

## MBA (Financial Services)

<b>Programme</b>	: MBA (Financial Services)
<b>Course Code</b>	: FSC111
<b>Course Title</b>	: Financial Services
<b>Number of Credits</b>	: 4
<b>Effective from AY</b>	: 2020-21

<b>Need of the Course</b>	: Indian Financial Services sector is set to dominate the Indian economy for the next few decades and its operations are fast evolving. Being a fast-paced growing sector comes a plethora of job opportunities for the candidates. “Financial Services” course has been designed to facilitate the candidates in their careers and equip the students with the minimum knowledge benchmark of understanding Financial Services sector. This course will help learners with a comprehensive and broad-based knowledge about the Financial Services sector and get acquainted with various Fund based and Fee-based services with in-depth understanding of specific products, players and functioning of Financial Services. It will also support learners in preparing for a Series of Certification in Financial Services.	
<b>Description of the Course</b>	: Financial Services covers basics of Fund –based and Fee based with in-depth knowledge of all essential areas in financial services so as to enhance the knowledge of their learners. It covers topics related to efficient Depository system which is proven critical to the efficient functioning of the Capital Markets and is mandated by the Depository, that all branches of Depository Participants must have persons qualified Depository Certification Program. Securitization, structuring mechanism and legal aspects will be dealt in for structuring of structured products. Understanding the role of Credit rating Agencies, their process and rating methodology with their research reports will be covered. Mutual Funds” has been designed to facilitate the thought for candidates in preparing for Certification Examination of Mutual Fund and make their career in Mutual Fund industry.	
<b>Objectives of the Course</b>	:The Course Mainly Focuses On: <div><div>1. Basic knowledge of Concepts and Functions of Fund Based and Fee Based Financial services. Factoring Operational and its Impact Aspects.</div><div>2. Learn the Process and Methodology of Credit rating of Indian Credit Rating Agencies with services provided with Reports.</div><div>3. Structuring and mechanism of Securitization with Legal Aspects.</div><div>4. In-depth knowledge of Depositories Operations.</div><div>5. Insight into the Mutual Fund Operations, Offer documents and Investment plans.</div></div>	
<b>Course Content</b>		
<b>Unit 1</b>	<b>: Introduction to Financial Services and Factoring</b>	<b>10 Hours</b>
<b>Introduction to Financial Services</b> -Overview of Financial Services, Banking and Non - Banking Companies - Introduction to Fund based and Fee based Financial services. Concepts - bank guarantees,		

