

ಮೈಸೂರು ವಿಶ್ವವಿದ್ಯಾನಿಲಯ



University of Mysore
(Estd.1916)

M.COM. (FINANCIAL SERVICES)

**Choice Based
Credit System
(CBCS)**



UNIVERSITY OF MYSORE
Department of Studies in Commerce
Manasagangotri, Mysuru-570006

Regulations and Syllabus
Master of Commerce (Financial Services)
(Two-year semester scheme)

Under
Choice Based Credit System (CBCS)


CHAIRMAN
BOS in Commerce
DOS in Commerce
Manasagangotri
Mysore - 570 006

**UNIVERSITY OF MYSORE
GUIDELINES AND REGULATIONS
LEADING TO
MASTER OF COMMERCE
(FINANCIAL SERVICES)**

Programme Details

Name of the Department	:	Department of Studies in Commerce
Subject	:	Financial Service
Faculty	:	Commerce
Name of the Programme	:	Master of Commerce (Financial Services)
Duration of the Programme	:	2 years - divided into 4 semesters

Preamble and justification

The fast growing and dynamic world of financial sector along with India's potential to become the hub of global financial services industry necessitate grooming of skilled professional in finance domain on an unprecedented scale. As the financial sector moves up the value chain and becomes more complex and sophisticated, we need to develop a critical mass of specialists with cutting edge knowledge and capabilities to support its long term growth. To meet the demand for such specialized professionals, there is an urgent need on the part of Universities and institutes of higher learning to offer specialized Post Graduate programmes in finance. The Department of Studies in Commerce took the lead in this sphere and started a specialised P.G Degree programme in Financial Management (M.F.M.) in 2001. Over the years M.F.M. gained popularity in the corporate circle with majority of M.F.M. graduates securing jobs in various organisations both domestic and multinational as financial analysts and executives.

M.Com. (Financial Services)

The UGC, in its notification dated 5th July, 2014, has instructed all the Universities to discontinue the M.F.M. programme. According to the notification, in-lieu of M.F.M., degree either M.B.A., or M.Com., can be offered with sub title in brackets as Finance, Financial Management, Financial Services, etc. As the Department is already running traditional and unique M.Com. Degree programme, starting M.Com., (Financial Services) would lead to eventual transformation of M.Com., mono-degree program into a multi-degree program to help Commerce students with a range of degree programs to choose from. Hence, the BoS (PG) in Commerce decided to institute **M.Com., (Financial Services) as a specialised Post Graduate programme in finance.**



M.Com., (Financial Services) is a multi-disciplinary programme that combines accounting, finance, mathematics and computer technology with a practical orientation to solve problems in finance. The domain knowledge of **M.Com., (Financial Services)** includes banking and capital markets, portfolio management, financial engineering, risk analyses and hedging. The purpose of the programme is to groom a new breed of professionals for highly challenging careers in investment banks, wealth management firms, insurance companies, pension funds, government financial services agencies and risk management teams – both in domestic as well as multinational organizations. Teaching / research career opportunities for **M.Com., (Financial Services)** Post Graduates will be on par with M.Com graduates.

Programme Outcome:

M.Com (Financial Service): M.Com (F.S.) was introduced in the year 2004-05 with the aim of specializing the students in the field of financial management. The students after completing the M.Com (F.S.) course can take up job in two corporate fields especially in the financial and investment companies.

Programme Specific Outcome

1. Comprehend and analyse the business problems and take concrete business decisions
2. Identify opportunities, visualizing ideas and executing them into actions for ensuring sustainability of individual, Business and Society
3. Lead teams effectively and efficiently towards attainment of individual and organisational goals.

Pedagogy

M.Com. (FS) is a P.G. Course which is well structured and consists of Hardcore and Softcore papers. The pedagogy followed is the lectures. Tutorial classes are also conducted. The monthly tests and assignments will be given by the professors.



M.Com. DEGREE COURSE STRUCTURE AND SYLLABUS

First Semester

Sl. No.	Code	Title	HC/SC	L	T	P	Credits
1	15811	Management Theory and Practice	SC	3	1	0	4
2	15806	Statistics for Business Decisions	SC	3	1	0	4
3	15821	Capital Market Instruments	HC	3	1	0	4
4	15814	Financial Decisions	HC	3	1	0	4
5	15904	Management Accounting	HC	3	1	0	4
6	15903	Financial Market Regulations	HC	3	1	0	4

Second Semester

Sl. No.	Code	Title	HC/SC	L	T	P	Credits
1	15871	Behavioural Finance	HC	3	1	0	4
2	15942	International Financial Management	HC	3	1	0	4
3	15922	Portfolio Management	HC	3	1	0	4
4	15805	Business Policy and Environment	SC	3	1	0	4
5	15875	Organizational Behaviour	SC	3	1	0	4
6	15828	Retail Banking	OE	3	1	0	4

Third Semester

Sl. No.	Code	Title	HC/SC	L	T	P	Credits
1	15961	Advanced Portfolio Management	HC	3	1	0	4
2	15841	Business Research Methods	HC	3	1	0	4
3	15947	Elective Group A: Financial Derivatives Paper 1: Futures, Options and Swaps	SC	3	1	0	4
4	15884	Elective Group B: Funds Management Paper 1: Mutual Funds	SC	3	1	0	4
5	15943	Insurance Management	SC	3	1	0	4
6	15886	Mergers and Acquisitions	SC	3	1	0	4
7	15854	Personal Financial Planning	OE	3	1	0	4

Fourth Semester

Sl. No.	Code	Title	HC/SC	L	T	P	Credits
1	15921	Corporate Tax Law and Planning	SC	3	1	0	4
2	15892	Operations Research	SC	3	1	0	4
3		Project Work	HC	3	1	0	4
4	15893	Elective Group A: Fund Management Paper-2: Funds Investment Strategies	HC	3	1	0	4
5	15894	Elective Group B: Financial Derivatives Paper-2: Financial Derivatives as Hedging Tools	HC	3	1	0	4

FIRST SEMESTER

HARD CORE

COURSE-I: CAPITAL MARKET INSTRUMENTS

Course outcome

- The students will get job to the financial and investment complier.
- The students can also take up the job of auditors, Financial advisers, legal tax ---
- The students can also get the job in the corporate fields.

Capital markets in recent times are flooded with new and innovative instruments enhancing vibrancy and volume of capital markets. Every advanced programme in commerce should consist of a course in analysis and evaluation of various instruments traded in capital markets today.

Course Objectives

The course intended to equip students an opportunity to understand:

1. Comprehend the role of capital markets
2. Evaluate the various capital markets instruments like Stock, bonds, etc.
3. Understand the basics of new instruments like futures and options.

Pedagogy

Teaching method comprises of lecture sessions and tutorials. Lecture sessions focus on providing conceptual understanding and analytical setting for select aspects of the course content.

