



**UNIVERSITY OF MYSORE**  
**DEPARTMENT OF STUDIES IN COMMERCE**  
**COURSE STRUCTURE AND SYLLABUS**



**M.COM (FINANCIAL SERVICES)**

**UNDER FLEXIBLE CHOICE BASED CREDIT SCHEME (FCBCS) 2020-21**

**Department of Studies in  
Commerce,  
Manasagangothri,  
Mysuru**

COMMERCE

**Visit Website : <https://uni-mysore.ac.in/english-version/commerce>**

## **M.Com. (Financial Services)**

### **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.

## General Information about FCBCS

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### Scheme of Instructions

- The Master's Degree program is of 4 semesters-two years duration. A candidate can avail a maximum of 8 semesters, i.e., 4 years (in one stretch) to complete Masters Degree (including blank semesters, if any). The first four semesters are termed **Normal Semesters** and the subsequent semesters are termed **Spill-Over Semesters**.

Whenever a candidate opts for blank semester(s)/DROP in a course or in courses or is compelled to DROP a course or courses as per the provision of the regulation, he/she has to study the prevailing courses offered by the department as per the prevailing scheme, when he/she continues his/her study.

- A candidate has to earn a minimum of 76 credits, for successful completion of the Master's degree. The credits to be earned should be as per the distribution shown below.

Course Type	Credits
Hard Core	A minimum of 24
Soft Core	A minimum of 20
Open Elective	A minimum of 04

- A candidate can register for a maximum of 24 credits per semester. **A candidate can register for a maximum of 24 credits per semester. The Departments should encourage students to register for maximum credits in each semester to help them to broaden their scope of learning.**
- Only such candidates who register for a minimum of 18 credits per semester in the first two semesters and complete successfully 76 credits in 4 successive semesters shall be considered for declaration of ranks, medals and are eligible to apply for student fellowship, scholarship, free ships and hostel facilities.
- A candidate can opt to complete a minimum of 18 extra credits (in addition to the minimum requirement of 76 credits) to acquire add on proficiency diploma in that particular discipline / subject along with the Master's degree. In such of the cases wherein, a candidate opts to earn at least 4 extra credits in different discipline / subjects in addition to a minimum of 76 credits at masters level as said above then an add on proficiency certification will be issued to the candidate by listing the courses studied and grades earned.
- A candidate admitted to Masters program can exercise an option to exit with Bachelor Honors degree / PG diploma after earning 40 credits successfully.

## Continuous Assessment, Earning of Credits and Award of Grades

- The evaluation of the candidate shall be based on continuous assessment. The respective Board of Studies will evolve the guidelines for continuous assessment for their respective PG courses. A structure for continuous assessment is as follows:
- The period of formative assessment is split into 3 components – C1, C2, and C3 and the summative assessment to be conducted as semester-end assessment is represented as the last component C4. The formative assessment is for a maximum of 60% and the summative assessment is for a maximum of 40%.
- The timeframe for semester duration would be as follows

Week 1	Finalization of registration of credits
Week 2 – 6	C1 period
Week 7 – 11	C2 period
Week 12 – 16	C3 period
Week 17 – 18/19	C4 period
Week 19/20 – 21	Make up in C4 / Preparation of credits / grades ledger and issue of provisional grade cards
Week 22 – 25	Vacation

**The semester duration is kept flexible upto 20 weeks so that the department should ensure the completion of minimum working days equivalent to that of 16 weeks of a semester.**

- The process of assessing a learner continuously shall fully be the responsibility of the faculty member(s) who offer the course in the department. The Formative Assessment may have three continuous components C1, C2 and C3 each @ 20%. The continuous assessment components for formative assessment will be thus for 60%.

A candidate should have a minimum of 75% attendance by the end of 16th week, else he/she is considered to have DROPPed the Course. If by any chance the Department is unable to compute the attendance percentage, the student is still to be evaluated. But evaluation does not prevent the DROPPing of the Course if the attendance criterion is not satisfied.

NOTE: The Course referred to here is not the Degree Course, but individual paper. Attendance is computed separately for each Course (paper).

- Each assessment component should not be merely test-dominant, but should be problem solving / practical -practice/ mini-project work / case-study / discussions / assignment / seminar / tutorial / review-test based. The guidelines may be worked out by the respective Board of Studies/ Department Council. The performance of

the learner in each component of 20% should be made known to the learner once in every 35-40 days.

