



SNS COLLEGE OF ENGINEERING

Kurumbapalayam (Po), Coimbatore - 641 107

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INSTITUTIONS

DEPARTMENT OF MANAGEMENT STUDIES

COURSE CODE & SUBJECT NAME : 23BAT308 - MERCHANT BANKING & FINANCIAL INSTITUTIONS

II YEAR/ III SEMESTER

UNIT 1 : INTRODUCTION

TOPIC: Components of FI



UNIT-I MERCHANT BANKING

Introduction – Merchant Banking in India – Recent Developments and Challenges ahead – merchant banking services offered by banks – NBFC'S offering merchant Banking – Legal and Regulatory Framework – Relevant Provisions of Companies Act- SEBI guidelines



Financial Service

Services provided by Asset Management and Liability Management Companies. They help to get the required funds and also make sure that they are efficiently invested.

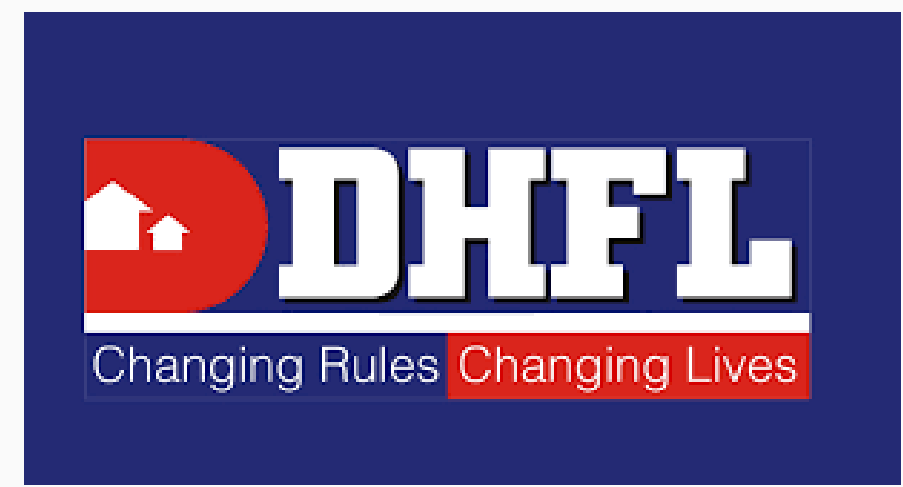
1. Banking Services – Any small or big service provided by banks like granting a loan, depositing money, issuing debit/credit cards, opening accounts, etc.
2. Insurance Services – Services like issuing of insurance, selling policies, insurance undertaking and brokerages, etc. are all a part of the Insurance services
3. Investment Services – It mostly includes asset management
4. Foreign Exchange Services – Exchange of currency, foreign exchange, etc. are a part of the Foreign exchange services



Financial Service



1. HDFC Housing Finance
2. LIC Housing Finance Limited
3. Indiabulls Housing Finance Limited
4. L&T Housing Finance Limited
5. PNB Housing Finance Limited
6. IIFL Housing Finance Limited
7. GIC Housing Finance Limited
8. Sundaram Home Finance
9. Tata Capital Housing Finance Limited
10. Aavas Financiers Limited
11. Repco Home Finance
12. Akme Star Housing Finance Limited
13. Sahara Housing Finance
14. India Home Loan Limited
15. Cholamandalam Housing Finance
16. Dewan Housing Finance Limited (DHFL)





Financial Markets

The marketplace where buyers and sellers interact with each other and participate in the trading of money, bonds, shares and other assets is called a financial market.

Capital Market – Designed to finance the long term investment, the Capital market deals with transactions which are taking place in the market for over a year. The capital market can further be divided into three types:

- (a) Corporate Securities Market
- (b) Government Securities Market
- (c) Long-Term Loan Market



Financial Markets





1. Money Market – Mostly dominated by Government, Banks, and other Large Institutions, the type of market is authorized for small-term investments only. It is a wholesale debt market that works on low-risk and highly liquid instruments. The money market can further be divided into two types:

- (a) Organised Money Market
- (b) Unorganised Money Market



Foreign exchange Market – One of the most developed markets across the world, the Foreign exchange market, deals with the requirements related to multi-currency. The transfer of funds in this market takes place based on the foreign currency rate.

Credit Market – A market where short-term and long-term loans are granted to individuals or Organisations by various banks and Financial and Non-Financial Institutions is called Credit Market



Finance Institutions




बैंक ऑफ़ इंडिया
Bank of India



इलाहाबाद बैंक
ALLAHABAD BANK



इंडियन बैंक
Indian Bank



युनाइटेड बैंक ऑफ़ इंडिया
United Bank of India
The Bank that begins with U

TagLine: The Bank that begins with "U"



kotak
Kotak Mahindra Bank

TagLine: Lets make money simple



सिंडिकेटबैंक
SyndicateBank

विश्वसनीय.
मैत्रीपूर्ण
**Faithful.
Friendly**

भारत सरकार का उपक्रम A Govt. of India Undertaking



Meaning

The Financial Institutions act as a mediator between the investor and the borrower. The investor's savings are mobilised either directly or indirectly via the Financial Markets.

Functions of FI

1. A short-term liability can be converted into a long-term investment
2. It helps in the conversion of a risky investment into a risk-free investment
3. Also acts as a medium of convenience denomination, which means, it can match a small deposit with large loans and a large deposit with small loans



Two Types

- **Banking Institutions or Depository Institutions** – This includes banks and other credit unions that collect money from the public against interest provided on the deposits made and lend that money to the ones in need
- **Non-Banking Institutions or Non-Depository Institutions** – Insurance, mutual funds, and brokerage companies fall under this category. They cannot ask for monetary deposits but sell financial products to their customers.



Three Categories: -

1. Regulatory
2. Intermediaries
3. Non- Intermediaries



Financial Assets :

The products which are traded in the Financial Markets are called Financial Assets. Based on the different requirements and needs of the credit seeker, the securities in the market also differ from each other.

1. Call Money
2. Notice money
3. Team Money
4. Treasury Bills
5. Certificate of Deposits
6. Commercial Pape



THANK YOU.....