COURSE CONTENTS

Module 1: Stocks – Valuation - Dividends Growth Model –Bonds and Debentures- Types- Valuation of Bonds and Debentures - Convertible Debentures –Valuation –ADRs, GDRs –Basic features – Benefits to issuing Company –ETFs- Meaning and Importance.

Module 2: Innovations in capital markets-Derivatives - Origin, growth and Types of Derivatives – Benefits of Derivatives Market – Criticism of Derivatives

Module 3: Forwards and Futures – Basic features –Classification of Futures- Role of Futures Market – Newspaper Quotes - Pricing of Futures –Futures Market in India.

Module 4: Options- Types of options contracts – Newspaper Quotes - Options payoff Diagrams- Options Market in India –Swaps –Meaning – Currency swaps –Interest Rate Swaps

References

1. Capital Market Instruments – By G.Kotreshwar, Chandana Publications(2014),Mysore
2. Financial Derivatives – By G.Kotreshwar, Chandana Publications(2014),Mysore
3. Financial Derivatives – By Gupta (PHI)
4. Introduction to Futures and Options Markets – By John Hull (PHI)
5. Derivatives – By D.A.Dubofsky and T.W.Miller (Oxford)
6. Futures and Options – By Edwards and Ma (Mc Graw Hill)

COURSE-II: FINANCIAL DECISIONS

Course outcome

Financial decision making assumes greater importance in maximising value of an organisation. This course is designed to focus on the analysis of three crucial long term financial decisions- (1) Capital budgeting, (2) Capital Structure and, (3) Dividend decisions. Risk analysis of capital budgeting decision is added as a special topic.

Course Objectives

To equip students with necessary skills to evaluate capital projects with a focus on advanced capital budgeting techniques like MIRR (Modified IRR) and selection of projects under conditions of risk and uncertainty. To enable students analyse the leverage and dividend decisions based on theoretical framework.

Pedagogy

Students to work out detailed case studies involving the application of various criteria for project selection including risk analysis of capital projects. Analysis of leverage and dividend policies should be based on a sample of leading corporate organisations such as SENSEX companies, followed by seminar presentations and group discussions.

COURSE CONTENTS

Module 1: Capital Budgeting Decision – Importance – Challenges – NCF estimation DCF Techniques- NPV vs IRR – Multiple IRR Problem- Modified IRR (MIRR) – Capital Rationing.

Module 2: Risk Analysis in Capital Budgeting- Approaches to risk absorption- Expected Net Present Value (ENPV) - Payback method - Risk-Adjusted Discount rate - Use of Normal Distributions - Sensitivity analysis - Measurement of Project risk- Risk Analysis of Project Portfolios.

Module 3: Capital Structures Decision – Traditional View – MM's theory- Factors impacting leverage decision. Cost of capital – Cost of equity – Cost of preferred capital- Cost of debt- Cost of retained earnings – WACC- Marginal cost of capital.

Module 4: Dividend Decision- Walter's Model- Gordon's Model- MM's theory- Dividend policies - Factors impacting dividend decision.

References

1. Capital Budgeting: Dr. G. Kotreshwar, Chandana Publications(2014), Mysore.
2. Financial Management: Pandey, I.M, Vikas Publishing House, New Delhi.
3. Financial Management: Khan M.Y. and Jain P.K, Tata McGraw Hill, New Delhi.
4. Financial Management: Chandra, Prasanna; TMH, New Delhi.
5. Financial management and Policy: Van Horn; Prentice Hall of India.
6. Fundamentals of Financial Management: Brigham & Houston, Thomson Learning, Bombay.
7. Principles of Corporate Finance: Richard Brealey and Stewart Myers, Tata McGraw Hill, 2000.
8. Financial Management and Policy: Text and Cases: V K Bhalla, Annual Publishers, 2002.

COURSE-III: MANAGEMENT ACCOUNTING

Course outcome

This course provides the coverage of cost determination, Profit Planning and Decision Making, variance analysis, Computer applications in Management Accounting

Course Objectives

This subject aims to: a. Impart knowledge of profit planning and decision making; and d. Give information about budgeting, transfer pricing and computer applications in Management accounting.

Pedagogy

The subject matter will be presented through lecture, class discussion, student presentation, guest lectures and laboratory experiences.

COURSE CONTENTS

Module 1 Decision Making Tools Marginal Costing : basic concepts; break even analysis and cost-volume-profit analysis; break-even charts and profit charts; differential cost analysis; stock valuation under marginal costing techniques versus absorption costing techniques; applications of marginal costing in decision making (b) Activity-Based Costing (ABC) for profit reporting and stock valuation.

Module 2 Budgeting and Budgetary Control (a) Budget Concepts and Budget Preparation (b) Fixed and Flexible Budgets (c) Fixed, variable, semi-variable and activity-based categorizations of cost and their application in projecting financial results Zero Base Budgeting (ZBB) (e) Budgetary Control

Module 3 Standard Costing (a) Concept and uses; accounting – methods and reconciliation – stock valuation (b) Variance Analysis: Cost, Profit and Sales Variances – presentation of variances, investigation of variances, revision of standards

Module 4 Management reporting – (a)Requisites of reports – interpretation and uses for Managerial decision-making activities (c) Uniform Costing and Inter-firm comparison (d) case studies.

References

1. Arora M.N.: Cost Accounting- principles and practice; Vikas, NewDelhi.
2. Jain S.P. and Naranga K.L.: Cost accounting; Kalyani NewDelhi.
3. Madegowda , Management accounting; Himalaya Publications
4. Homgren, Charles, Foster and Datar: Cost Accounting- A managerial Emphasis; PrenticeHall of India, NewDelhi.
5. Khan M.Y. and Jain P.K.: Management Accounting; Tata McGrawHill.
6. Kaplan R.S. and Atkinson A.A.: Advanced Management Accounting; PrenticeIndia International.
7. Tulsian P.C.: Practical Costing; Vikas, NewDelhi.
8. Maheshwari S.N.: Advanced Problems and Solutions in Cost Accounting; Sultan Chand, New Delhi.

COURSE-IV: FINANCIAL MARKET REGULATIONS

Course outcome

Financial management is a functional area in general management. This subject is focusing on introduction, scope and importance of financial management, investment decisions, capital structure decisions, dividend decisions and working capital management

Course Objective

The objective of this course is to understand the framework of Indian Financial Market Regulations.

Pedagogy

Method of instruction consists of lectures, group discussions, seminar presentations, writing assignments and tests. Reading and analysis of latest articles in national and international journals in the background of recent global financial crisis will be integral part of instruction.

COURSE CONTENTS

Module 1: Securities and Contract Regulation Act: SEBI – Objectives, Functions and Responsibilities, Powers, Role and Achievements.