- **The final semester-end component of Summative Assessment will be called C4. The weightage for C4 will be 40%. This may be split into C4(Part I) for 20% and C4(Part II) for 20% for (i) term-end project work and theory examination respectively or (ii) practical examination and theory examination respectively or (iii) seminar cum viva voce and theory examination respectively or (iv) practical examination and viva voce respectively (and so on).**

### **Assessment norms, Question papers and Evaluation**

- The teacher(s) who will teach the course will decide the assessment pattern for C1, C2, C3 and the final assessment C4 also. The said teacher(s) is/are also responsible for setting the question paper and the valuation of the scripts in the case of semester end assessment as well as review tests. The Department Council (DC) will have a supervisory role in the choice of assessment pattern and the setting of question paper. Any observations by the DC have to be addressed by the concerned teacher(s).
- In case a candidate secures less than 40% in C1, C2 and C3 put together in a course, the candidate is said to have DROPPED that course, and such a candidate is not allowed to appear for C4 in that course.

### **Appeal**

- The student has to be shown the scores after the assessment of C1, C2, and C3. The student has to sign a register implying that he/she has no objection for the same.
- A student can appeal for revaluation of C4 scores within 10 days of the announcement of results. The Department Council will take the necessary action to address the concern of the student. In case, the student is still not satisfied, he/she can appeal to the Registrar (Evaluation). Once the student has signed the register, there will be no provision for an appeal subsequently.

### **Minor/ Major Project Evaluation**

- The Guide will decide the mode of evaluating the progress of the student and the allotment of weightages to different components (C1, C2, C3). This has to be notified to the student's right before the commencement of the project. Each component will be evaluated for 20%, and the final viva voce and report evaluation will be for 40% as C4.
- A student in the fourth semester shall register for a **Minor/ Major Project** Work which carries 4 credits. Workload for Project Work tutorial class is 1 hour per batch of 6 students

per week for the teacher. The students shall do field work and library work in the remaining 3 hours per week. Continuous assessment criteria for major project work include:

Component-I (C1): Periodic Progress and Progress Reports –20 Marks  
Component-II (C2): Results of Work and Draft Report –20 Marks

Component-III (C3): Final Viva-voce and Project Report Evaluation-60 Marks.

The Project Report evaluation is for 40 Marks and the Viva-Voce examination is for 20 Marks.

### **Guidelines for preparation of Project Report**

The project report shall be prepared as per the broad guidelines given below:

- a. Project Report shall be typed in Times New Roman with one and half line spacing in 12 Font Size.
  - b. The size of the Project Report shall be with a minimum of 25,000 words and a maximum of 40,000 words.
  - c. Project Report shall be printed on both sides of the paper.
  - d. The Project Report shall be spiral bounded.
- In case a candidate secures less than 40% in C4, he/she may choose DROP/MAKEUP option. If he/she chooses the MAKE-UP option, it has to be completed during 19-21 week of the same semester. If the candidate fails to secure 40% even in the MAKE-UP evaluation, he/she is considered to have DROPPED the course. The candidate has to exercise his/her option to DROP immediately within a week from the date of notification of results.
  - A candidate has to re-register for the DROPPED course when the course is offered again by the department, if it is a hard core course. The candidate may choose the same or an alternate core/elective in case the dropped course is soft core /elective course. A candidate who is said to have DROPPED project work may re-register for the same subsequently within the stipulated period. The details of any DROPPED course will not appear in the grade card.
  - The tentative / provisional grade card will be issued by the Chairperson of the respective Department at the end of every semester indicating the courses completed successfully.
  - The overall ledger per candidate after the successful completion of stipulated credits will be sent to the office of the Registrar (Evaluation) for the issue of consolidated transcript.
  - Upon successful completion of Bachelors Honors / Masters degree a final grade card consisting of grades of all courses successfully completed by the candidate will be issued by the Registrar (Evaluation).

- The grade and the grade point earned by the candidate in the subject will be as given below:

Marks (P)	Grade (G)	Grade Point (GP= P x G)
40-49	5	V x 5
50-59	6	V x 6
60-64	6.5	V x 6.5
65-69	7	V x 7
70-74	7.5	V x 7.5
75-79	8	V x 8
80-84	8.5	V x 8.5
85-89	9	V x 9
90-94	9.5	V x 9.5
95-100	10	V x 10

Here, P is the percentage of marks secured by a candidate in a course (C1+C2+C3+C4) which is rounded to nearest integer. V is the credit value of course. G is the grade and GP is the grade point.

Overall cumulative grade point average (CGPA) of a candidate after successful completion of the required number of credits (a minimum of 76 credits inclusive 4 credits of open elective) is given by

$$\text{CGPA} = \frac{\text{Sum of all Grade Points}}{\text{Total number of credits}}$$

While computing the CGPA, if the candidate has completed more than 76 credits, the best of the scores in Hard Core, Soft Core and Open Elective are to be considered. However, the grades scored in the open elective (04 Credits) will not be considered while calculating CGPA (i.e., successful earning of 76 credits including 04 credits of open elective is necessary, but CGPA would be calculated based on 72 credits of Hard and Soft Cores).

