

- Management of Banking and Financial Services, Padmalatha Suresh and Justin Paul, Second edition, Pearson, 2011
- Banking Theory and Practice, K.C. Shekhar and LekshmyShekhar, Vikas Publishing House, 2011.
- Modern Banking: Theory and Practice, Muraleedharan D, PHI, 2013.

REFERENCE BOOKS:

- Banking Theory, Law and practice - Sunderaram and Varshney, Sultan Chand & Sons, New Delhi.
- Banking and Financial System - Prasad K, Nirmala, Chandradas J. Himalaya Publishing House, Mumbai.
- Banking and Financial services- Sharma, Mukund, 1st edition, Himalaya Publishing House, Mumbai.

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Dept. of Business Administration
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INVESTMENT BANKING AND FINANCIAL SERVICES

Subject Code	: 16MBA FM302	IA Marks: 20
Number of Lecture Hours/Week	: 03	Exam Hours: 03
Number of Lecture Hours	: 56	Exam Marks: 80
Practical Component	: 02 Hours/ Week	

Course Objectives:

- To provide an understanding of the functioning of investment banking
- To explain the role of depositories and custodians
- To provide an in depth understanding of the financial services like factoring, venture capital, leasing and hire purchase.
- To familiarize the students with working of Housing finance and non banking finance companies
- To explain the concept and developments in micro finance, credit rating and securitization

Course Outcome:

At the end of the course, the students are able to:-

- Understand the functioning of Investment banking
- Be aware of operation connected with depositories and custodians
- Know how financial services like factoring, venture capital, leasing and hire purchase are provided in the financial system.
- Understand the working of Housing finance and non-banking finance companies.
- Identify the developments happening in micro finance, credit rating and securitization system.

Unit 1:

(10 Hours)

Investment Banking- Introduction-Functions of Investment Banks- Types of Investment Banks-
Investment Banking Services- Merchant Banking Services-Issue Management-Pre issue and Post

issue obligations-Changing landscape of Investment Banking. Regulation of the Capital Market-SEBI regulations for merchant bankers, brokers and sub brokers, intermediaries and portfolio managers.

Underwriting: Concept – Devolvement - Business model - Underwriting in fixed price offers and book built offers.

Unit 2:

(9 Hours)

Depository System: Objectives, activities, interacting systems, role of depositories and their services, Advantages of depository system -NSDL and CDSL. The process of clearing and settlement through Depositories, Depository Participants.

Regulations relating to Depositories-SEBI (Depositories and Participants) Regulations 1996-Registration of depository and participant- Rights and Obligations of depositories and Participants.

Unit 3:

(7 Hours)

Housing Finance: Role, Types of housing loans, Institutions and banks offering Housing Finance, Procedure and Interest rates. Income Tax Implication. Reverse mortgage loan.

Non-Banking Finance Companies: Types, Growth, Functions, RBI Guidelines, Prudential Norms.

Unit 4:

(9 Hours)

Factoring: Origin, Types, Factoring mechanism, advantages, factoring charges, International factoring, Factoring in India. **Forfeiting:** Origin, characteristics, benefits, difference between factoring and forfeiting, growth of forfeiting in India. **Securitization of debt:** Meaning, Features, Special Purpose Vehicle, Types of securitisable assets, Benefits of Securitization, Issues in Securitization.

Unit 5:

(9 Hours)

Venture Capital: Concept, features, Origin and the current Indian Scenario. Private equity-Investment banking perspectives in private equity

Microfinance: The paradigm - NGOs and SHGs - Microfinance delivery mechanisms – Future of micro finance.

Credit rating: Definition and meaning, Process of credit rating of financial instruments, Rating methodology, Rating agencies, Rating symbols of different companies. Rating agencies for SMEs.

Unit 6:

(12 Hours)

Leasing: Concept, Steps in Leasing Transactions, Types of Lease, Legal frameworks, Advantages and disadvantages of Leasing, Contents of a Lease Agreement, Matters on Depreciation and Tax, Problems in leasing, Factors influencing Buy or Borrow or Lease Decision.

Hire Purchasing: Concepts and features, Hire Purchase Agreement, Comparison of Hire Purchase with Credit sale, Instalment sale and Leasing. Banks and Hire Purchase. Problems related to outright purchase, Hire purchase and Leasing.

(Question Paper: Case study-Problem on financial evaluation of leasing and hire purchase.)

Practical Components:

- Students can study the procedure for the sanction of housing loans by a bank
- Students can study the Procedure to open a Demat account and an Online Trading Account.
- Students can visit a NBFC and study their operations
- Students may visit a SHG/NGO and study the micro finance aspects
- Visit a bank/financial institution providing factoring service and submit a report.

RECOMMENDED BOOKS:

- Indian Financial System—Khan M. Y, 7/e, TMH, 2011
- Indian Financial System – Machiraju, 4/e, Vikas, 2010
- Financial Markets and Services – Gordon & Natarajan, 7/e, Himalaya publishing, 2011.
- Financial services - Khan M.Y, 6/e, McGraw Hill, 2011.
- Banking and Financial services- Sharma, Mukund, 1/e edition, Himalaya Publishing House, Mumbai.

REFERENCE BOOKS:

- Dynamics of Financial Markets and Institutions in India – Srivastava R. M, Excel Books, 2010.
- Indian Financial System – Bharati V. Pathak, 3/e, Pearson Education, 2011.
- Investment Banking- Pratap G Subramanyam, Tata McGraw Hill, 2012.
- Merchant Banking & Financial services - Vij&Dhavan, 1/e, McGraw Hill, 2011.

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INVESTMENT MANAGEMENT

Subject Code	: 16MBA FM303	IA Marks: 20
Number of Lecture Hours/Week	: 03	Exam Hours: 03
Number of Lecture Hours	: 56	Exam Marks: 80
Practical Component	: 02 Hours/ Week	

Objectives:

- To develop a thorough understanding of the process of investments.
- To familiarize the students with the stock markets in India and abroad.
- To provide conceptual insights into the valuation of securities.
- To provide insight about the relationship of the risk and return and how risk should be measured to bring about a return according to the expectations of the investors.
- To familiarize the students with the fundamental and technical analysis of the diverse investment avenues
- To learn the Theories of Portfolio management and also the tools and techniques for efficient portfolio management.

Course Outcome: