

SYLLABUS

**MBA
(Finance and Control)**

Two year full-time masters degree programme



Session: 2006-08

IV SEMESTER

DEPARTMENT OF FINANCIAL STUDIES
Faculty of Management Studies

Veer Bahadur Singh Purvanchal University
Jaunpur (U.P.)
Pin – 222001

Department of Financial Studies
Syllabus- M.B.A. (Finance & Control)- Session 2006-2008

1st Semester		Marks
101.	Management Principles & Practices	80 + 20 = 100
102.	Managerial Economics	80 + 20 = 100
103.	Quantitative Techniques	80 + 20 = 100
104.	Financial Accounting	80 + 20 = 100
105.	Business and Corporate Laws	80 + 20 = 100
106.	Financial Management	80 + 20 = 100
107.	Viva-voce	100
		Total = 700
2nd Semester		
201.	Management Accounting	80 + 20 = 100
202.	Capital Investment and Financing Decisions	80 + 20 = 100
203.	Business Environment	80 + 20 = 100
204.	Organisational Behaviour	80 + 20 = 100
205.	Project Management & Entrepreneurship	80 + 20 = 100
206.	Computer Application in Finance	80 + 20 = 100
207.	Viva-Voce	100
		Total = 700
3rd Semester		
301.	Indian Financial System	80 + 20 = 100
302.	Marketing of Services	80 + 20 = 100
303.	Working Capital Management	80 + 20 = 100
304.	Security Analysis & Portfolio Management	80 + 20 = 100
305.	Corporate Tax & Planning	80 + 20 = 100
306.	Financial Derivatives	80 + 20 = 100
307.	Summer Training & Presentation-Viva-voce	100 + 50 + 50 = 200
		Total = 800
4th Semester		
401.	Strategic Financial Management	80 + 20 = 100
402.	International Finance	80 + 20 = 100
403.	Management of Financial Services	80 + 20 = 100
404.	Project & Viva Voce	100 + 50 + 50 = 200
		Total = 500
Elective Papers (Select any one Group)		Total = 300
Group A: Capital Market		
405A.	Capital Market	80 + 20 = 100
406A.	Equity Research	80 + 20 = 100
407A.	Merchant Banking	80 + 20 = 100
Group B: Insurance & Banking		
405B	Insurance & Risk Management	80 + 20 = 100
406B	Management of Mutual Funds	80 + 20 = 100
407B	Management of Bank Funds	80 + 20 = 100
Group C: Investment Management		
405C	Equity Research	80 + 20 = 100
406C	Treasury Management	80 + 20 = 100
407C	Real Estate Investment Management	80 + 20 = 100
(Semester I = 700 + Semester II = 700 + Semester III = 800 + Semester IV = 800)		
GRAND TOTAL = 3000		

SEMESTER I

101: Management Concepts & Practices

Unit I: *Introduction* - Meaning, Scope, Nature, Concept, Process and function of Management, Management as an art or science, As a profession.

Unit II: *Management Thought* – Approaches to the study of management, Contribution of F.W.Taylor, Henry Fayol and Hawthorne experiments, Modern trend in field of Management, System and Contingency theories.

Unit III: *Planning*- Meaning, Nature, Scope, Steps in planning, Types of planning, Types of Plans, Decision making process, Types of decision.

Organising– Concept, Organising theory, Organisation structure, Delegation, Authority, Responsibility, Accountability, Departmentation, Vertical and horizontal growth in organisation, Line, Staff function, Formal and informal Organisation, Organisational chart, Centralisation and Decentralisation, Span of management.

Unit IV: *Directing*- Concept and Principles, ***Leadership***- Concept, Theories and style, ***Motivation***- Concept, Nature, Importance, Theories of motivation,

Unit V: *Communication* – Meaning, Types and Techniques of communication, Barriers of communication.

Controlling – Meaning, Process, Types of control, Control techniques, Essentials of an effective control system, Management by Objectives, Management by exception.

