

MBAS 462: FINANCIAL SERVICES

Workload	: 04 hours per week - Total credits: 4
Examination	: 3 hours; 30 marks continuous evaluation & 70 marks final examination.
Objectives	<ol style="list-style-type: none">1. To offer specialized knowledge in existing and emerging areas of merchant banking and financial services.2. To train the students to handle financial markets.3. To study the underwriting of issues.4. To describe about credit rating of financial instruments.5. To describe the treasury management services.6. To describe the evaluation of hire purchase and leasing.7. To study the central and commercial banking operations.
Course Outcomes	<ol style="list-style-type: none">1. Understand the capital market operations.2. Able to handle and work with underwriting organizations.3. Able to evaluate the credit rating of financial instruments.4. Able to work with treasury management activities.5. Able to the evaluation of hire purchase and leasing.6. Able to work with central and commercial banking operations.7. Able to evaluate and sell insurance and banking products.
Pedagogy	: Lectures, assignments, Industrial visits and practical exercises, discussions, seminars.

Module 1: Financial System: functions of a financial system, components of financial systems, Structure of a financial system. Problems of Indian financial system.

Module 2: Merchant Banking - historical perspective - nature of services provided by Merchant bankers - structure of merchant banking firm - setting up and managing a merchant banking SEBI regulation on merchant banks.

Module 3: Financial Markets -capital markets -primary markets -methods of raising funds from primary market -public issue - SEBI guidelines for primary issue and relevant t company law provisions to primary issue -secondary market operations -internet trading (introduction to the concept) -global markets -issue of American depository receipts and global depository receipts-guidelines on their issue -emerging trends.

Module 4: Financial services: underwriting -stock broking depositories. Consumer finance -car financing -financing of consumer durables and other services provided by financial service companies.

Module 5: Credit rating: approaches and process of rating- credit rating agencies-CRISIL and ICRA, CARE ratings for financial instruments-methodology of rating, rating of companies based on acceptable ratios (Altman"s z-score ratios).

Module 6: Treasury Management Services: Treasury as an independent profit center - investment of surplus funds - money market operations - treasury bills, commercial bills, commercial papers, certificate of deposits, Gilt edged securities markets.

Module 7: Leasing: Concept and classification of leasing - present legislative frame work of leasing - lease evaluation (lessors & lessee's point of view) - tax aspects of leasing.

Module 8: Hire Purchase: Introduction -Concepts and characteristics - legal aspects and tax implications-financial evaluation

Module 9: Central and Commercial Banking: definitions- functions -nationalization of banks -RBI-functions and working

Module 10: Insurance -role of insurance in financial framework - General insurance -life insurance - marine insurance -medical insurance and others, recent trends in insurance industry, impact of privatization on insurance industry.

Reference Books::

1. L.M.Bhole-Financial Institutions and Market-TataMcGraw-Hill Publishing company Ltd.
2. Sharpe, Alexander and Bailey – Investments - Pearson
3. I Friend M Blume, J Crocket.-Mutual funds and other institutional investors – McGraw Hill.
4. Sanjay Lal and Paul Streeten.- Foreign investments, Transnationals and Developing Countries- Macmillan Press
5. N. J Yasaswy -Personal Investment and tax planning- Vision Books, New Delhi
6. Shekar and Shekar - Banking Theory and practice – Vikas Publishing House.
7. Julia Holyoake ,WilliamWeipers - Insurance 4th Edition - Financial World Publishing
8. M Y Khan- Financial Services-Tata McGraw-Hill Publishing Company Ltd.
9. Gordon and Natarajan -Fiancial Markets and Services - HPH
10. Indian institute of banking and Finance, Principles Practices of Banking -MacMillan.
11. Indian institute of banking and Finance, Legal and Regulatory Aspects of Banking - Mac Millan.
12. Pandian P – Financial Services and Markets - Vikas Publishing House, New Delhi.
13. Shashi K Gupta and Nisha Aggarwal, Financial Services, 5th Revised Edition, 2014, Kalyani Books.