Module 2: SEBI Rules and Regulations – SEBI (Ombudsman) Regulations, 2003. Compliance with the provision of listing agreement, Compliance with book building guidelines for raising funds through public issue, Compliance with SEBI (DIP) guidelines for raising funds through public issue. Important regulatory provisions governing share buy – back – inter corporate investment.

Module 3: Companies Act, 2013– Types of Companies - One-person company, Private Company, Small company & Dormant company; Concepts and significance.

Regulators: National Company Law Tribunal (Tribunal or NCLT), National Financial Reporting Authority (NFRA) & Serious Fraud Investigation Office (SFIO) – Objectives and functions.

Module 4: MRTP and Competition Act: MRTPC to Competition Commission of India - Rationale, Functions, Powers and Achievements. FERA and FEMA: Switch from FERA to FEMA- Powers and Achievements. Prevention of Money Laundering Act, 2002. Transfer or Issue of any Foreign Security regulations, 2004. Foreign Account Tax Compliance Act [FATCA].

References

1. S.S. Gulshan, : “A Handbook of Corporate Laws”
2. Sanjiv Agarwal, : “A Manual of Indian Capital Markets”
3. V.A. Avadhani, : “Marketing of Financial Services”
4. Ramaiya : “Guide to Companies Act”
5. Workbook from NSE: “Regulatory Framework in Security Market”

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SOFT CORE

COURSE-V: MANAGEMENT THEORY AND PRACTICE

Course outcome

The objectives of this course is to expose the students to basic concepts of management and to enable them to gain appreciation for emerging ideas, techniques, procedures and practices in the field of management.

Pedagogy

COURSE CONTENTS

Module I: Introduction: Definition, nature, functions, levels of management, Types of managers, managerial roles, managerial skills and competencies, Evolution and various schools to management thought, continuing management themes – quality and performance excellence, global awareness, learning organization, characteristics of 21st century executives, Social responsibility of managers

Module II: Planning: Meaning and nature of planning, types of plans, steps in planning process; Objectives: meaning, setting objectives – MBO method: concept and process of managing by objectives; Strategies: definition, levels of strategies; Policies: meaning, formulation of policies; Programs; Decision making, steps in decision making, approaches to decision making, types of decisions and various techniques used for decision making.

Module III: Organizing: Organizing as managerial function – organization structures – functional, divisional, matrix, team structure, network structure, boundary less structure. Organizing – chain of command, span of control, delegation and decentralization, organizational design.

Module IV: Leading and Controlling: Motivation- concept, techniques to increase motivation. Leading as a function of management, Leadership traits, Leadership styles, Likert's four systems, managerial grid, Controlling: control function in management, the basic control process, types of control – feed forward, concurrent and feedback controls, control effectiveness.

Recommended Books:

1. Heinz Wehrich & Harold Koontz, Management A global prospective (12th Edition) Tata McGraw Hill New Delhi.
2. Robbins, S.P. and Decenzo, D.A. Fundamentals of Management, Pearson Education Asia, New Delhi.
3. Rao, V.S.P, **Management-Concepts and Cases, Excel Books, New Delhi**
4. Hellregel, Management, Thomason Learning, Bombay.
5. Stoner, Jetal, Management, Prentice Hall of India., New Delhi.
6. Robbins & Coulter, Management, Prentice Hall of Hall of India. New Delhi.
7. Richard L. Daft, Management, Thomson **south-Western.**
8. Anil Bhatt & Arya Kumar, Management: Principles, Processes and Practices. Oxford University Press.

COURSE-VI: STATISTICS FOR BUSINESS

DECISIONS Course outcome

The course comprises of probability theories, sampling techniques, time series analysis and multivariate analysis.

Course Objectives

The aim of this course is to enable a student to have knowledge about application of probability theory and sampling in different areas of commerce, time series analysis and application of multiple correlation and regression analysis.

Pedagogy

Class room teaching of basic statistical models shall be followed by solving problems involving business applications. Assigned problems are to be worked on an individual basis, followed by group discussion of case problems.

COURSE CONTENTS

Module 1: Probability Theory and Theoretical Distributions: Meaning, terminology, types and rules. Random variables and use of expected value in decision making. Binomial, Poisson and Normal probability distributions- their characteristics and applications in business decisions.

Module 2: Sampling: Meaning of sample and population. Probability and non- probability methods of sampling. Use of random digits to choose random samples. Sampling from normal and non- normal populations. The Central limit theorem. Use of sampling in business decisions, Testing of hypothesis

Module 3: Time Series Analysis : Variations in time series. Cyclical, seasonal and irregular variations. Trend analysis. Application of time series analysis in forecasting.

Module 4: Multivariate Analysis: Partial Correlation, Multiple Correlation and Regression correlation analysis. Analysis of Variance. Application of multivariate analysis in business decisions.

References

1. Statistics for Business and Economics: Wonnacott and Wonnacott Wiley Publications
2. Econometrics: Wonnacott and Wonnacott Wiley Publications
3. Statistics: Sanchetti and Kapoor
4. Statistical Analysis for Decision Making: Morris Hamber
5. Statistics for Management : Richard Livin and David Robin
6. Statistical Methods: S.P.Gupta

SECOND SEMESTER

COURSE-I: BEHAVIOURAL FINANCE

Course outcome

This course provides the coverage of integration of emerging capital markets, Psychology of Trending Markets and Value Investing.

Course Objectives

Today's investor is perplexed by the sharp swings in Capital Markets. Capital Markets are becoming more complex and getting integrated at the international level. Deciphering wide swings in Capital Markets for planning an investment programme is a challenging task for Financial Managers.

The objective of the course is to acquaint the participants the capital markets landscape, the concept of EMH, beliefs and biases about markets and psychological issues which would enable to understand better the dynamics of capital markets.

Pedagogy

Students must work out assigned individual topics, present seminars and participate in case studies or group discussions

COURSE CONTENTS

Module 1: Capital Markets Landscape: The size-Internationalization and Integration-Emerging Capital Markets-Market Volatility-Role of FIIs- Case Studies.

Module 2: Are Capital Markets Perfect :-Irrelevance of Efficient Market Theory- Imperfect Substitutes-On the Survival of Noise Traders-Informational Imperfections-The Anatomy of Bubble-Case studies.

Module 3: Behavioral Dynamics of Markets-1: Beliefs about Markets-Biases of Judgment-Errors of Preference-Valuation and Group Behavioral Biases- The Psychology of market Information-Case Studies. Psychology of Trending Markets-Psychology of Turning points-Psychology of Panics- Case Studies.

Module 4: Behavioral Investing: Style Investing-Zen Investing-Belief Bias and the Zen Investing-Value Investing-Socially Responsible Investing- Case Studies.

