

# Review on Challenges and Potential Opportunities in the Indian Derivatives Market

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**Abstract:** *The Indian market is highly dependent on the derivatives market. A financial framework is a collection of principles that are associated with a certain financial instrument, indicator, or commodity. It enables the management of specific risks in the financial markets independently. The derivative market in India has expanded to a multi-trillion-dollar scale and continues to grow rapidly. Derivative instruments commonly include commodities, precious metals, foreign exchange rates, bonds, shares and share warrants, short-term securities, and money market products. The National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), together with several minor Indian exchanges, are the primary trading platforms in India for derivatives. Let us now discuss the performance of derivative items in the Indian market. The author will analyse the value of the derivatives market, the challenges it faces, and the importance of its potential in the ongoing investigations.*

**Keywords:** rapid growth, National Stock Exchange (NSE), Bombay Stock Exchange (BSE), financial instruments derived from underlying assets