Suggested Books:

1. C.B. Gupta : Principle & Practice of Management
2. S. P. Robins : Organisational Behaviour
3. P.F. Druker : Management Task Responsibility
4. P.F. Druker : Practice of Management
5. Koontz & Donell : Practice of Management
6. Weibrish : Elements of Management
7. Koontz 'H' O. Donell : Management: A book of reading
8. Theory Hieman : Professional Management
9. B.P. Singh & A.K. Singh : Essential of Management
10. Sherleker : Principle of Business Management

102: Managerial Economics

Unit I: *Nature and Scope*- Meaning of managerial economics, Scope and its role in the process of decision-making, Relationship with other disciplines. Some fundamental concepts of economics theory applicable to business decision

Unit II: *Introduction to Cardinal and ordinal analysis*: Utility Analysis and Indifference curves, Law of Equi marginal utility, Interaction of demand and supply, Factors affecting Demand & Supply, Elasticity of Demand, Demand analysis and demand forecasting techniques, Survey, Market studies and Experiments and Statistical methods.

Unit III: *Cost and Production Analysis*- Cost concept and cost curves, Cost classification, Law of return of scale, Law of production, Law of variable proportions, Production function and Managerial use, Economics and Diseconomies of scale.

Unit IV: *Pricing* – Pricing under different objectives Vs. Pricing for profit maximization, Market Structure, Pricing under perfect, imperfect, monopoly and monopolistic situation.

Unit V: *Profit Management*- Profit theories, Function of profit, Measurement and Profit planning, Risk and uncertainty, Decision making under risk and uncertainty.

Suggested Books-

1. P.L. Mehta : Managerial Economics
2. Varshney & Maheshwari : Managerial Economics
3. G.S. Gupta : Managerial Economics
4. D.N. Dwivedi : Managerial Economics
5. M. Adhikari : Managerial Economics
6. Joel Dean : Managerial Economics

103: Research Methodology

Unit I: *Research Methodology* – Meaning, Objectives, Scientific Research, Types of research, Approaches to research, Research process, Research Design, Characteristics of a good research, Criteria for conducting a research, Problem encountered by researchers in India.

Unit II: *Hypothesis & Analysis* – An Introduction, Null Hypothesis, Alternative hypothesis, Level of significance, Types of errors, One tailed & two tailed test, Procedure of Testing of Hypothesis, Large Sample Test, Chi- Square Test, Tests of significance: T-test, F-test.

Unit III: *Data Collection*– Introduction, Data collection tools and their significance, Collection of Data through questionnaire and their preparation.

Scaling Techniques – Measurement- Meaning, Different scale of measurement, Test of sound measurement, *Scaling* – Meaning, Important scaling techniques, Likert’s Scale.

Unit IV: *Sampling*– Types of sampling, Simple and Random Sampling, Purposive Sampling, Convenience Sampling, Systematic sampling, Clustered Sampling, Stratified Sampling, Quota sampling, Multistage Sampling.

Unit V: *Report writing* - Meaning, Different steps of Reporting, Mechanics of writing a Research Report, Precautions for writing Research Reports.

Suggested Books :

1. S.R. Kothari : Research Methodology.
2. R.I. Levin : Statistics for Management.
3. Boot & Cox : Statistical Analysis for Managerial Decision.
4. D.N. Elhance : Fundamental of Statistics(M.A. & M. Com. Level)
5. S.P. Gupta : Statistical Method.
6. Cloner & Balsey : Business Research Method.
7. Emory & Looper : Business Research Method.

104: Financial Accounting:

Unit 1: *Financial Accounting*- Meaning, Need, Branches of accounting, Users of accounting, Accounting as a Information System, Accounting Convention.

Double Entry System- Journal, Cashbook, Trial balance, Financial statements.

Unit II: *Partnership Accounting* -Definition, Admission, Retirement, Dissolution.

Unit III: *Company Account* - Issue & forfeiture of shares & debenture, Liquidation of Company.

