

**JYOTI NIVAS COLLEGE AUTONOMOUS  
SYLLABUS FOR 2019 BATCH AND THEREAFTER**

**Programme: M.Voc. (Banking and Finance)**

**Semester: III**

**MERCHANT BANKING**

**Course Code: 19MVB304**

**No. of Hours: 60**

**COURSE OBJECTIVES:**

- To give the students an in depth knowledge on the working of Merchant Bankers.
- To make students aware of the role of merchant banking services in the current Business environment.
- To help the student understand the Issues management process.

**LEARNING OUTCOMES:**

- It enables the students to get an overview on merchant banking services.
- It helps the students to know the challenges faced by merchant bankers.
- It enables the student to get a bird's eye view on the book building process.

**UNIT I: MERCHANT BANKING**

**12 HRS**

Introduction – Concept of Merchant Banking – Functions – Qualities required for Merchant Banker - Recent Development & Challenges in Merchant Banking - Legal Regulatory frame work of Merchant Banking, SCRA- FEMA – SEBI Guidelines to the Merchant Banker

**UNIT II: ISSUE MANAGEMENT**

**14 HRS**

Pre & Post Issue Management – issue Pricing – Designing of capital Structure, Brokers in Issue Management & Their Responsibilities- Register – Underwriters – Types - Bought out Deals, Best Effort Deal, Underwriting Commission and Underwriting agreement – Devolvement - Assessment of an issue for underwriting – Green shoe option

**UNIT III: BOOK BUILDING**

**12 HRS**

Book building – Meaning and concept – Book Building offer, Fixed price Offer – Alternative book build offers – Lead Managers – Duties, Responsibilities and appointment of lead managers – Role of Merchant Banker as a Lead Manager

**UNIT IV: PRIVATE PLACEMENT**

**12HRS**

Definition – Categories of private placements – private placement with the purview of merchant banking – market segment for privately placed debts – PSU Bonds, Municipal Bonds, Institutional Bonds, Corporate Bonds, Securitized Debt Instruments – Role of Merchant Banker in private placements.

## **UNIT V: MERCHANT BANKING SERVICES**

**10HRS**

Corporate Counseling – Project counseling - Loan Syndication – Portfolio Management – Offshore Finance – NRI Investment and Advisory Services, Leasing services –Concept, Meaning and significance.

### **PRACTICAL COMPONENTS:**

- Write a report and study the pre-issue process of any recent IPO
- Identify the institutions focusing on merchant banking service activities in India.
- Write a note on recent trends in merchant banking.
- Do an analysis on any five case studies with relation to merchant bankers.

### **BOOKS FOR REFERENCE:**

1. Investment Banking, Pratap Giri S. Mc Graw Hill Education Pvt(Ltd) , Third edition.
2. Financial Markets and Services, E. Gordon and K. Natarajan, Himalaya Publishing house, Eleventh revised edition.
3. Merchant Banking and Financial Services, Prof. Anil Agashe, Everest Publishing House.
4. Merchant Banking and Financial Services, Dr. S. Guruswami, Mc Graw Hill Education Pvt(Ltd) , Fourth edition.