### Classification of results

The final Qualitative Index is to be awarded to the student is based on CGPA secured by the candidate and is given as follows.

CGPA	Qualitative Index
$5 \leq \text{CGPA} < 6$	Second Class
$6 \leq \text{CGPA} < 8$	First Class
$8 \leq \text{CGPA} < 10$	Distinction
Overall percentage = 10 x CGPA	

In case there are any issues not addressed in these regulations, the decision of the Vice-Chancellor on the advice of the Board of Studies will be final.

### Credit Pattern for M.Com (Financial Services)

**MINIMUM CREDITS REQUIRED FOR M.COM (FINANCIAL SERVICES)  
DEGREE**

I to IV Semesters	HardCore Course		SoftCore Course		OpenElective Course		Total	
	Numbers	Credits	Numbers	Credits	Numbers	Credits	Numbers	Credits
	11	44	8	32	1	4	20	80

**MINIMUM CREDIT TO BE REGISTERED BY A STUDENT IN AF CBCS  
SCHEME TO SUCCESSFULLY COMPLETE  
M.COM (FINANCIAL SERVICES) DEGREE IN FOUR SEMESTERS**

Semesters	HardCore Course		SoftCore Course		OpenElective Course		Total	
	Numbers	Credits	Numbers	Credits	Numbers	Credits	Numbers	Credits
I	4	16	1	4	-	-	5	20
II	3	12	1	4	1	4	5	20
III	2	08	3	12	-	-	5	20
IV	2	08	3	12	-	-	5	20
TOTAL	11	44	8	32	1	4	20	80

**SEMESTER 1**

Paper code	Title of the Course	Credits			
		L	T	P	Total
<b>Hard Core Papers</b>					
HC01	Financial Management	3	1	0	4
HC02	Management Accounting	3	1	0	4
HC03	Financial Market Regulations	3	1	0	4
HC04	Behavioural Finance	3	1	0	4
<b>Soft Core Papers</b>					
SC01	Management Theory and Practice*	3	1	0	4
SC02	Business Policy and Environment*	3	1	0	4

\*A student can opt either for Softcore paper SC01 or SC02

**Credits earned:** Hard core: 16 Soft core : 4

**Credit Pattern for M.Com (Financial Services)**



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## SEMESTER 2

Paper code	Title of the Course	Credits			
		L	T	P	Total
<b>Hard Core Papers</b>					
HC05	Portfolio Management	3	1	0	4
HC06	Marketing Services of Financial Products	3	1	0	4
HC07	Organizational Behaviour	3	1	0	4
<b>Soft Core Papers</b>					
SC03	International Financial Management*	3	1	0	4
SC04	Insurance Management*	3	1	0	4
SC05	Computer Applications in Commerce	3	1	0	4
<b>Open Elective Paper</b>					4

\*A student can opt either for Soft core paper SC03 or SC04

**Credits earned:** Hard core: 12 Soft core :4 OE: 4

## SEMESTER 3

Paper code	Title of the Course	Credits			
		L	T	P	Total
<b>Hard Core Papers</b>					
HC08	Business Research Methodology	3	1	0	4
HC09	Business Quantitative Models	3	1	0	4
<b>Soft Core Papers</b>					
SC06	Personal Finance Planning	3	1	0	4
SC07	Mergers and Acquisitions	3	1	0	4
SC08	Elective Group: Financial Instruments/ Financial Services* Paper 1: Financial Derivatives-1/ Mutual Fund	3	1	0	4

\*A student can opt either for Elective Group 1 or 2

**Credits earned :** Hard core : 8 Soft core :12

## SEMESTER 4

Paper code	Title of the Course	Credits			
		L	T	P	Total
<b>Hard Core Papers</b>					
HC10	Corporate Tax Law and Planning	3	1	0	4
HC11	Strategic Financial Management	3	1	0	4
<b>Soft Core Papers</b>					
SC09	Contemporary Issue in Business Finance	3	1	0	4
SC10	Elective Group : Financial Instruments/ Financial Services* Paper 2: Financial Derivatives-2/ Banking and Insurance	3	1	0	4
SC11	Project Work/ Skill Enhancement	0	0	4	4

\*A student can opt either for Elective Group 1 or 2

**Credits earned:** Hard Core: 8 Soft Core: 12

### Elective Groups

Any **one group** from the available electives shall be selected by a student at the commencement of III

Semester. Once a group has been selected, no change in the selected group will be allowed later. The

Department will announce at the end of the second semester, any one or more elective groups which will be offered during III and IV semesters depending upon the availability of faculty members and the demand for electives.

