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# Book Review: Financial Services and Markets

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Financial innovations and financial engineering has given a birth to numerous financial services and products, as a result of this, financial markets have become more complex to understand and regulate. Plethoras of financial products are available not only to save, invest, and borrow but also to lend, which are not even imagined earlier. Inter-linkages and inter-dependence between the financial services and markets have made it necessary for the reader to have a thorough knowledge of the working of the financial system of the nation.

The book covers extensive information about financial services and markets. However, it does not include explanation of functioning of the financial institutions and its role in Indian financial systems. The author has incorporated updated financial status and structural changes that happened time to time, not only within the country, but also around the globe.

The book is mainly divided into two parts. The first part of the book elaborates upon the various financial services. While the second part of the books deals with financial markets.

Part I includes financial services available in the Indian financial systems ranging from issuers to investors and intermediaries. Total nine chapters are included in this part. The financial services such as lease financing, factoring and forfaiting, securitization, venture capital, credit rating, credit cards, mutual funds, insurance and merchant banking are included in this section of the book. Each of these financial services are explained extensively by devoting a separate chapter.

Starting with the bird's eye view of this section, chapter 1 has explained nature of financial services and markets, driving forces, structural changes, and factors influencing them and their growth and developments that took place are also explained. Impact of financial sector reforms on financial services and markets and linkage between WTO and financial sector creates the interest to the reader to read this book.

Chapter 2 includes Lease Financing. The scope of the term, salient features of the lease, leasing process, constituents of leasing industry, advantages and types of leasing, accounting treatment and income-tax considerations are explained with proper illustrations and case studies. Chapter 3 includes in-depth information about factoring and forfaiting. This includes meaning, scope and types of these specialized services, and how it differs from other financial services. Chapter 4 focuses on securitization, which includes in-depth information about its concept, structure, credit enhancement methods, and securitization market in India.

Chapter 5 focuses on venture capital, which includes extensive explanation about its meaning, stages of financing, investment process, and in-depth idea about preparation of business plan for entrepreneurs. The discussion on business plan makes this chapter more practical to understand the importance of venture capital as an economic entity. Credit rating is discussed in chapter 6, which includes process of credit rating, rating framework, credit rating agencies and their symbols and importance of rating to issuers, regulatory authorities, and investors. Chapter 7 deals with plastic money i.e. credit card. Its mechanism, fees charged and facilities offered, variety of cards, and various acts related to credit card are discussed in this chapter. Chapter 8 deals with mutual funds, the unique features of this chapter is the calculation of the NAV is discussed with illustrations, variables to be analyzed while investing in mutual funds and discussion of regulations related to mutual funds is provided. Chapter 9 includes insurance and related services. Chapter 10 focuses on the merchant banking.

The second part of the chapter starts from chapter 11. This chapter focuses on money market and Treasury Bills Market of India. The discussion includes basics of money market, need for money market, its developments and functioning, types of securities permitted. Chapter 12 gives attention on Call Money, CBLO and Repo Markets, their participants, functions, etc. Chapter 13 focuses on Commercial Papers and Certificate of Deposits Markets. This includes parties involved in trade, issue procedure, calculation of yield etc. Chapter 14 includes Commercial Bills Market. The discussion on reasons for lack of bills culture various committees involved in the bills discounting market and steps taken by RBI to improve the Bills Market are the unique features of this chapter. Government (Gilt Edged) Securities Market is explained in chapter 15. Chapter 16 explains Corporate Debt Market. Chapter 17 and Chapter 18 focus on the Primary and Secondary markets of India respectively. Chapter 19 and Chapter 20 explain Options and Futures markets in India. This book ends with the glossary and concept index.

The language of this book is simple, so a reader who wants to understand the basics of financial services and markets, this book is a boon for them. The book is written in the way that it captures the attention of the readers all the times. The unique features of this book are simple language, practical illustrations and case study, updates and developments in the financial markets and services are incorporated in all the chapters. The book provides a comprehensive view of the financial services and markets.