References

1. Capital Markets in BRIC Economics – By A.Banerjee (Tata McGraw)
2. An Introduction to Capital Markets: Products and Strategies – By A Chsholm (Tata McGraw)
3. Behavioral Finance: Insights into Irrational Minds and markets – ByJ.Montier (John Wiley)
4. The Psychology of Finance: Understanding Behavioral Dynamics of Markets – ByL.Tvede (John Wiley)



COURSE-II: INTERNATIONAL FINANCIAL MANAGEMENT Course outcome

As there has been a significant increase in multinational corporate activities; multinational finance is an added dimension of every advanced course in the area of finance. Hence this course has been designed to highlight the important finance functions of an MNC operating in India.

Course Objective

To enable students to understand the reasons, problems in internal finance management, foreign currency management, modes of payment, source of finance available etc as far as MNC operations/ firms concerned.

Pedagogy

The lecture sessions focus on providing conceptual understanding and analytical setting for select aspects of the course content. This session focuses on student involved and student driven content study. Identified groups of students make presentations and interact with both the faculty and the other students. The aspects reinforced through lecture and tutorial is taken up for practical study. Here the students would undertake field exercises related to different aspects of the course content.

COURSE CONTENTS

Module-1: Environment of International Financial Management-Introduction- Multinational Enterprise and MNC financial management- Foreign Exchange Market- Determination of Exchange Rates – International Monetary System- Balance of Payments and International Economic Linkages-Parity Conditions.

Module-2: Financing foreign operations- International financing and International Financial Markets- Special Financing Vehicles- Designing a global financing strategy.

Module- 3: MNC Investment- Analysis- International Portfolio Investment- foreign Direct Investment- Capital budgeting for the MNC- The cost of capital for the foreign investments- management of political risk- International Tax Planning

Module- 4: Foreign Exchange Risk Management- Principles of Exposure Management- Working capital management- internal and external techniques.

References

1. Shapir, Multinational Financial Management, Prentice-Hall of India
2. Weston and Brigham, Managerial Finances
3. Buckley, International Capital Budgeting- Prentice- Hall, India
4. Buckley, International Finance- Prentice - Hall, India
5. Adrian Buckley, International Capital Budgeting

COURSE-III: PORTFOLIO MANAGEMENT

Course outcome

Portfolio analysis and management is a course in financial management. This includes portfolio investment analysis, risk analysis and optimal combinations of securities which lead to create effective return on investment.

Course objectives

Candidates will be able to apply appropriate portfolio decisions and recommend relevant methods of evaluation techniques taking into account other factors affecting investment decisions.

Pedagogy

Students must work out assigned individual topics, present seminars and participate in case studies or group discussions.

COURSE CONTENTS

Module 1: Efficient Market Hypothesis - Random walk, Levels of efficiency – Weak, semi-strong and strong, Techniques for measuring efficiency, Empirical tests. Portfolio analysis, Markowitz risks return optimization

Module 2: Economic Analysis - Economic and industry analysis - Economic forecasting and stock investment decisions - Industry analysis - Industry lifecycle - Company analysis- Forecasting company earnings - Valuation of companies - Regression and correlation analysis in forecasting revenues and expenses - Applied stock valuation –Bond analysis and valuation.

Module 3: Portfolio Analysis – Theory and Practices – Risk Analysis – Types of Risks – Risk Management –Diversification of risk – Analysis of risk – Building a balanced portfolio. Characteristics of portfolio – Principles and Practices – Characteristics of Portfolio Analysis – Liquidity Vs. Safety – Income Vs. growth – Short Term and Long Term – Risk Vs. Return – Need for insuring risk to attract stable investors.

Module 4: Portfolio Performance Evaluation - Mutual funds - Geometric mean return - Sharpe, Treynor and Jensen's performance measures - Optimal portfolio selection – importance of computer data analysis of security analysis and portfolio analysis

References

1. Portfolio Analysis and Management –Ballad
2. Modern Portfolio Theory and Investment Analysis – Edwin J. Elton and MartinJ.Grubor.
3. Security Analysis and Portfolio Management – Fisher andGordon
4. Security Analysis and Portfolio Management – V. A.Avdhani
5. Financial Engineering: A complete guide to financial innovation – Marshal/ Bansal

COURSE-IV: BUSINESS POLICY AND ENVIRONMENT Course outcome

This course provides the coverage of business as a social system, internal and external environment, business ethics, social responsibility and business policy.

Course objective

The objective of this course is to provide the student the knowledge about human resources, their significance and managing them in organizations.

Pedagogy

Teaching method comprises of lecture sessions and tutorials. Lecture sessions focus on providing conceptual understanding and analytical setting for select aspects of the course content.

COURSE CONTENTS

Module 1: Introduction: Business in a social system; business and economic system; Business objectives; internal environment and external environment.

Module 2: Business Ethics: Principles of Business Ethics; Doctrine of trusteeship; unethical practices; good ethics and good business. Social responsibility of business; Doctrine of social responsibility: Rationale of social responsibility; control of monopoly and restrictive and unfair trade practices.

Module 3: Business Environment: Business in a social system-internal environment or business-external environment-Economic-political-socio-cultural- technological environment – case studies.

Module 4: Business Policy: Importance of business policy-essentials of business policy-classification or business policy-Production policy-personnel policy- Financial policy- Marketing Policy-cases studies.

References

1. A concept of corporate planning-, Russel Ackoff, New York Wiley
2. Business policy and strategic management- Tokyo, McGrawhill



COURSE-V: ORGANIZATIONAL BEHAVIOUR

Course outcome

This course provides the coverage of scope of OB, different contributing discipline to OB, foundational of individual behavior, motivational theories and foundations of group behaviour.

Course Objectives

The objective of this course is to provide the student the knowledge about organisations, their constitution and the behaviour of people in organisations.

Pedagogy

Teaching method comprises of lecture sessions and tutorials. Lecture sessions focus on providing conceptual understanding and analytical setting for select aspects of the course content.

COURSE CONTENTS

Module 1: Introduction: Meaning-Definitions and scope of organizational behaviour– Fundamental Concepts of OB – Key elements of OB: people-Organisational structure-technology and environment - Contributing Disciplines to OB- Psychology-Sociology-social psychology- Anthropology- Political science- OB and Management-Comparative roles in organisation- Formal and Informal organisation – Case studies.

Module 2: Foundations of Individual Behaviour: Biological Characteristics-Age- Sex-Marital Status- Number of Dependents-Tenure-Ability-Intellectual Abilities- Physical Abilities- The Ability-Job fit - Personality - Personality determinants-Theories of Personality - Personality Traits-Major Personality Attributes influencing OB-Matching personality and Jobs- Learning – Theories of learning shaping-Values, Attitudes, and Job satisfaction: Importance of Values-Sources of Value system-Sources and types of Attitudes-Case studies.