**M.COM (FS) FCBCS SYLLABUS 2020-21  
SEMESTER 1**

**HC01: FINANCIAL MANAGEMENT**

**1. Course description:** 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.

**2. 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.

**3. 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.

**4. 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.

## **HC02: Management Accounting**

**1. Course Descriptions:** This course provides the coverage of cost determination, Profit Planning and Decision Making, variance analysis, Computer applications in Management Accounting

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

**3. 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 (d) 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 managerialEmphasis; 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.

## **HC03: Financial Market Regulations**

- 1. Course Description:** 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.
- 2. Course Objective:** The objective of this course is to understand the framework of Indian Financial Market Regulations.
- 3. 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.

### **4. 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”

## **HC04: Behavioural Finance**

**1. Course Description:** This course provides the coverage of integration of emerging capital markets, Psychology of Trending Markets and Value Investing.

**2. 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.

### **3. Pedagogy:**

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

### **4. 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 AChsholm (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 (JohnWiley)

## **SC01: Management Theory and Practice**

**1. Course objective:** 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.

### **2. 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 21<sup>st</sup> 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.

### **Reference :**

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.

## **SC02: BUSINESS POLICY AND ENVIRONMENT**

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

**2. Course objectives:** The objective of this course is to provide the student the knowledge about human resources, their significance and managing them in organisations.

**3. 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.

### **4. Course Contents:**

**Module 1:** Introduction: Business in a social system; Concept and Nature and significance of business environment, Need to study business environment, Elements of Business Environment- internal environment and external environment- Economic-political-socio-cultural-technological environment; Environmental analysis - Techniques, Government-Business Interface, Changing Dimensions of Indian Business – case studies.

**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; recent trends in Corporate Social Responsibility; Salient features of Competition Act.

**Module 3:** Business Policy: Importance of business policy-essentials of business policy classification or business policy-Production policy-personnel policy- Financial policy-Marketing Policy-case studies.

**Module 4:** Globalisation and WTO; Make in India policy- objectives and features; Financial inclusion policy; Business incubators- meaning definition; types; services of incubators; stages of incubation; Sun-rise sectors of India economy. Challenges of Indian economy. Recent trends-Anti globalization wave- Reasons; US protectionism policies; Brexit.

### **References:**

1. Awasthappa, K. (2014). Essentials of Business environment. New Delhi: Himalaya Publishing House.
2. Cherunilam, F. (2014). Business Environment: Text and Cases. New Delhi: Himalaya Publishing House.
3. Ghosh, P.K. & Kapoor, G.K. (2000). Business Policy and Environment. New Delhi: S.Chand and Sons.
4. Singh, S. (2013). Environmental Policy in India. New Delhi: IIPA.
5. RudarDutt and Sundaram (2005). Indian Economy. New Delhi: S. Chand and Sons.



## SEMESTER 2

### HC05: PORTFOLIO MANAGEMENT

**1. Course Description:**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.

**2. 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.

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

#### 4. 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 Martin J.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

## **HC06: Marketing Services of Financial Products**

**1. Course Description:** This course is all about Marketing of Financial Services and Financial Products analysis, trends, globalization and government policy. Financial products, particularly in respect of investment banking, micro-finance/ insurance and angle investing.

**2. Course Objectives:** The course aims at helping the students to:

1. Understand and appreciate the role of marketing of financial services.
2. Grasp the trends in financial products.
3. Gain an insight into the future of marketing of financial services and financial products.
4. The aim of this course is to acquire knowledge various financial products.

**3. Pedagogy:** Method of instruction consists of lectures, case study design and analysis, group discussions, seminar presentation, writing assignments and tests. Tutorials include writing assignments.

### **4. Course Contents:**

**Module 1:** Introduction of marketing –scope of marketing-core marketing concepts – evaluation of marketing concepts and its stages– building customer satisfaction, value and retention-direct marketing vis-à-vis online marketing – major channels of direct marketing – marketing environment- marketing in 21<sup>st</sup> century – e-commerce, advantages and disadvantages of direct marketing and online marketing.

**Module 2:** Marketing financial products – An introduction- Characteristics of Financial Products- Services Marketing Mix and elements- Marketing Strategies- Services Marketing- Understanding Service Characteristics- Product versus Services- Classification of Services-Purchase Process for services.

**Module 3:** Bank Deposits and Loans: Different Deposit and Loan Products of Banks, Rate of Interest- Fixed and Floating- Small saving and retirement plans products- Bancassurance- oversea banking. Mutual Funds: Introduction; Classification; Mutual funds in India. Types of Mutual funds- Promotion and distribution of mutual funds

**Module 4:** Insurance: Introduction, Purpose and need of insurance; Insurance as a social security tool; Agents-Regulations- Insurance intermediaries, Insurance Products: Traditional Unit Linked Policies; Individual and Group Policies; with-profit and without-profit policies; Different types of insurance products- products, interest sensitive products, term- assurance annuities, Endowment; Assurance.

