectives, and Scope of Financial Services; • Factors Retarding Growth Prior to Economic Libralisation; Causes for Financial Innovations; • Innovative Financial Instruments; • Problems/Challenges Facing the Financial Services Sector; • Present Scenario	CL, CBL, Seminar, ICT	CLO 3, CLO 5
IV	**Financial Market Instruments** • Equity Market Instruments: Equity Shares, Preference Shares, Deferred/Founders Shares, Non-voting Shares, Tracking Stocks. • Debt Market Instruments: Debentures, Kinds of Debentures, Distinction between Debentures and Share Capital, Convertible Debentures, Valuation of Convertibles. Hybrid Debt Instruments: 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, Multi-option Secured Redeemable Convertible Debentures, Callable Bonds, Option Tender Bonds, Guaranteed Debentures, Subordinated Debentures, Indexed Bonds, Inflation Adjusted Bonds, Credit Wrapping, STRIPS, Oil Bonds, Call and Put Options in Debenture Issue. • Money Market Instruments: Treasury Bills, Central Government Securities (Gilt-edged), State Government/Public Sector/Municipality Securities, Commercial Papers, Certificate of Deposit, Bills Rediscounting, Call Money, Repurchase Agreements, Interbank Participation Certificates, Bank Deposits, Term Money, Corporate Debentures and Bonds, Banker's Acceptance, Commercial Bills. • Financial Engineering: Meaning and Features.	CL, PBL, CBL	CLO 4, CLO 5

(*) Learning Pedagogies Acronyms: CL=Classroom Lecture; CBL=Case-Based Learning; PBL=Problem-Based Learning; ICT=ICT-Enabled Learning.

- **Assessment Methodologies**

(A) Internal Assessment

a. Internal Formative assessment (30 Marks)

(a) Assignment, Quiz
(b) Seminar and Presentation

b. Internal Summative Assessment (20 Marks)

(b) Mid-term tests

(B) Weightage of Learning Efforts for External Assessment (50 Marks)

Unit	Aligned CLOs	Total Learning Hours	Approximate weightage (Marks) to Learning levels (BT)			Total Marks
			Remember (R)	Understanding (U)	Application/ Analyse & above (A)	
I	CLO 1, CLO 5	30	3	4	6	13
II	CLO 2, CLO 5	30	3	3	6	12
III	CLO 3, CLO 5	30	2	4	7	13
IV	CLO 4, CLO 5	30	2	4	6	12
		120	**10**	**15**	**25**	**50**

- **Assessment and Evaluation**

Sr. No.	Assessment/Evaluation	Component	Weightage (%)
1	Continuous Internal Evaluation	Seminar, Assignment, Quiz,	50
2	End-Semester Examination	Written Exam	50

- **CLOs – PLOs Matrix**

CLO	PLO1	PLO2	PLO3	PLO4	PLO5	PLO6	PLO7	PLO8	PLO9	PLO10	PSO1	PSO2
CLO1	3	2	2	-	-	2	-	3	-	2	3	2
CLO2	3	2	3	-	-	3	-	2	-	2	3	2
CLO3	2	2	2	-	-	2	-	2	-	2	2	2
CLO4	3	3	3	-	-	2	-	2	-	2	3	3
CLO5	3	3	3	2	2	2	2	2	2	3	2	3

Correlation Value: 3=Strong; 2=Moderate; 1=Low; -=No correlation

- **Suggested Learning Materials**

Sr. No.	Title	Author(s)	Edition/Year	Publisher
1	Financial Market and Institutions	Gurusamy, S.	4th Ed., 2015	Vijay Nicole Imprints, Chennai
2	Financial Services	Gurusamy, S.	2nd Ed., 2009	McGraw Hill Education India, New Delhi
3	Financial Markets and Services	Gordon, E. & Natarajan, K.	11th Ed., 2016	Himalaya Publishing House, Mumbai
4	Financial Services and System	Sasidharan, K. & Mathews, A.K.	2008	McGraw Hill Education, Delhi
5	Financial Services in India	Avadhani, V.A.	3rd Rev. Ed., 2015	Himalaya Publishing House, Mumbai

- **Online Resources (Open Source)**

Sr. No.	Description	Web link
1	Financial Markets: A Beginner's Module	https://www.nseindia.com/static/learn/self-study-ncfm-modules-foundation-financial-markets

2	SEBI – Investor Education and Resources	https://www.sebi.gov.in
3	RBI – Financial Markets and Publications	https://www.rbi.org.in
4	NPTEL – Financial Institutions and Markets	https://nptel.ac.in/courses/110105121