Module 3: Motivation: The concept of Motivation-Early Theories of Motivation- Hierarchy of Needs theory-theory X and Theory Y-Hygiene theory- contemporary theories of motivation-ERG Theory-three needs theory- cognitive evaluation theory and others – Case studies.

Module 4: Foundations of group behaviour: Defining and classifying groups-group process-group tasks-cohesive groups-group dynamics-Leadership-nature and importance-functions styles-Communication: Nature and Types- Effective communication-Roles of Formal and Informal communication- Conflict management-The process of conflict-Types of conflict -Functional and Dysfunctional conflict-Resolution of conflict-Case studies.

References

1. Organisational Behaviour: Concept, Theory and Practice-Nirmal Singh
2. Organisational Behaviour - FredLuthans
3. Organisation Theory and Behaviour - V S P Rao and PSNarayana
4. Organisational Behaviour - NirajKumar
5. Organisational Behaviour – K.Aswathappa
6. Management of organisational change–Harigopal

THIRD SEMESTER

HARD CORE

COURSE-I: ADVANCED PORTFOLIO MANAGEMENT

Course outcome

The course is designed to include some advanced topics in portfolio management like international diversification through GDRs/ADRs and derivative assets, invests in emerging markets; and other emerging topics, mainly tactical asset allocation, (TAA) programme trading and stock lending.

Course Objectives

In the background of globalization of capital markets, international diversification assumes greater importance as a principle of portfolio management. Therefore, this course is intended to upgrade the student's knowledge and skills by

- (1) Understanding the scope and importance of international diversification for achieving better risk-return profile of portfolio investments.
- (2) Analyzing the latest technology based on tools like TAA, programming trading etc.

Pedagogy

Method of instruction consists of lectures, group discussions, seminar presentations, writing assignments and tests. Reading and analysis of latest articles in national and international journals in the background of recent global financial developments will be integral part of instruction.

COURSE CONTENTS

Module 1: International Investment – International Diversification GDRs &ADRs – International Mutual Funds.

Module 2: Investments in Emerging Markets – Foreign Exchange Risk – Political Risk.

Module 3: Integrating Derivative Assets and Portfolio Management – Role of Derivative assets– Portfolio objectives and construction – Hedging company risk – fixed income portfolio.

Module 4: Tactical Asset Allocation – Stock Lending –Program

References

1. Portfolio Analysis and Management –Ballad
2. Modern Portfolio Theory and Investment Analysis – Edwin J. Elton and MartinJ. Grubor.
3. Security Analysis and Portfolio Management – Fisher and Gordon
4. Security Analysis and Portfolio Management – V. A.Avdhani
5. Financial Engineering: A complete guide to financial innovation – Marshal/ Bansal
6. Portfolio construction Management and protection (with stock track coupon)- Robert A. Strong

COURSE-II: BUSINESS RESEARCH METHODS

Course outcome

This course provides the coverage of business research methods, ethical issues in business research methods, research process, data collection methods, designing of questionnaire and various statistical tools like univariate and bivariate analysis

Course Objective

The course is envisaged to provide the student the knowledge and skill related to conduct of research related to business. This basic course familiarizes the student with the technicalities of executing a research assignment, in particular the applied research domain.

Pedagogy

The lecture sessions focus on providing conceptual understanding and analytical setting for select aspects of the course content. This session focuses on student involved and student driven content study. Identified groups of students make presentations and interact with both the faculty and the other students. The aspects reinforced through lecture and tutorial is taken up for practical study. Here the students would undertake field exercises related to different aspects of the course content.

COURSE CONTENTS

Module 1: Introduction: Objectives and Role of Business Research–Distinct Features of Business Research-Theoretical Setting for Business Research–Ethical Issues in Business Research

Module 2: Research Process: Developing a Research Proposal–Exploratory Research and Qualitative Analysis–Sources of Data- Methods of data collection–Techniques of Communicating with Respondents

Module 3: Managing Research Assignment: Questionnaire Design-Sampling and Fieldwork Techniques-Measurement and Scaling Concepts- Attitude Measurement

Module 4: Analysis and Presentation: Application of Univariate, Bivariate and Multivariate methods of Statistical Analysis-Methods of Business Research Report Writing– Language-Referencing-Bibliography.

References

1. Business Research Methods, William G. Zikmund, The Dryden Press
2. Research for Development: A Practical Guide, Sophie Laws, VISTAAR Publications
3. Methodology in Social Research, Partha Nath Mukherjee, Sage Publications



COURSE-III: ELECTIVE GROUP A: FINANCIAL DERIVATIVES PAPER 1: FUTURES, OPTIONS AND SWAPS

Course outcome

The course is designed to provide basic knowledge about risk management and the new instruments of capital market i.e., derivatives used for managing risk. It mainly comprises of a description of the concepts of risk management, forwards/futures, options and swaps along with the trading mechanics and pricing of these instruments.

Course Objectives

Perhaps no course in modern finance will be complete without topics in derivatives. Derivatives can play an important role in promoting growth of CMs world over and form an integral part of knowledge base of financial managers. The course aims to help the students in:

- (1) Basic understanding of the role and significance of risk management
- (2) Critical understanding and appreciation of the role of derivative markets and instruments
- (3) Understanding the trading mechanics and technology involving derivative contracts.
- (4) Applying the basic valuation models for pricing the derivative assets.

Pedagogy

Class room teaching of basic derivative concepts shall be followed by a series of individual seminar presentations, group seminars, discussions and case study analysis relating to futures, options and swaps. Assigned problems are to be worked on an individual basis, followed by group discussion of case problems.

COURSE CONTENTS


Module 1: Risk Management – Sources of risk – Objectives of Risk Management – Risk Management Process – Importance - Tools of Risk Management.

Module 2: Forward and Futures: Trading Mechanics- Margin Requirements – Winding up of futures contracts -valuation of F &F

Module 3: Options: Trading in Options – factors impacting Option Prices - Pricing of Options- Black Scholes Options Pricing Model-Binomial pricing model.

Module 4: Swaps: Evolution-Types of Swaps-Currency Swaps-Interest Rate Swaps-Designing Currency and Interest Rate Swaps-Valuation of Swaps.