### **References:**

1. Indian Financial System – Theory and Practice – By Khan M V (Vikas Publishing)
2. Financial Services in India – By M A Kohok (Himalaya Publishing House)
3. Marketing of Financial Services, DhananjayBapat, Dreamtech Press
4. Marketing of Financial Products, ICFAI
5. Marketing of Financial Services, Harrison, Tina – Harlow, Pearson Education Ltd.
6. Marketing of Financial Services, Pezzullo, Mary Ann, Macmillan India Ltd.
7. Management of Financial Services – By Avadhani (Himalaya Publishing House)
8. Financial Markets and Institutions – By Bhole L M (Tata McGraw Hill)

## **HC07: ORGANISATIONAL BEHAVIOUR**

**1. Course Descriptions:** This course provides the coverage of scope of OB, different contributing discipline to OB, foundational of individual behavior, motivational theories and foundations of group behavior.

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

**3. 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.

### **4. Course Contents**

**Module1: Introduction:** Meaning-Definitions and scope of organisational behaviour-people-Fundamental Concepts of OB- Key elements of OB: elements of OB – Models of OB-Contributing Discipline 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-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: Foundation of Group Behaviour:** Defining and classifying groups-group process-group tasks-cohesive groups-group dynamics-leadership-nature and importance functions- styles-communications-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.

**Module 4: Organization Structure Introduction-** Definition, Form of organisation structure- organisation Development, introduction – Quality of work life- objective of OD programme basic OD assumptions OD interventions- Sensitivity training- Transaction analysis Process consultation-Third party interventions – Team building Individual Counselling- Career planning, Job related interventions- socio-Technical Interventions-Structural interventions, Learning organization, organisational culture and climate, introduction- input-concept of organization culture, functions or organization culture, level of culture, management Philosophy, organisational climate- management of change-introduction- understanding change- organisation growth as a kind of change, forces of change, change process- Kurt Lewin Model, levels of change- knowledge change- attitudinal change – the group level change- the group as a target of change- organisation – wide change – types of change, steps in managing change- change agents- resistance to change- managing resistance to change – case studies.

### **References:**

1. Organisational Behaviour: Concept, Theory and Practice-Nirmal Singh
2. Organisational Behaviour - Fred Luthans
3. Organisation Theory and Behaviour - V S P Rao and PS Narayana

4. Organisational Behaviour - Niraj Kumar
5. Organisational Behaviour – K. Aswathappa
6. Management of organisational change –Harigopal

### **SC03: INTERNATIONAL FINANCIAL MANAGEMENT**

**1. Course Description:** 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.

**2. 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

**3. 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.

#### **4. 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

### **SC04: Insurance Management**

**1. Course Objectives:** This paper covers the information about Risk Management and the Insurance Industry, Insurance Products profile, Pricing of Insurance Products and claims management.

**2. 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

### **3. 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

### **4. 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 McGraw Hill.

## **SC05: COMPUTER APPLICATIONS IN COMMERCE**

**1. Course Description:** This course is designed to provide knowledge and skills in computer applications in commerce. It focuses on computer applications in Accounting, Finance, Taxation, Statistics and Operations Research.

**2. Course Objectives:** The objective of the course is to enable to students to understand online trading, online banking, online submission of income tax and indirect tax returns. Tally and XBRL applications in Accounting. SPSS applications in statistical analysis.

**3. Pedagogy:** Lectures, assignments, presentation, case analysis, online demonstrations and computer practicals.

### **4. Course Contents:**

**Module 1: Computer Applications in Financial Accounting:**

Features of Tally ERP.9. Setting up a new company and creating Masters in Tally.ERP9. Data Management, security levels and controls. Technological advantages of Tally.ERP9. Evolution and features of extensible Business Reporting Language (XBRL).XBRL Taxonomy of Ministry of Corporate Affairs.Filing of Financial statements using XBRL Software.

**Module 2: Computer Applications in Financial Management and Taxation:**

Using MS Excel to solve financial management problems- Present Value, Future Value, NPV etc.Online Trading of Securities.Online Banking.Filing of Online Application for PAN and TAN.Online submission of Income Tax Returns and TDS Return.E-filing of indirect taxes return.

**Module 3: Computer Applications in Statistical Analysis :**

Features of SPSS.Creating files and data entry in SPSS.Preparation of frequency tables and graphs. Computation and interpretation of Mean, Standard Deviation, Standard Error, Simple and multiple correlation, regression. Analysis of variance.t-Test, Chi-Square Test.

**Module 4: Introduction of Financial Econometrics-**

Nature and Scope of Econometrics, Distinction between Econometrics, and disciplines, types of data, Methodology of Econometrics. Time Series Econometrics, Introduction, testing of different model like unit root, cointegration, Engel-Granger test, ECM,ARCH family, their application in Finance, problems and solving them using computer software.

