

GARGI COLLEGE : SIRI FORT ROAD : NEW DELHI
ADD ON COURSE
BANKING & FINANCIAL SERVICES
COURSE CONTENT

UNIT-I INTRODUCTION

Commercial Bank vs. Development Bank
Changing Face of the Banks in India in the era of globalization and privatization
MATHEMATICS OF FINANCE
Interest Rates: Simple, Compound CAGR
Present & Future Value Concepts

UNIT- II FINANCIAL MARKETS

Money Markets : Call Money, repo and reverse repo, treasury bill, commercial paper, CD
Capital Markets : Primary and Secondary Markets

UNIT- III INVESTMENT BANKING

Merchant Banking vs. Investment Banking
Functions performed by a Merchant Banker
India Growth Story and the rise of Investment Banking in India

UNIT-IV PORTFOLIO MANAGEMENT

The CAPM Model, Systematic and Unsystematic Risk
Beta of a Stock
Portfolio Analysis : Sharpe, Treynor and other ratios

UNIT-V DERIVATIVES: FUTURE AND OPTIONS

Meaning of futures, options and payouts
Option Pricing Models
Combination Strategies

UNIT-VI CAPITAL STRUCTURE DECISIONS

Debt of Capital Structure
Concept of Leverage and its types
Effect on shareholders wealth
Arbitrage Process
Factors influencing capital structure

UNIT-VII FINANCIAL SERVICES

Retail Banking
Housing Loan and Auto Loan
Hire Purchase, mortgage and Leasing
Personal Loan, credit and debit cards

UNIT-VIII MERGERS AND ACQUISITIONS

Maximization of Value through M&A
Types of M&A
Valuation of firms
Theories of mergers
Takeover defences-anti takeover

UNIT-IX INTRODUCTION TO INSURANCE

Insurance investment and its effect on the economy of a country

Concept of underwriting, claims and reinsurance

Types of products in life insurance : Endowment, term, whole life, annuity

Non life and General Insurance Products : Fire, Marine, Health/ Medical, Motor

UNIT-X RISK MANAGEMENT

Concept of Risk Management and its types

Simulation, Sensitivity Analysis, Monte Carlo and Markov Chains

Financial engineering, Risk in Structured Products and Sub prime Crisis in the US

UNIT-XI INTERANTIONAL FINANCE

Spot and Forward Rates, Cross Rates, One, two and three point arbitrage,

Interest rate parity and International Exposures (Transaction, Economic and Translation)

List Of Books for the Course: Banking and Financial Services

Bhalla, V.K. *Investment Management : Security Analysis and Portfolio Management*;
Latest Edition, S. Chand & Co. Delhi.

Brealey, R., and S.C. Myers, *Principles of Corporate Finance*, Latest Edition, Tata Mc.
Graw Hill, New Delhi.

Chandra, Prasanna *Financial Management*, Latest Edition Tata Mc. Graw Hill, New
Delhi.

Shahani, Rakesh 'Financial Markets in India' 2nd Edition, Anamica Pub Co, New Delhi