References

1. Financial Derivatives – By G.Kotreshwar, Chandana Publications(2014),Mysore.
 2. Financial Derivatives – By Gupta(PHI)
 3. Introduction to Futures and Options Markets – By John Hull(PHI)
 4. Derivatives – By D.A.Dubofsky and T.W.Miller(Oxford)
 5. Futures and Options – By Edwards and Ma (McGrawHill)
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COURSE-IV: ELECTIVE GROUP B: FUNDS MANAGEMENT (PAPER 1: MUTUALFUNDS)

Course outcome

The course is designed to provide basic knowledge about the Growth and Role of Mutual funds, Investors Protection and Regulation of Mutual funds etc.,

Course Objectives

Mutual funds can play an important role in Indian Economy. The course aims to help the students in:

- (1) Analyze the development of Mutual funds
- (2) Understanding the extent to which Investors are Protected
- (3) Analyze the Mutual fund Regulation
- (4) Know the recent developments in Mutual fund Industry

Pedagogy

Class room teaching of basic Funds Management concepts shall be followed by a series of individual seminar presentations, group seminars, discussions and case study analysis relating to futures, options and swaps. Assigned problems are to be worked on an individual basis, followed by group discussion of case.

COURSE CONTENTS

Module 1: Introduction: The origin, meaning and growth of Mutual funds – Fund Units Vs shares. Types of Mutual fund schemes. The role of Mutual Funds. Organization of the Fund- Operation of the Fund – Net Asset Value.

Module 2: Investors Protection and Mutual Fund Regulation: Investors Rights – Facilities available to Investors – Selection of a Fund – Advantages of Mutual Funds. Deregulation, Market Imperfection and Investment Risks
– The need for Regulation – Regulation and Investors Protection in India.

Module 3: Mutual Funds in India – UTI Schemes, SBI Mutual Fund, Other Mutual Funds – Selection of a Fund.

Module 4: Mutual Funds Industry in India – Its size and Growth – Types and growth patterns of Mutual Funds – Reasons for slow Growth – Prospects of Mutual Fund Industry.

References

1. K.G. Sahadevan and M.Thripairaju: “Mutual funds, data interpretation and Analysis” (Prentice Hall of India)
2. V.K. Avadhani: Marketing of Financial Services(Himalaya)
3. R.Gorden and Natarajan: Emerging scenario of Financial Services(Himalaya)
4. Fredman and Wiles: How Mutual Funds work (Prentice Hall of India)
5. H.Sadhak: Mutual Funds in India. (Response Books)

COURSE-V: INSURANCE MANAGEMENT

Course outcome

This paper covers the information about Risk Management and the Insurance Industry, Insurance Products profile, Pricing of Insurance Products and claims management.

Course objectives

Given the fact that a modern business is exposed to a wide range of risks, insurance management assume greater importance and as such forms an integral part of any course in finance. This paper is aimed at equipping the students with:

- (1) The basic understanding of insurance-its scope, functions and the role.
- (2) The knowledge of variety of insurance products/policies.
- (3) The basic skills of claims management
- (4) The general approach for pricing insurance products

Pedagogy

Class room teaching of basic Funds Management concepts shall be followed by a series of individual seminar presentations, group seminars, discussions and case study analysis relating to futures, options and swaps. Assigned problems are to be worked on an individual basis, followed by group discussion of case

COURSE CONTENTS

Module 1: Risk Management and the Insurance Industry-Types of insurances- Functions and Organization of Insurances-Government Regulation of Risk Management and Insurance.

Module 2: Insurance Products Profile-Life Insurance Products-Marine Insurance Products-Fire Insurance Products-Other Major Insurance Products.

Module 3: Pricing of Insurance Products-Expected Claim Costs-Administrative Costs-Investment Income-Profit Loading-Rating-Role actuarial science.

Module 4: Claims Management-General Guidelines for Settlement of Claims-Life Insurance Claims-Marine Insurance Claims-Fire Insurance Claims- Miscellaneous Insurance Claims.

Reference

1. **Kotreshwar G.:** "Risk Management-Insurance and Derivatives" Himalaya Publishing House.
2. **Harrington and Niehaus:**"Risk Management and Insurance" Tata McGrawHill.
3. **Trieschmanu, Hoyt and Sommer:** "Risk Management" Thomson (India)Publishers.
4. **Rejda:** "Principles of Insurance and Risk Management". Pearson Publishers

COURSE-VI: MERGERS AND ACQUISITIONS

Course outcome

This course provides the coverage of motives for mergers and acquisition, theories of mergers and acquisition, methods of valuation of firms, and Mergers & acquisition in India.

Course objectives

The aim of this course is to enable a student to have knowledge about mergers and acquisition in India and to know the motives behind mergers and acquisition of the firm

Pedagogy

Lecture-Tutorials-Practical's (LTP) model will be the basic approach used for delivering the course with a focus on case study analysis of performance of pre- merged, acquired and post merged, acquired firms

COURSE CONTENTS

Module 1: An overview of Mergers and Acquisitions: Motives for and various forms of - Mergers and Acquisitions. Theories of mergers and acquisitions.

Module 2: Methods of valuation of firms: Approaches to valuation- Role of valuation- discounted cash flow model – equity valuation model – firm valuation model – comparable company approach-option pricing method- chasing the right valuation method.

Module 3: Mergers and Acquisitions in India: Recent mergers and acquisitions in India. Future scenario. Evaluation of pre merger and post merger performance of merged or acquired entities. SEBI regulations governing mergers and acquisitions in India.

Module 4: International Mergers and Acquisitions: Motives for various forms of international mergers and acquisitions. Regulatory issues in Cross-border Mergers and Acquisitions. Evaluation of pre merger and post merger performance of cross- border merged or acquired entities.

Reference Book

1. Weston: "Mergers, Restructuring and corporate Control" –Prentice Hall India
2. Venkateshwaran,: "towards an Indian Market for Corporate Control"-Viklpa
3. Kaveri V.S: " Finanical Analysis of Company Mergers in India"- Himalaya Publishing House
4. S. Shivaramu: "Corporate Growth through mergers and acquisitions" Sage publications.

FOURTH SEMESTER

HARD CORE

Course-I: Operations Research

Course outcome

The course Operations Research covers linear and integer programming, transportation and assignment problems and their applications in decision making in business.

Course Objective

The objective of the course is to acquaint the students with the use of quantitative models in decision making.

Pedagogy

The lecture sessions focus on providing conceptual understanding and solving problems of the course content. Students would make presentations and interact with both the faculty and the other students during tutorial sessions.

COURSE CONTENTS

Module-1: Introduction to Operations Research: Origin and Definitions of Operations Research. Characteristics of O.R. approach. Models and modeling in Operations Research. Applications of Operations Research in solving business problems.

Module-2: Linear Programming: Meaning and mathematical formulation of linear programming problems and their solution using graphic and simplex methods. Duality and dual simplex method. Sensitivity analysis Application areas of Linear Programming. Graphic method. Simplex method. Problems and Case Study Analysis

Module-3: Integer Programming: Meaning and mathematical formulation of integer programming problems and their solution using the Branch and Bound method for solving pure and mixed integer programming problems. Application areas of Integer Programming. Problems and Case Study Analysis.