**Computer Lab Practicals:**

1. Computation of Present value, future value, Net Present Value using MS Excel.
2. Filing of online application for PAN, TAN.
3. Online submission of Income Tax Returns and Indirect Tax Returns.
4. Online Banking
5. Online Trading.
6. Completing accounting cycle using Tally ERP 9.
7. Online submission of Financial Statements using XBRL
8. Computation of descriptive statistics, correlation, regression using SPSS.
9. Solving time series models like unit root, cointegration, Engel-Granger test, ARCH family application in finance.

**Reference :**

Cronk, B. C. (2019). How to use SPSS®: A step-by-step guide to analysis and interpretation. Routledge.

Hoffman, C., & Watson, L. (2009).XBRL for Dummies.John Wiley & Sons.

GujarathiDamodar, (2017) Basic Econometrics, McGraw Hill, International Student Edition.

Brooks Chris, (2014) Introductory Econometrics for Finance, Cambridge University Press, Cambridge.

Krishna K. L., Indian Econometrics Models, Oxford University Press, Oxford.

## SEMESTER 3

### **HC08: BUSINESS RESEARCH METHODOLOGY**

**1. Course Description:** 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

**2. 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.

**3. 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.

#### **4. Course Content:**

**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, ParthaNath Mukherjee, Sage Publications

## **HC09: BUSINESS QUANTITATIVE MODELS**

**1. Course Description:** this course provides the introduction to the essential quantitative methods for making valuable business decisions. The comprises of Probability and Probability Distribution, Correlation and Regression, Operations Planning, Production Planning and Control.

**2. Course Objectives:** The aim of the course is to enable a students to have knowledge about application of quantitative mathematical modeling to decision making in a business management context and emphasizes not only the role of data in drawing conclusions. thecourse outlines the necessary tools to make smart and successful business decisions.

**3. Pedagogy:** Class room teaching of basic quantitative 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.

### **4. Course Contents:**

**Module 1: Probability and Probability Distribution-** Sample Space and Events- Simple and Compound Events- Probability- Probability distributions- Binomial-Poisson-Normal- Characteristics and their applications in business decisions.

**Module 2: Correlation and Regression-** Introduction to correlation -Karl Pearson's product moment Coefficient of correlation -Positive, negative, and zero correlation-Correlation through scatter diagrams -Interpretations of correlation co-efficient-Simple and Multiple correlations – Regression - Criterion for the line of best fit- Explained and unexplained variation - Multiple Regression

**Module 3- Operations Planning--** Demand forecasting- Capacity Planning- Capacity Requirements- Facility Location- Facility Layout- Resource Aggregate Planning- Materials Requirements Planning- Manufacturing Resource Planning- Enterprise Resource Planning- Economic Batch Quantity

**Module 4: Production Planning and Control--** Introduction- Time study- Work study- Method Study and Job evaluation- Job Allocation-- Assignment technique- Scheduling- Queuing Models- Simulation- Line balancing- Lean Operations- Just in time (JIT)- Transportation Model- Linear Programming Technique- Measurement techniques of Productivity Index- Project Planning- PERT and CPM.

### **Reference**

1. Quantitative Methods for Business The A-Z Of Qm(2004) Buglear J., Taylor & Francis
2. Quantitative Methods for Business, Management And Finance(2005)Swift L, Macmillan Publishing
3. Quantitative Methods for Business (2015) John Buglear, T&F India
4. Quantitative Methods for Business (2012) AndersonSweeneyWilliams Et. All., Cengage



## **SC06: PERSONAL FINANCIAL PLANNING**

**1. Course Description:** 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.

**2. Course Objectives:** The aim of the course is to provide basic principles for managing personal finance.

**3. 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.

### **4. 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, Tata 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.

## **SC07: Mergers and Acquisitions**

**1. Course Description:** 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.

**2. 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

**3. 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

### **4. 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- choosing 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**

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

## **SC08: Elective Group 1: Financial Instruments**

### **Paper 1: Financial Derivatives-1**

**1. Course Description:**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.

**2. 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.

**3. 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.

#### **4. Course Contents:**

**Module 1-** Risk Management and Derivative - Introduction, Managing Risk, Types of Business Risks, Risk management process and tools, value-at-risk, concept of securitization, Derivatives, Importance, Products, Classification, participant, Evolution, Functions and Challenges.

**Module 2-** Forward & Futures - Introduction, Forward Contract, settlement of Forward Contract, Futures contract, Specifications of Futures contract, trading mechanics, Pricing, Arbitrage, Convergence, Relationship of futures price & expected spot price.

