

AC –  
Item No. –

# **As Per NEP 2020**

## **Tolani College of Commerce (Autonomous)**



**Title of the Course: Innovative Financial Services**  
**Programme: B. Com (Financial Markets)**  
**Semester II**

**Syllabus for 4 Credits**

**From the Academic Year: 2024-2025**

## Name of the Course: Innovative Financial Services

Sr. No.	Heading	Particulars
1	<b>Description of the Course :</b>	Financial innovation refers to the creation and implementation of new financial products, services, and processes that meet the evolving needs of consumers and businesses. It enables financial institutions to meet the changing needs of consumers, drive economic growth, improve efficiency and promote financial inclusion.
2	<b>Vertical :</b>	Major
3	<b>Type :</b>	Theory
4	<b>Credit:</b>	4 credits
5	<b>Hours Allotted :</b>	60 Hours
6	<b>Marks Allotted:</b>	100 Marks Continuous Evaluation : 40 Marks Semester End : 60 Marks
7	<b>Course Objectives:</b> The objective of this course is to:	<ol style="list-style-type: none"> <li>1. familiarize the learners with the fundamental aspects of various issues associated with various Financial Services</li> <li>2. give a comprehensive overview of emerging financial services in the light of globalization.</li> <li>3. introduce the basic concepts, functions, process, techniques and create an awareness of the role, functions and functioning of financial services</li> <li>4. introduce the concept of digital money and get familiar with credit ratings.</li> </ol>
8	<b>Course Outcomes:</b> After successful completion of this course a learner will be in a position to:	<ol style="list-style-type: none"> <li>1. understand and apply the Financial Strategies in Indian Financial Markets.</li> <li>2. get fundamental knowledge about stock broking &amp; issue management.</li> <li>3. apply fundamentals of housing finance in compliance with Lease and hire.</li> <li>4. get clear understanding about methods of payments and credit ratings.</li> </ol>

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**Modules:-****Module 1: Introduction to Traditional Financial Services****(15 Hours)**

- **Financial Services** : Concept, Objective/Functions, Characteristics, Financial Service Market, Financial Service Market Constituent, Growth of Financial Service in India, Problems in Financial Sector, Banking and Non-banking Companies, Regulatory Framework.
- **Factoring and Forfaiting** : Introduction, Types of Factoring, Theoretical Framework, Factoring Cost, Advantages and Disadvantages of Factoring, Factoring in India, Factoring vs. Forfaiting, Benefits and Drawbacks of Forfaiting, Practical Problems.
- **Bills Discounting**: Introduction, Framework, Bill Market Scheme, Factoring v/s. Bills Discounting in Receivables management.

**Module 2: Issue Management and Securitization****(15 Hours)**

- **Issue Management and Intermediaries**: Introduction, Merchant Bankers/ Lead Managers, Underwriters, Bankers to an Issue, Brokers to an Issue.
- **Stock Broking**: Introduction, Stock Brokers, Sub Brokers, Foreign Brokers, Trading and Clearing/Self Clearing Members, Stock Trading (Cash and Normal) Derivative Trading.
- **Securitization**: Definition, Securitization v/s Factoring, Features of Securitization, Pass Through Certificates, Securitization Mechanism, Special Purpose Vehicle, Securitizable Assets, Benefits of Securitization, New Guidelines on Securitization.

**Module 3 : Financial Services and its Mechanism****(15 Hours)**

- **Lease and Hire-Purchase**: Meaning, Types of Lease - Finance Lease, Operating Lease, Advantages and Disadvantages of Leasing, Leasing in India, Legal Aspects of Leasing. Definition of Hire Purchase, Hire Purchase and Installment Sale Characteristics, Hire Purchase and Leasing, Advantages of Hire Purchase, Problems of Hire Purchase.
- **Housing Finance**: Introduction, Housing Finance Industry, Housing Finance Policy Aspect, Sources of Funds, Market of Housing Finance, Housing Finance in India- Major Issues, Housing Finance in India – Growth Factors, Housing Finance Institutions in India, National Housing Bank (NHB), Guidelines for Asset Liability Management System in HFC, Fair Trade Practice Code for HFC's, Housing Finance Agencies.
- **Venture Capital**: Introduction, Features of Venture Capital, Types of Venture Capital Financing Stages, Disinvestment mechanisms, Venture Capital Investment process, Indian Scenario.

**Module 4 : Consumer Finance and Credit Rating (15 Hours)**

- **Consumer Finance:** Introduction, Sources, Types of Products, Consumer Finance Practice in India, Mechanics of Consumer Finance, Terms, Pricing, Marketing and Insurance of Consumer Finance, Consumer Credit Scoring, Case for and against Consumer Finance.
- **Plastic Money:** Growth of Plastic Money Services in India, Types of Plastic Cards- Credit card Debit Card- Smart card- Add-on Cards, Performance of Credit Cards and Debit Cards, Benefits of Credit Cards, Dangers of Debit Cards, Prevention of Frauds and Misuse, Consumer Protection. Indian Scenario. Smart Cards- Features, Types, Security Features and Financial Applications.
- **Credit Rating:** Meaning, Origin, Features, Advantages of Rating, Regulatory Framework, Credit Rating Agencies, Credit Rating Process, Credit Rating Symbols. Credit Rating Agencies in India, Limitations of Rating.

**10 References :**

1. Dr.S.Gurusamy, Financial Services, Vijay Nicole Imprints, Second Edition 2009.
2. Khan M.Y., Financial Services, Mc Graw Hill Education, Tenth Edition, 2019.
3. E, Gordon and K. Natrajan, Financial Market and Services, Himalaya Publishing House, Eleventh Edition, 2016.
4. IM Pandey, Financial Management, Vikas Publishing House Ltd, Eleventh Edition, 2015.

**11 Internal Continuous Assessment: 40%**

**Semester End Examination : 60%**

**12 Continuous Evaluation through:**

*Note: Learner must be Present in all the three exam components of Continuous Evaluation.*

Component	Total Marks
1) Assignment/Case Studies	15 Marks
2) Presentation/ /Project	15 Marks
3) MCQ Questions	10 Marks
<b>Total</b>	<b>40 Marks</b>

**13 Format of Question Paper:**

**Question Paper Pattern for Semester End Examination (SEE)**

**Maximum Marks: 60**

**Duration:2 Hours**

Q. No.	Particular	Marks
<b>Q-1</b>	<b>Attempt any TWO the following:</b> (Module 1) A. Full Length Question B. Full Length Question C. Full Length Question	<b>15 Marks</b>
<b>Q-2</b>	<b>Attempt any TWO the following:</b> (Module 2) A. Full Length Question B. Full Length Question C. Full Length Question	<b>15 Marks</b>

<b>Q-3</b>	<b>Attempt any TWO the following:</b> (Module 3) A. Full Length Question B. Full Length Question C. Full Length Question	<b>15 Marks</b>
<b>Q-4</b>	<b>Attempt any TWO the following:</b> (Module 4) A. Full Length Question B. Full Length Question C. Full Length Question	<b>15 Marks</b>
Note : Two Sub-questions of 7.5 Marks each can be of 10 /5 marks or one full length question of 15 Marks		

### Signatures of Team Members

Sr.No	Name	Signature
<b>1.</b>	Mr. Shaji Kutty	
<b>2.</b>	Ms. Reshma Rajput	