Module- 4: Transportation and Assignment Problems: Meaning and mathematical formulation of transportation and assignment problems and their solution using models. Problems and Case Study Analysis.

References

1. Operations Research by Frederick S Hillier and Gerald J Lieberman, Tata McGraw- Hill Publishing Company Limited, New Delhi.
2. Operations Research- Theory and Applications by J.K.Sharma, Macmillian India Ltd. New Delhi.1997.
3. Operations Research – Applications and Algorithms by Wayne L. Winston, Thomson Learning, New Delhi.
4. Operations Reserch by Panneera selvam, Prentice Hall of India, New Delhi.
5. Practical Problems in Operations Research by Chawla, Gupta and Sharma, Kalyani Publisers. New Delhi.
6. Principles of Operations Research with applications to Managerial Decisions by Harvey M.Wagner, Prentice Hall of India.

COURSE-II: PROJECT WORK

Project Work would be commenced from the beginning of the fourth semester. Work load for Project Work guidance is 1 hour per batch of 6 students per week. Allotment of Guides shall be made in the beginning of the third semester. Students should select the topic in consultation with the guide during the third semester and complete the project in fourth semester.

SOFT CORE

COURSE-III: CORPORATE TAX LAW AND PLANNING

Course outcome

This course is focus on different heads of income, taxable in the hands of companies, computation of gross total income, deduction, exemptions, set off and carry forward of loss. Tax planning relating to various managerial decisions for reducing the tax burden, allocation of investments, and maximize the company wealth. As a tax consultant of the corporate tax laws of the company to give advice to the drawing officers regarding TDS, advance payment of tax and remittances of tax, for his employees.

Course Objectives

After study this paper the students are able to interact with the followings:

1. Understand the incidence of based on residential status of the companies.
2. Understand the deferent types of companies under corporate income tax act.
3. To known the deferent sources of income for corporate assesses.
4. To educate as a manger of a company/as tax consultant how reduce the tax burden and maximize the company wealth.
5. Understand the impudence of tax planning with various managerial decisions.
6. They must be able understand his role as tax consultant for a company relating TDS, Advance payment of Tax, remittance of corporate income tax.

Pedagogy

The course content is covered class room lecture, remedial class for non tax students, student's seminar, case discussion, and work out the problem on the company problems as student, as consultant and as a tax authority and also visiting company and tax office for practical exposure.

COURSE CONTENTS

Module 1: Definition of company-Indian company, Domestic Company, Foreign Company, Widely Held Company, Closely held company, Residential Status of a company and incidence of Tax.

Module 2: Computation of Taxable income and liability of companies- Computation of table income under different heads of income-House property, Profit and gain from business or profession, Capital gain and income other sources, carry forward and set off of losses in case of companies. Deduction from Gross Total income. Minimum Alternative Tax.

Module 3: Tax Planning- Tax avoidance and tax evasion. Tax planning with corporate dividend, Dividend policy- bonus shares. Tax planning with reference to specific managerial decisions- Make or Buy, Own or Lease, Purchase by installment or by Hire, Repair, Replace, Renewal or Renovation,

shout down or continue.

Module 4: International Taxation: Diversity in taxation among countries. Factors affecting Double taxation. Unilateral and bilateral reliefs for double taxation. Double Taxation Avoidance Agreements.

References

1. Direct Taxes-Dr. H.C. Mehrotra and Dr. S.P.Goyal Sahitya Bhavn, New Delhi.
2. Direct Taxes law and practice-Bhagavathi Prasad, Vishva Prakashana, New Delhi.
3. Direct Taxes Aggarval P.K "Tax Planning for Companies" Hind Law Publishers, New Delhi.
4. Corporate Tax Planning and Management, Lakhotia, Vision Publishers.
5. Taxman's Direct Tax Laws and Practice, Dr.Vinod K Singhania and Kapil Singania Taxman's Publications(p)Ltd., New Delhi.

COURSE-IV: ELECTIVE GROUP A: FUND MANAGEMENT PAPER-2: FUNDS INVESTMENT STRATEGIES

Course outcome

The course is designed to provide basic knowledge about the Fund Management, Investment Pattern of Mutual funds, Efficient Markets and Index Funds etc.,

CourseObjectives

Fundsinvestmentstrategiescanplayanimportantroleinanalyzingafundanditsmanag ement. The course aims to help the students in:

- Critical analysis of risk funds
- Understanding the performance of Mutual funds
- Analyze the internationally Oriented portfolios
- Know the recent developments in management of funds

Pedagogy

Class room teaching of basic Funds Management concepts shall be followed by a series of individual seminar presentations, group seminars, discussions and case study analysis relating to futures, options and swaps. Assigned problems are to be worked on an individual basis, followed by group discussion of case

COURSE CONTENTS

Module 1: Fund Management-Analyzing a Fund and its Management – A careful look at Risk-sorting out costs

Module 2: Investment Pattern of Mutual Funds – Evaluation of performance of Mutual funds

Module 3: Working of Fixed Income securities –Bond funds –Tax exempt Bonds -How to analyze a Bond Fund –Equity fund categories –Building wealth with stock funds

Module 4: Index Funds – Efficient Markets and Index Funds – Internationally Oriented portfolios. Recent developments in Management of Funds and determination of portfolios of securities by Mutual Funds.

References

1. K.G. Sahadevan and M. Thripairaju: "Mutual funds, data interpretation and Analysis" (Prentice Hall of India)
2. V.K. Avadhani: Marketing of Financial Services (Himalaya)
3. R. Gordon and Natarajan: Emerging scenario of Financial Services (Himalaya)
4. Fredman and Wiles: How Mutual Funds work (Prentice Hall of India)

COURSE-V: ELECTIVE GROUP B: FINANCIAL DERIVATIVES PAPER-2: FINANCIAL DERIVATIVES AS HEDGING TOOLS

Course Description

It is an advanced course in financial derivatives which includes hedging strategies using financial derivatives.

Course Objectives

The very purpose of trading in financial derivatives is to hedge a wide range of risks faced by a business, particularly interest rate risk, currency risk and equity investment risk. The course aims at enabling the student to:

- 1) Apply the hedge ratio for achieving optimal no. of derivatives contracts.
- 2) Evaluate hedging opportunities.
- 3) Understand and apply a wide range of commonly used hedging.

Pedagogy

Class room teaching of basic hedging concepts and strategies shall be followed by a series of individual seminar presentations, group seminars, discussions and case study analysis relating to hedging strategies involving derivatives. Assigned problems are to be worked on an individual basis, followed by group discussion of case problems. The students shall be required to make individual case study presentations based on the typical problems faced by business organizations due to volatility in interest/ currency rates.