**Module 3-** Options - Basic Terminology, call, Put, Quotations, Trading & settlement, Margins, Adjustment for corporate actions, Options other than stocks/indices, Difference options & futures/ forwards, valuation of options, BOP and BSOP.

**Module 4-** Swaps - Features of Swaps, Need, swap dealer, Applications, Rationale, Types, hedging, Features, Valuing Interest rate swaps and currency swaps, Commodity swaps, & equity swaps.

#### **Reference:**

1. Introduction to Futures and Options Markets – By John Hull (PHI)
2. Derivatives – By D.A.Dubofsky and T.W.Miller (Oxford)
3. Futures and Options – By Edwards and Ma (Mc Graw Hill)
4. Investments – William Sharpe and others; Bowdie and others
5. Futures and Options by Vohra and Bagri

## **SC07: Elective Group 2: Financial Service**

### **Paper 1: Mutual Funds**

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

**2. 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

**3. 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.

#### **4. 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. SahadevanandM.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 ofIndia)
5. H.Sadhak: Mutual Funds in India. (ResponseBooks)

## SEMESTER 4

### HC10: Corporate Tax Law and Planning

**1. Course Description:** 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.

**2. 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 companyrelating TDS, Advance payment of Tax, remittance of corporate income tax.

**3. 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.

#### 4. 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, shut 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, VishvaPrakashana, New Delhi.
3. Direct Taxes Aggarwal 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 Singhanian and Kapil Singania Taxman’s Publications(p)Ltd., New Delhi.

**HC11: Strategic Financial Management**

**1. Course description:** Financial decisions need to be aligned with overall corporate strategy. This course is introduced to provide an interface of financial policy and strategic management process mainly focusing on financial restructuring, innovative financing strategies and risk management.

**2. Course Objectives:** The objective of this course is to acquaint students with the advanced concepts of financial management and the application of the same in developing financial strategies for the organization.

**3. Pedagogy:** Method of instruction consists of lectures and tutorials. Lecture session focuses on providing analytical setting for basic financial strategies followed by case study/group discussions and seminar presentations.

**4. Course Contents:**

**Module 1:** Concepts of strategic financial management- strategic business unit responsibility accounting – strategic for wealth maximization – investment decisions, financing decisions, dividend decisions, and working capital management, strategic management for sustainable success, 9s model.

**Module 2:** Ethical issues in strategic finance – finance manager as a strategist- assessment of ethical financial performance- accounting disclosure for ethical financial management transparency in operation. Internal cost-profit analysis- strategic cost analysis, cost- profit-sales analysis using product and project, present performance and result ratio, analysis of post expansion.

**Module 3:** Financial aspects of corporate restructuring – meaning of corporate restructuring, symptoms, financial symptoms, restructuring plan, various aspects of financial restructuring, consolidation of value change, restructuring through amalgamation and mergers, restructuring of sick organization.

**Module 4:** Financial Engineering- innovative financial engineering, innovative project finance instrument, venture finance, dealer finance, structured finance, special purpose vehicles.

**Reference:**

1. An introduction to strategic Financial Management: Allen D. CIMA/ Kogan page, London.
2. Financial Theory and corporate policy: Copeland T.E and J D Weston.
3. Financial Decision Making: HamtonJone, PHI, New Delhi.
4. The Essence of mergers and Acquisitions: Sudarsanm, PS: prentice Hall of India, Hall.
5. Strategic Financial Management: Prasanna Chandra.

**SC09: Contemporary Areas of Business Finance**

**1. Course Description:** This course provides the coverage of concept of securitization of assets, emerging corporate funding, digital funding and sustainable/environmental finance.

**2. Course Objective:** the aim of this course to provide knowledge and skills to the students on contemporary areas in business finance.

**3. Pedagogy:** Course activities consist of lectures, case study analysis, group discussions, seminar presentation, assignment writing and tests.

**4. Course Contents:**

**Module 1:Concept of securitization-**Definition, Importance, types, process, History of securitization, Asset Classes, Economic impact of securitization, Special Purposes Vehicle (SPV), stakeholders, concept of financial engineering.

**Module 2:Emerging corporate funding:** crowd funding, angel investment, start-up funding, concept of hedge funds, private equity, recent trends in the area of corporate funding.

**Module 3:Digital Finance:** meaning, importance, difference between digital finance and traditional finance, crypto-currencies as financial assets- introduction, peer-to-peer lending, concept of Blockchains, recent trends in the area of digital finance

**Module 4:Sustainable/Environmental Finance:** introduction, importance, Carbon credit, clean energy market, Green bonds, Cat bonds, recent trends in the area of sustainable finance

**Reference**

- Chuen, D. L. K., & Deng, R. H. (Eds.). (2017). Handbook of Blockchain, Digital Finance, and Inclusion, Volume 2: ChinaTech, Mobile Security, and Distributed Ledger. Academic Press.
- Beaumont, P. H. (2019). Digital Finance: Big Data, Start-ups, and the Future of Financial Services. Routledge.
- Kothari, V. (2006). Securitization: the financial instrument of the future (Vol. 385). John Wiley & Sons.

