

Capital Markets

(To be offered in V Semester under the B. Sc., B. Sc (FAD), BCA and Five-Year Integrated Program in Biological Science) – under Mrudhu Koushalya

Learning Objectives

1. To expose the students to the world of capital markets
2. To enable the students to learn the working mechanism of stock exchanges

15 hrs

UNIT I Introduction: Financial markets: definition – role – functions – constituents – financial instruments – Indian financial market – global financial market – **Capital Market:** evolution and growth – constituents – capital market instruments: types – preference shares – equity shares – non-voting equity shares – company fixed deposits – warrants – debentures and bonds.

15 hrs

UNIT II Primary market – meaning – NIM Vs secondary market – methods of new issue – intermediaries in the new issues market – SEBI guidelines on primary market – Listing – agreement – benefits – consequences of non-listing – Underwriting – definition – types – mechanics – benefits – Book-building – concept – characteristics – process – IPO including e-IPO.

12 hrs

UNIT III Stock Exchange: history – meaning – functions – stock exchange Vs commodity exchange – stock exchange traders – regulation of stock exchanges – steps in stock trading – BSE and NSE–SEBI – functions and working

Suggested Readings

FRANK J. FABOZZI, FRANCO MODIGLIANI, Capital Markets Institutions and Instruments, Prentice Hall, 2000, New Delhi

GURUSAMY, Capital Markets, Vijay Nicole Imprints, 2014, Chennai

MOORAD CHOUDHRY, Capital Market Instruments: Analysis and Valuation, FT Press, 2000, New York

MAHESH KULKARNI & DR. SUHAS KULKARNI, Capital Markets and Financial Services, Nirali Publications, 2001, Mumbai,

RAJESH CHAKRABORTHY, SANKAR DE, Capital Markets in India, Sage Publications, 2011, New Delhi

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www.indiacapitalmarkets.in