Unit IV: *Advanced problems of Company Accountancy* - Amalgamation, Absorption & Reconstruction

Unit V: *Emerging Area of Accounting* - Inflation Accounting, Human Resource Accounting, Responsibility Accounting, Social Accounting, Indian Accounting Standard Vs. International Accounting Standard.

Suggested Readings :

1. T.S. Grewal : Financial Accounting
2. R.L. Gupta : Financial Accounting
3. Jawahar Lal : Financial Accounting
4. S.N. Maheshwari : Financial Accounting
5. J.R. Monga : Financial Accounting

105: Business and Corporate Law:

Unit I: *Indian Contract Act, 1872* - Nature and kinds of contracts, Offer and Acceptance, Consideration, Capacity of parties, Free consent, Legality of Object. Agreements expressly declared void, Discharge of contract by performance, Discharge of contract by Agreement, Discharge by Breach of contract,

Unit II: *Sale of Goods Act, 1930* - Conditions and warranties, Transfer of ownership or property in Goods, Performance of the contract of sale, *The Negotiable Instruments Act, 1881*- Definition, Meaning and types of negotiable instruments, Notes, Bills and Cheques.

Unit III: *Indian Partnership Act 1932*-Nature of partnership, Formation of partnership, Registration of firms, Right and duties of the firm, Dissolution of firms.

Unit IV: *Indian Companies Act. 1956* – Definition of company, Kinds of companies, Formation and incorporation of a company, Memorandum of Association, Articles of Association, Prospectus of a company, Shares, Debentures and borrowing powers, Liquidation of company.

Unit V: *Company Management* – Directors, Managing Directors, Appointment, Qualification, Right, Duties, Liabilities, Position, Remuneration, Removal, Company meeting and proceeding.

Suggested Readings:

1. M.C. Kucchal : Company Law
2. N.D. Kapoor : Company Law
3. Avatar Singh : Business law
4. M.C. Kucchal & N.D. Kapoor : Business Law

106: Financial Management

Unit I: *Introduction*- Nature and concept of finance function and it's relationship with other functional areas of Management. Financial planning – Meaning and Steps. Capitalization Theories – Over capitalization and Under capitalization

Unit II: *Time value of money*- Concept, Future value, Present value, Annuity, use of tables. Risk & return, Basic concepts of valuation of securities.

Unit III: *Cost of Capital* – Concept and types of cost of capital, Computation of Specific and Weighted Average Cost of Capital, Formation of marginal cost schedule.

Unit IV: *Capital Structure* – Concept and types, Security mix, Operating and financial leverage, Concept of break-even point, Capital Structure theories, EBIT-EPS analysis, Capitalization consideration of risk, return, control, cost, maturity, etc. Designing of appropriate Capital Structure.

Unit V: *Sources of Finance*: Various instruments and institutions of long term funding, Financing through Capital Markets, Financial Institutions, and New methods of Financing: Convertible Debentures, Rights Issue. Short term sources of finances, cash credit, overdraft and loans.

Suggested Readings:

1. Khan M.Y. : Financial Management.
2. Prasanna Chandra : Financial Management.
3. I.M. Pandey : Financial Management.
4. V.K. Bhalla : Financial Management. & Corporate Policy
5. Van Horn : Financial Management.
6. Solomon-Ezra : The Theory of Financial Management
7. J.D. Agarwal : Reading in Financial Management.
8. S.C. Kucchal : Financial Management & Corporate Finance.

SEMESTER II

201: Management Accounting

Unit I : *Introduction*:- Concept, Nature, Scope and Tools of Management Accounting, Distinction between Management Accounting & Financial Accounting, Element of Cost, Difference between Cost and Management accounting, Functions & limitations of Management accounting.

Unit II : Financial Statement- Nature, Objectives and Limitations of financial statement, Accounting Ratio- Meaning, Ratio Analysis, Analysis of Fund flow & Cash flow statements.