- Fabozzi, F. J., & Kothari, V. (2008). Introduction to securitization (Vol. 182). John Wiley & Sons.
- Labatt, S., & White, R. R. (2003). Environmental finance: a guide to environmental risk assessment and financial products (Vol. 200). John Wiley & Sons.
- Ramiah, V., & Gregoriou, G. N. (Eds.). (2015). Handbook of environmental and sustainable finance. Academic Press.

## **SC10: Elective Group 1: Financial Instruments**

### **Paper-2: Financial Derivatives-2**

**1. Course Description:** It is an advanced course in financial derivatives which includes hedging strategies using financial derivatives.

**2. 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.

**3. 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.

#### **4. Course Contents:**

**Module 1:** Commodity Futures- Introduction, benefit, commodity futures & economy, Difference of commodity & financial futures, Pricing, hedging, Perfect & imperfect hedge, Basis & Basis Risk, Optimal Hedge Ratio, options spread strategies.

**Module 2:** Stock & Index Futures- Index Futures, forward contracts & stocks, Future contract on indices & individual stocks, Features, specifications, pricing, Hedging, Speculation & arbitrage with stock index futures, portfolio approach to minimizing risk.

**Module 3:** Currency Forwards & Futures- Foreign exchange markets, Foreign exchange risk, FOREX rates, transactions, Arbitrage, Hedging, Speculation & arbitrage, NDF – Evolution, Growth, Features, Interest rate parity, Currency future – Trading, settlement, pricing, Hedging, Speculation & arbitrage

**Module 4:** Credit Derivatives- Introduction & Meaning, Types of credit risks, Assessment of credit risk, Credit default swaps, Total return swap, Credit linked notes, collateralized debt obligations

#### **Reference:**



1. Introduction to Futures and Options Markets – By John Hull (PHI)
2. Derivatives – By D.A.Dubofsky and T.W.Miller (Oxford)
3. Futures and Options – By Edwards and Ma (Mc Graw Hill)
4. Investments – William Sharpe and others; Bowdie and others
5. Futures and Options by Vohra and Bagri
6. Financial Derivatives – by G Kotreshwar- Chandana Publication

## **SC10: Elective Group 2: Financial Service**

### **Paper 2: Banking and Insurance**

**1. Course Description:** This course is designed to provide a basic understanding of Banking and Insurance. It focuses on functions of banks, and customer relationship.

**2. Course objectives:**

1. To develop the knowledge in the field of banking and insurance
2. To make the students to understand the financial service provided by the banking an insurance

**3. Pedagogy:** Method of instruction consists of lectures, case study design and analysis, group discussions, seminar presentation, writing assignments and tests.

**4. Course Contents:**

**Module 1:** Introduction - Scheduled and non-scheduled banks - Origin & Development - Evolution and growth of banking system in India - Present Structure -Challenges before Indian commercial banks - Opportunities for Indian commercial banks - Strengths and weaknesses of Indian banks - Banking sector reforms

**Module 2:** Banker and Customer Relationship: Know your Customer [KYC] guidelines- Opening of different bank accounts and procedures for their operations. Bank Deposits and Loans: Different Deposit and Loan Products of Banks, Rate of Interest- Fixed and Floating, Documentation Procedures. Banking service: Electronic Banking, Core Banking Technology, Debit and Credit Cards, ATMs.

**Module 3:** Introduction to Insurance-Meaning, Definition of insurance- Risk – Types of risk General principles of insurance-Types of insurance life, fire and marine- Difference between life and other types of insurance, Insurance Agent - Functions of the Agent- Growth & Development of Indian insurance industry- Regulations of insurance business and the emerging scenario.

**Module 4:** Life Insurance-Introduction to life insurance- Features of life insurance-Essentials of life insurance, Different types of life policies- Annuities, Formation of life insurance contracts Assignment and nominations- Lapses and revivals of policies. Surrender value, paid up value, Loans Claims- Procedure for claims- Settlement of claims- Death and Maturity. General Insurance- Features of General insurance-Essentials of General insurance, Different types of General policies- Formation of General insurance contracts Assignment and nominations- Lapses and revivals of policies, Claims- Procedure for claims- Settlement of claims- Death and Maturity.

### **Reference**

1. Elements of Banking and Insurance(2007) Jyotsna Sethi And Nishwan Bhatia
2. Banking And Insurance Management (2009) R. Keshavanathan
3. Modern Banking and Insurance : Principles and Techniques (2008) J. N. Jain

### **SC11: 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.