<p>letter of credits, export credit, bancassurance, sale of non-banking products through banks, etc</p> <p><b>Factoring</b> -Definition of Factoring-Meaning of Factoring- features of Factoring- Activities of Factoring- Mechanism of Factoring -Various Documents involved in factoring. Types of Factoring- International Factoring - two Factor Systems- Direct Export Factoring - Direct import Factoring. Factoring agreement- Functioning of Factoring- Cost of Factoring-Impact of Factoring. Factoring v/s Forfaiting, Advantages and Disadvantages of Factoring.</p>		
<b>Unit 2</b>	<b>: Credit Rating and Securitization</b>	<b>12 Hours</b>
<p><b>Credit Rating</b>– Introduction- Concept of Credit rating- Definition-need- Types of credit rating- Credit rating symbols, Indian Credit Rating Agencies Process and Methodology of Credit Rating- Advantages and Disadvantages.</p> <p><b>Securitization</b> – Definition- Concept-Securitisation blend of Financial Engineering and Capital markets Need for Securitisation -Process of Securitisation -Players involved in Securitisation -Pass Through Certificate and Pay Through Securities structure-Securitisation laws (SARFAESI) Act -Benefits of Securitization – Asset Reconstruction companies</p>		
<b>Unit 3</b>	<b>: Depositories</b>	<b>15 Hours</b>
<p><b>Depositories as intermediaries</b>- Depository Participant (DP) agent of depository- <b>Internet Initiatives at NSDLSPEED-e- SIMPLE- SPICE- IDeAS- and STEADY</b>. Overview of NSDL- Depository System- NSDL - Bank –An Analogy- NSDL – Bank (Difference). <b>Depositories Act 1996</b>- Section 4, 7, 8, 9, 10, 14, and 16. Eligibility Criteria for depository- Registration- Commencement of Business- Agreement between Depository and Issuers- Rights and Obligations of Depositories- Records and Functions to be maintained by Depository -Business Rules of NSDLFunctions-<b>Services Offered by NSDL</b>- Technology and Connectivity of NSDL Depository System. Business Partners – Systems- Procedures and Practices-. Depository Participants-Eligibility criteria prescribed by the SEBI (Depository &amp; Participants) Regulations, 1996.</p> <p><b>Dematerialisation, Process of dematerialisation and Rematerialisation</b> -Account Opening- Trading and Settlement. Pledge - <b>Procedure for Pledge</b> - Creation of Pledge/ or- Closure of a Pledge - Invocation of Pledge.</p>		
<b>Unit 4</b>	<b>:Mutual Funds</b>	<b>11 Hours</b>
<p><b>Mutual Funds</b> –Definition -Types and classifications of Mutual funds- Organisation of Mutual funds - Parties in Mutual Fund Organisation Structure- Offer Document- Contents of Offer document (asper the format specified by SEBI) and Key Information Memorandum (KIM) contents - Investment plans - Advantages and Disadvantages of Mutual Funds.</p>		
<b>Pedagogy</b>	<p>: The methodology used in the class will combine interactive lectures, applications and case discussions. Lectures will be addressed using ICT enabled classroom teaching. The required readings, lecture notes, and the assigned home works and cases are intended to support learning objectives and will prepare the students adequately for the preparation of Module Series in Financial services. In addition to the lectures, review sessions with self – learning of advanced areas in the course with latest developments.</p>	
<b>Reference/Readings</b>	<ol style="list-style-type: none"> <li>1. Bhole L. M. &amp; Mahakud J., “Financial Institutions and Markets: Structure, Growth &amp; Innovations”, Tata-McGraw Hill</li> <li>2. Gordon &amp; Natarajan, “Financial Markets and Services”, Himalaya Publishing House</li> </ol>	

	<ol style="list-style-type: none"><li>3. J.C. Verma, "Credit Rating (Practice and Procedure) "Bharat Publication house</li><li>4. J. C. Verma, " Leasing Financing and Hire Purchase, Bharat Publications</li><li>5. J.C Verma, "Mutual Funds and Investment Portfolio, Bharat Publications</li><li>6. J.C. Verma., Venture Capital Financing in India, Response Books</li><li>7. Khan M.Y., "Financial Services", Tata MC Graw Hill Co. Ltd., New Delhi</li><li>8. P. K. Gupta, fundamentals of Insurance, Himalaya Publishing house</li><li>9. P. Periaswami, Principles and Practice of Insurance, Himalaya Publishing House.</li><li>10. Sanjiv Agarwal, Pavan Kumar Vijay and Manisha Bapna "Investors Guide to Depositories" Bharat Publications</li><li>11. Vinod Kothari's, "Securitization: The Financial Instrument of the New Millennium"</li><li>12. NCFM- Depositories Module</li><li>13. NISM – Mutual Funds Module Series</li></ol>
<b>Course Outcome</b>	<p>The learning outcomes of this course are:</p> <p><b>CO1: Understanding</b> of basics and features of all Fund based and Fee Based services. Functional with Operational aspects Factoring services.</p> <p><b>CO2: Preparation</b> and analysis of Research Reports done by Credit Rating Agencies on different instruments. Understanding of structuring of Securitization instruments and players with process of Securitization with Legal implications.</p> <p><b>CO3: Preparation</b> and Appearing for NSDL module.</p> <p><b>CO4:</b> NCFM and NISM exam preparation with strong fundamentals knowledge imparted in the course.</p>