

ELECTIVE COURSE – II : FINANCIAL SERVICES

Course Objectives:

This course provides an understanding of the following fund-based and fee-based financial services offered by financial intermediaries such as non-banking finance companies, banks and financial institutions.

- Equipment Leasing
- Hire Purchase & Consumer Credit
- Bill Discounting & Factoring
- Accessing Capital Market.

This course will also focus on issues concerning the financial management of financial intermediaries.

UNIT – I

Equipment Leasing: Overview, Legal & Tax Aspects, Lease Evaluation, Lease Accounting, Recent Development, International Leasing.

UNIT – II

Hire Purchase & Consumer: Overview, Legal & Tax Aspects, Financial Evaluation of Hire Purchase, Accounting for Hire Purchase, Consumer Credit.

UNIT – III

Bill Discounting & Factoring : Concept & Forms of Bill Discounting, Concept & Types of Factoring, Bill Discounting Vs. Factoring, Financial Evaluation of Factoring, Factoring in the Indian Context, Export Factoring and Forfaiting.

UNIT – IV

Accessing Capital Market: Issue Management: Regulatory & Tax Framework, Issue Pricing Models – Equity and Debt Convertible Instruments, Financial Engineering, Raising funds from the International Capital Markets, Assessing Money Markets.

UNIT – V

Strategic Issues in the Management of Financial Intermediaries: Capital Policy, Liquidity Policy, Credit Policy, Investment Policy.

Reading Material:

1. Handbook of Leasing, Hire Purchase & Factoring by K Sriram – Publishers: The Institute of Chartered Financial Analysis of India, Hyderabad.
2. Global Capital Markets by P.R.Josh.