Unit III : *Budgetary control*- Meaning Uses and Limitation, Budgeting & profit planning, Zero based Budgeting, Various types of budgets & their preparation.

Unit IV: *Standard Costing*- Concept, Determination of Standard cost, Variance Analysis: Material, Labor & Overhead.

Unit V: *Marginal Costing Analysis*- Significance, uses and limitations of Marginal Cost, Application of Marginal costing, Marginal Costing Vs. Absorption Costing, Cost Volume Profit Analysis, BEP Analysis: Its Uses of Limitations.

Suggested Books:

1. M.Y.Khan : Management Accounting
2. Dr. Jawaharlal : Managerial Accounting
3. Saxena & Vasisth : Advance Cost Accounting
4. Maheshwari & Mittal : Management Accounting

202: Capital Investments and Financing Decisions

Unit I: *Long Term investments:* Concept, nature, Scope and significance of long term investments, types of long term decisions, Financing decisions and investment decision, linkages between financing and investment decisions.

Unit II: *Capital Budgeting* – Concept, Importance, Capital Budgeting Process, Analysis of costs & benefits methods of Capital Budgeting: Present value, Internal rate of Return, Pay back period, Accounting Rate of Return.

Unit III: *Evaluating Capital Budgeting Decisions:* The value maximization Objectives (VMO), VMO & NPV rule, Capital budgeting decision, types of projects, estimation of inputs and output rule, Capital Budgeting decisions, types of projects, Payback, ARR, NPV and IRR, Choice of Methods, Capital Rationing, Accelerated Cost Recovery System, Evaluation of Capital Budgeting decisions, Complex investment Decisions, Investment decisions under Inflation

Unit IV: *Capital Budgeting under uncertainty & Risk:* Concept of Risk and Uncertainty, various approaches of evaluation of risk- Conventional methods, Statistical methods for independent & co-related cash flows, capital budgeting and CAPM.

Unit V: *Financing Decisions:* The origin of capital structure, Contribution of Miller and Modgilani, Arbitrage Process, Later developments, managing Capital structure, Optimal Structure, Traditional theories, Analyzing leverages, Capital Asset Pricing Model view, Dividend policy in perfect markets, in efficient markets and in imperfect markets.

Suggested Readings:

- | | |
|-----------------------|--|
| 1- James, C. Vanhorne | : Financial Management and Policy |
| 2- Pandey I.M. | : Financial Management |
| 3- Prasanna Chandra | : Financial Management |
| 4- Khan & Jain | : Financial Management |
| 5- Srivastava, R.M. | : Financial Decisions |
| 6- Hampton J.J. | : Modern Financial Theory |
| 7- Hampton J. John | : Financial Decision making- Concept, Problems & Causes. |

203: Business Environment

Unit I: *Introduction-* Business: Nature and its Scope, Private Vs. Public Sector, Business Environment – Nature, Elements, Economic system- Capitalism, Socialism, Mixed Economy.

Unit II: *Political & Legal Environment:-* Constitutional Provisional relating to Business & Industry, Monopolies and Restructure Trade Practice Act. (MRTP) Fiscal Policy, Monetary Policy.

Unit III: *Economic Environment-* New Economic Policy – Liberalisation, Globalisation, Privatisation (LPG), Trade Policy Reform, Financial Sector Reform, Banking Reforms, FEMA, EXIM Policy, BOP & Deficit of Financing, International Economic Environment.

Unit-IV: *Social Environment -* Social responsibility of Business, Social value and culture, Relevance of Social Environment in business and business ethics.

Unit V: *Technological Environment-* Concept of Science & Technology, Role of Technology for development of industry, Transfer of Technology and Foreign Capital – advantages and disadvantages.

