

## COO4A4 Management of Financial Services [4 Credits]

**Learning Objectives:** This course aims at providing a comprehensive knowledge on various financial services and the industry with the major focus on Mutual funds and depository services.

### UNIT 1: Mutual Funds – I (14 Hours)

The concept of a Mutual Fund, Meaning & Definition ; Advantages of Mutual Fund investing- types of mutual funds – mutual fund classification - Open-end Funds/Closed-end Funds/Fixed Term Plans, Load Funds/No Load Funds, Tax Exempt/Non Tax Exempt Funds - Money Market Funds, Equity Funds, Debt Funds, Commodity Funds, Real Estate Funds-Organisation, Management and Procedure of setting of Mutual Funds – mutual fund industry in India

### UNIT 2: Mutual Funds – II (12 Hours)

Offer document – contents of offer document - Mutual fund investment plans – Systematic investment plans, systematic transfer plan, systematic withdrawal plan – fund distribution channels – agents, pre-requisites to become a distributor – mutual funds commission structure - investor services – how to invest in mutual funds

### UNIT 3: Depository and Depository Core services – I (12 Hours)

Meaning of Depository, Depository services in India, Functions of depository- Overview and Benefits of depository system- Account opening- procedure of Account opening- prerequisites for demat request Demat process, Rematerialisation, pre-requisites to a remat request and Core services provided by depository. Depositories as intermediaries- Depository Participant (DP) agent of depository- Transmission and Nomination- Trading and Settlement - Pledge and Hypothecation- Procedure for Pledge/Hypothecation- Creation of Pledge/Hypothecation by Pledge or- Closure of a Pledge/Hypothecation by Pledge or - Invocation of Pledge by Pledge- Invocation of Hypothecation- Substitution of Securities Offered in Pledge- Corporate Benefits for Pledged/Hypothecated Securities - Corporate Actions - Procedure for Corporate Actions

### UNIT 4: Depository and Depository Core services – II (10 Hours)

Internet Initiatives at NSDLSPEED-e- SIMPLE- SPICE- IDeAS- and STEADY. Overview of NSDL- Depository System- Legal Aspects -rights and obligations of depositories, depository participants, issuers and beneficial owners. Depositories Act 1996- Section 4, 7, 8, 9, 10, 14, and 16. Eligibility Criteria for a 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 NSDL Functions- Services Offered by NSDL - Depository Participants- Eligibility criteria prescribed by the SEBI (Depository & Participants) Regulations, 1996- Role of Issuer/R&T Agent in Corporate Benefits

### UNIT 5: Securitization (12 Hours)

Introduction to Securitisation as Financial Instrument of the New Millennium, Definition, Concept, Need for securitisation, Securitization in India, Securitisation asset classes, Benefits of securitization, Legal issues in securitization, Securitisation laws- (SARFAESI) Act, Players involved in Securitisation, Securitisation structure, Process of Securitisation - Securitisation markets world over and India. Pass Through Certificate and Pay Through Securities structure, Different Instruments of Securitisation

### Suggested Readings:

1. Khan M.Y, Financial Services,, Tata McGraw Hill
2. V.A. Avadhani, Financial Services and Markets, Himalaya Publishing Ho
3. Mutual Funds Products & Services, Indian Institute of Banking & Finance, Taxmann Publishers
4. Gordan & Natarajan, Financial Marketsand Services, Himalaya Publishing House
5. K. Ravichandran, Merchant Banking & Financial Services, Himalaya Publishing House
6. NCFM- Depositories Module
7. NISM – Mutual Funds Module Series

