

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: B.Voc. (Banking and Finance)

Semester: IV

FINANCIAL MARKETS AND SERVICES

Course Code: 18BVB402

No. of Hours:60

COURSE OBJECTIVES:

- To provide students with basic concepts and theories of Finance, its markets and various services provided in the Finance sector.
- To provide students with the knowledge of various instruments traded in the financial markets.
- To provide information to students about the current financial market in India.
- To help them understand the various financial intermediaries and their importance in the financial system.
- To familiarize students with recent changes and elements of financial markets and services.

LEARNING OUTCOMES:

- Students are able to analyse the financial market processes and their factors, and make successful financial decisions at an individual as well as company level.
- Students are able to analyse different credit instruments and ownership instruments and make financial decisions regarding investments.

UNIT 1: Overview of the financial system

6HRS

Introduction, structure of financial system, equilibrium, factors affecting the stability of financial system.

UNIT 2: Theories on impact of financial development

10HRS

Meaning and process of financial development – meaning of savings and investment- Prior savings theory, Credit creation theory, Theory of forced savings, Financial regulation theory, Financial liberation theory.

UNIT 3: Money markets

12HRS

Indian Money Market-benefits of an efficient money market-Treasury bills-sale of treasury bills-types of auctions-Call money market-factors influencing call money market rates, measures for curbing high volatility. Commercial paper-factors affecting the pricing-Issuing procedure-secondary market trading of commercial paper-certificate of deposit-secondary market for certificate of deposits-factors inhibiting the growth of certificate of deposits-comparison between Commercial paper and certificate of deposit.

UNIT 4: Capital markets**16HRS**

Meaning-functions of capital market-Domestic Issues (equity and debt concepts)-GDR-ADR-ECB. Equity Market-meaning. Derivative market-benefits of derivative markets-Exchange Platform-Domestic Exchange-BSE-NSE (Concept only) International exchange-NASDAQ, LSE, Frankfurt Stock Exchange.

UNIT 5: Financial services**16HRS**

Introduction, Merchant Banking-definition-comparison between merchant bank and commercial bank-requirements for selling merchant bank units. Hire Purchase-Hire purchase and Credit Sale-Hire purchase and Leasing-Problems on Hire Purchase. Leasing-Concept-Financial Evaluation of leasing. Factoring-forfeiting-concepts, Factoring V/s Forfeiting. Venture Capital –stages in venture Capital Funding-Types of venture capitalist. Credit Rating-Concept-Benefits to rated companies-Problems of rating-rating methodology-credit rating symbols. Mutual fund-mechanism-benefits of Mutual Funds-SEBI Guidelines-AMC(Concept only).

SKILL COMPONENT

- Approach a factor service provider and make a report on factoring services provided by him.
- Observe and analyse the specimen copy of a Hire Purchase Deed.
- Analyse the features of a government security.
- Critically evaluate the financial regulation theory.
- Identify the instruments traded in primary market.
- Sub-leasing: Meaning, need and simple problems.

BOOKS FOR REFERENCE

1. M.Y. Khan - Indian financial system. Tata MC Graw hill.
2. L.M.Bhole - Financial institutions & markets Tata MC Graw hill.
3. P.N.Varshrey& O.K. Mittal - Indian financial systems, sultan chand& sons
4. Shashi k. Gupta, NishaAgarwal, Neeti Gupta - Indian financial system, kalyani Publishers.