COURSE CONTENTS

Module 1: Using Forwards for Hedging: forwards to manage commodity price risk- buying forwards for hedging against price increases – selling forwards for hedging against price declines- using forwards for hedging against increase/ decrease in interest rate - using forward Foreign Exchange contracts to manage currency risk

Module 2: Using Futures for Hedging: short hedges- long hedges- hedge ratio- estimating hedge ratio- basis risk- portfolio approach to a risk minimizing hedge

Module 3: Using Options for Hedging: protective puts- protective calls- covered calls- spreads- using options to manage interest rate risk

Module 4: Using Swaps for Hedging: using IR swaps- swapping to hedge against the risk of rising interest rates- swapping to hedge against the risk of falling interest rates- using currency swaps – swapping to hedge against the risk of a decline in a revenue stream – swapping to hedge against the risk of an increase in cost.

References

1. Financial Derivatives – By G.Kotreshwar, Chandana Publications(2014),Mysore
2. Introduction to Futures and Options Markets – By John Hull(PHI)
3. Derivatives – By D.A.Dubofsky and T.W.Miller(Oxford)
4. Futures and Options – By Edwards and Ma (McGrawHill)

COURSE-VI: MANAGEMENT OF SOCIAL ENTERPRISES

Course Objective

The course is structured to make the students familiar with the emerging form businesses, often referred to as Social Enterprise or Social Business. The course has a twofold objective – that of invoking the academic interest on social enterprises and of motivating youth to embrace social entrepreneurship as a professional choice. The course is structured to give adequate lead both in academic and professional terms, so that the participants of the course will have clarity in terms of how they need to go ahead if they choose to opt for social entrepreneurship for long time engagement

Pedagogy

The course work is based on Lecture and Tutorial methods. Case analysis will be extensively used as part of imparting knowledge about the functioning of social enterprises. Students are also expected to visit some social enterprises and make case studies on issues related to their management

COURSE CONTENTS

Module 1: Introduction - Concept of Social Entrepreneurship, Evolution of Social Enterprises, Economic and Social Rationale, Theoretical Perspectives on Social Enterprises, Social Enterprises in India

Module 2: Establishment – Resource mobilization – challenges and strategies; Strategy formulation – combining the social agenda with business interest;

Module 3: Human Resource: Leadership – nature, role and issues of governance; The workforce – finding the right mix of professional competence and social concern, retention strategies, career development

Module 4: Operational Issues: Building the clientele base; Relations with Government and For-profit businesses; Appropriation of surplus; Issues of sustainability, expansion and diversification

References

1. Thomas Lyons, Understanding Social Entrepreneurship, Taylor and Francis Group, 2011
2. Martin Clark, The Social Entrepreneur Revolution: Doing Good by Making Money, Making Money by Doing Good, Marshal Cavendish Publishers, 2009
3. Muhammed Yunus, Creating a World without Poverty: Social Businesses and the future of Capitalism, Public Affairs, New York, 2007
4. Social Enterprise Knowledge Network, Effective Management of Social Enterprises, Harvard University, 2006
5. Ethical Enterprise and Employment Network, Managing Social Enterprises – from startup to success, CRISIS, UK, 2007
6. Karl Birkholzer, The Role of Social Enterprise in Local Economic Development, EMES, 2009
7. Asian Development Bank, India Social Enterprise Landscape Report, ADB, 2012.

OPEN ELECTIVE

COURSE-VII: RETAIL BANKING

Course outcome

This course is designed to provide a basic understanding of Personal Banking. It focuses on functions of banks, banker and customer relationship, Opening of bank accounts and their operations, bank deposits and loans and banking technology.

Course Objectives

The aim of this course is to acquire knowledge various functions associated with banking, principles and practices/ procedures relating to deposits and loans, and banking technology.

Pedagogy

Method of instruction consists of lectures, case study design and analysis, group discussions, seminar presentation, writing assignments and tests. Interaction with customers of banks, managers and employees of banks

COURSE CONTENTS

Module 1: Functions of Banks: Functions of Reserve Bank of India, Commercial Banks, Private Sector Banks, and Grameena Banks.

Module 2: Banker and Customer Relationship: Know your Customer [KYC] guidelines-Opening of different bank accounts and procedures for their operations.

Module 3: Bank Deposits and Loans: Different Deposit and Loan Products of Banks, Rate of Interest- Fixed and Floating, Documentation Procedures.

Module 4: Banking Technology: Electronic Banking, Core Banking Technology, Debit and Credit Cards, ATMs.

References

1. Machiraju, H.R., Indian Financial System, Vikas, New Delhi.
2. Verma, J.C. Merchant Banking, TMH, New Delhi.
3. Mithani and Gordeon, Banking Theory and Practice, Himalaya, Bombay.
4. Bhole, L.B., Financial Institutions and Markets, TMH, New Delhi.

COURSE-VIII: PERSONAL FINANCIAL PLANNING

Course outcome

This course is designed to provide a deeper understanding of Personal Financial Management It focuses on basics of personal financial management, personal savings and investment plans, computation of return and risk factor of personal savings and investments, retirement savings plans.

Course Objectives

The aim of the course to provide basic principles for managing personal finance.

Pedagogy

Method of instruction consists of lectures, case study design and analysis, group discussions, seminar presentation, writing assignments and tests. Interaction individual investors with different profiles by age, income, sex, occupation, and region.

COURSE CONTENTS

Module 1: Basics of Personal Financial Management: The Personal Financial Planning Process, Preparation of Personal Budget, Personal Financial Statements, Personal Income Tax Planning. Case studies on personal financial planning of individuals.

Module 2: Personal Savings & Investment: Investment Criteria- liquidity, safety and profitability. Savings instruments of Post Office and Banks. Chit Funds. Investment in Shares, Debentures, Corporate and Government Bonds, Mutual Fund. Investment in Physical Assets – Real Estate, Gold and Silver. Risk and Return associated with these investments. Case studies on risk and return perception of retail investors on various investments.

Module 3: Computation of Return and Risk of Personal Investment: Present Value and Future Value of a Single Amount and an Annuity. Computation of interest, dividend and capital gains on personal investments. Impact of leverage on return. Personal tax planning,

Module 4: Retirement Savings Plans: Pension Plans- Defined Contribution Plan and Defined Benefit Plan. Provident Fund, Gratuity. Life Insurance Plans. General Insurance Plans. Reverse Mortgage Plans.

References

1. Personal Finance by Jack R. Kapoor, Les R. Dlabay and Robert J. Hughes, Tat McGraw-Hill Publishing Company Ltd. New Delhi.
2. Financial Education by Reserve Bank of India –rbi.org.
3. Personal Finance columns in The Economic Times, The Business Line and Financial Express Daily News Papers.
4. Information Broachers of Post Offices, Banks, Mutual Funds, Insurance Companies
5. Internet Sources- BSE, NSE, SEBI, RBI, IRDA, AMFI etc.

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