Suggested Books:

- | | |
|-------------------------------------|---|
| 1. Francis Cherunilam | : Business Environment |
| 2. Francis Cherunilam | : Business Environment & Policy |
| 3. K. Aswathappa | : Essentials of Business Environment |
| 4. K. Chidambaram &
V. Alagappam | : Business Environment |
| 5. Dr. K. Aswathappa | : Business Environment for Strategic Management |

204 : Organizational Behavior

UNIT I : *Introduction*-Concept, Nature of Organizational Behavior, Need on integrated approach to study behavior, Significance of Organisational Behavior for Managers.

UNIT II : *Perception, Learning and Attitude*

- a) *Perception*:- Meaning, Definition, Significance of Perception for understanding Human Behavior..
- b) *Learning*:- Nature, Types of Learning, Principles of learning, Factors in human Learning.
- c) *Attitude*:- Meaning and concept of Attitude, Significance of Attitude for understanding Human Behavior.

UNIT III : *Motivation and Personality*

- a) *Motivation*:- Motivation and Goal Directed Nature of Human Behavior, concept of Motivation, Importance of Motivation, Theories of Motivation.
- b) *Personality*:- Concept, factors influencing Personality, Theory of Personality.
- c) *Communication*: Process, Barriers, How to make communication effective.

UNIT IV : *Social Behavior*-Definitions, Properties of a Group, Group & Human Behavior, and Why People join Groups, Types of Groups, Group Cohesiveness.

UNIT V : *Influencing Human Behavior*-Techniques of Influence-Power & Politics, Leadership as an Influence Process, Organisational Change and Organisational effectiveness.

Suggested Books:

1. Stephans Robbins Organizational Behavior
2. Fred Luthans Organizational Behavior
3. G Moorhead & Griffith Organizational Behavior
4. Keith Davis OB: Human Behavior at work
5. K. Ashwathappa Organizational Behavior:Text &Cases

205- Project Management & Entrepreneurship

Unit I: *Project Management* – Introduction, Significance, Definition of the Project, Project Planning, Project Development Cycle, Identification of Investment, Opportunity, Generation and Screening of Project Idea.

Unit II: *Project Analysis* - Selecting the product services, Market research, Product design, Packaging & other consideration, Choice & technology, Choice of process, Feasibility, Effect on Environment, Government and local body regulations.

Project Financing – Source of finance, Raising Capital from Market, Financing institution, Consideration of foreign exchange,

Unit III: *Project Control and Review* – Developing project model through simulation, Monitoring & Control Management, Project Appraisal/Control project review, Prerequisite of successful project implementation, Project Scheduling, PERT & CPM.

Unit IV: *Entrepreneurship* – Definition, Concept classification, Nature & importance of entrepreneurial, Entrepreneurial environment, Growth of Entrepreneurial

Unit V: *Entrepreneurship Vs. Professional Manager* – Entrepreneurial development, Development of Women Entrepreneurial, Role of government & financial institutional in Entrepreneurship development & problem of Entrepreneurship.

Suggested Books:

1. P.C.K. Rao : Project Management & Control
2. Vasant Desai : Project Management
3. Bhavesh M. Patel : Project Management; Strategic, Financial Planning, Evaluation and Control
4. Prasanna Chandra : Project; Planning Analysis Selection Implementation & Review
5. P.K. Joy : Total Project Management; The Indian Context

206: Computer Application in Finance

Unit I: *Introduction of Computer:* Brief history of Computer, Computer Generation, Significance, Characteristics and advantage of computer. Application of computer: Main area of Application, Criteria for using Computer, Spread Sheet processor, Computer memory, Primary storage device, Addressing data representation, Number system, Conversion from binary to decimal and decimal to binary, Hexadecimal, Octadecimal.

Unit II: *Control Processing Unit:* CPU, ALU, Local Storage. Control Unit, RAM, ROM, PROM, DRAM, Microprocessor, Computer terminals, Type of Computer, File concept and structure, Model of file organization. Online system.

Unit III: *Data base concept:* DBMS, Types of DBMS, DATA Processing Communication network, Star, Ring & Loop, Centralized, Network, Protocol, EDI, Compiler & Interpreter, MAN, LAN, WAN, Client Server Technology.

Unit IV: *Role of Computer in Financial System:* Meaning & Role of F.I.S., Process of F.I.S., Information system for financial decision making, Programmed & Non- Programmed decision.

Unit V: *Financial Information System Design:* System Analysis and Design - an overview, Designing a Financial system, Implementation and evaluation of financial system.

SEMESTER III

301: Indian Financial System

Unit I: *Financial System*- An overview of the Indian financial System. Definition, Introduction, Significance and its relationship with economic development. The constituents, structure and features of Indian financial system. Recent developments

Unit II: *Financial markets*- Concept, Features, Functions, Structure, types, role of financial markets in economic development.

Unit III: *Major Indian financial institutions*- IDBI, IFCI, ICICI, IRCI, SFC's, & SIDC's management, working, operations and performance and recent developments, Concept of Universal Banking. Investment Bankers: UTI, LIC, GIC, and mutual funds and their role, performance and recent developments.

Unit IV: *New issue markets*: Nature, features, functions, methods of new issue, Secondary markets: Nature, features, functions, role of stock markets, stock exchanges, OTCEI, NSE, recent developments and SEBI guidelines.

Unit V: *Non-banking financial institutions*: Objectives, functioning, Regulations and recent developments, Role of Commercial Banks in industrial finance and RRBs.

Suggested Readings:

1. M.Y. Khan : Indian Financial Theory and Practice
2. R.M. Srivastava : Management of Indian Financial Institutions
3. Harbert, E. Dougall
& Jack, E. Gaumnitz : Capital Markets and Institutions.
4. R.W. Goldsmith : Financial Institutions.

302: Marketing of Services:

Unit I: *Introduction-* Services, Salient Features of Marketing Services, Service Marketing Significance, Concept of Marketing Mix, The Product Mix, The Place Mix, The Price Mix

Unit II: *Bank Marketing-* Concept, MIS for Banks, Market Segmentation, Marketing Mix for Banking Services, The Product Mix, Promotion Mix, The Price Mix and The People.

Unit III: *Insurance Marketing* – Concept, Market Segmentation, Market Information System , Insurance Product- Product planning and development, Marketing mix for Insurance Organization- The Promotion Mix, The Price Mix, The Place Mix.

Unit IV: *Tourism and Hotel Marketing-* Tourism: The Concept, Marketing Segmentation for Tourism , Marketing Mix for Tourism- The Product Mix , The Price Mix, The Promotion Mix , The People Mix.

The Hotel-The Concept: Hotel & Its Type, Market Segmentation Mix for Hotel, Marketing Mix, Place Mix , Price Mix , Promotion Mix.

Unit V: *Consultancy Marketing-* The concept, Rational behind the consultancy marketing, Market Segmentation for consultancy organisation, MIS for consultancy organization, Formulation of Marketing mix for consultancy organization- The Place Mix, Promotion Mix, Price Mix, The People Mix.

Suggested Books:

1. S.M. Jha : Services Marketing
2. Helen Woodruffe : Services Marketing
3. Ronald T. Rust,
Anthony, Ti Mothy : Services Marketing
4. Bidhi Chand : Marketing of Services
5. Service Marketing " Govind Apte (Oxford)

303: Working Capital Management

Unit I: *Introduction*- Meaning of Working Capital, Types, Nature & Scope, Objective of Working Capital Management, Factors determining the Working Capital Management.

Unit II: *Working Capital Financing*- Nature of Current Assets and Current liabilities, Source of Working Capital Finance - Trade Credit, Short-Term Bank Finance, Public Deposits, Commercial Papers, Factoring etc. Approaches to Working Capital Finance, Liquidity and Profitability, New Leading System for Delivery Cash Credits, Working Capital Analysis, Funds Flow Statements.

Unit III: *Management of Cash*- Need and Objectives of Cash Management, Cash Forecasting and Budgets, Cash Models, Marketable Securities, Concept and Needs, Investment in Marketable Securities & Strategies.

Unit IV: *Management of Receivable*- Meaning, Objective of Account Receivable Cost of maintaining Account Receivable, Factor determining the size of Investment Credit Policy, Analysis and Control of Receivable.

Unit V: *Management Inventory*- Mending, Benefit of Holding Inventories, Objectives of Inventory Management, Essentials of Good Inventory Control System, Techniques of Inventory Control, Factors determining, Optimum Investment in Inventory.

Suggested Books:

1. V.K.Bhalla : Working Capital Management.
2. I.M.Pandey : Working Capital Management.

304 : Security Analysis and Portfolio Management

Unit I: *Investment:* Introduction; Investment, Speculation, Risks of Investment, Objectives of Security analysis, Types of security: Equity, Preference share, Bond, Government securities etc., The stock Market in India.

Unit II : *Preference Share and Equity Valuation & Analysis:* Introduction, Features of Preference Share, Preference Share Yields, Current Yield, Holding Period return, Passive Vs. Active strategy for equity, Equity Valuation Models: Present value estimation, Price Earning Ratio etc., Analyst's Best Estimate, Intrinsic Value Vs. Market Price.

Bond Valuation: Introduction, Bond Features, Types of Bond, Bond Prices, Yields & Interest Rate, Current Yield, Yield to Maturity, Bonds Intrinsic Value, Concept of Duration and Immunization.

Unit III: *Fundamental Analysis:* Introduction, Significance and Interpretation of the Economic Indicators, The concept of Industry, Classification of Industries, Key characteristics of Industry Analysis, Company Analysis, Sources of Information of Industry & Company Analysis.

Technical Analysis: Introduction, Technical Vs Fundamental Analysis, The Dow's theory, Charting as Market indicators.

Efficient Market Theory: Introduction, Forms of Efficient Market Theory, Random Walk theory, Appraisal of Efficient Market Theory.

Unit IV: CAPM – Capital Assets Pricing Model, Security Market Line, Arbitrage Price Theory
Portfolio Management – Concept, Portfolio Risk & Return, Diversification, Portfolio Analysis:
Markowitz model and Risk Return Optimization, sharp Index model, Portfolio Beta, Generating Efficiency Frontier.

Unit V: Portfolio Selection, Portfolio revision: Concept, Techniques, Portfolio Rebalancing & up gradation, Evaluation managed portfolio.

Suggested Books:

1. Donald E. Fisher & Ronald J. Jordan : Security Analysis & Portfolio Management
2. V.K. Bhalla : Investment Management
3. V.A. Avdhanani : Security Analysis Portfolio Management
4. Odd Graham : Security Analysis

305: Corporate Tax Planning and Management

Unit I: Introduction to corporate tax planning and management:

Concept of tax planning and tax management, tax avoidance, tax evasion, corporate taxation – MAT and regular assessment, statutory obligations, procedures, Annual Information Returns. Current practices in Tax planning.

Unit II: Tax Planning for new business:

Tax planning with reference to location, nature and form of organization of new business.

Unit III: Tax planning and financial management decisions:

Tax planning related to capital structure decisions, Dividend Policy, Inter-corporate dividends and bonus shares

Unit IV: Tax planning and managerial decisions:

Tax planning in respect of own or lease, sale of assets used for scientific research, make or buy decisions, repair, replace, renewal or renovation. Shut down or continue decisions.

Unit V: Special tax provisions:

Tax provisions related to free trade zones, infrastructure and backward areas, tax incentives for exporters. Tax planning with reference to amalgamation & absorption, TDS, Advance Tax, Fringe Benefit Tax, Dividend Tax, Banking Cash Transaction Tax.

Suggested References:

Simplified Approach to Income Tax - Dr. Girish Ahuja

Direct Tax Law & Practice – Dr. VK Singhania

Direct Taxes – Dr. Bhagwati Singh

Bare Acts – Income Tax Act, 1961

Corporate Tax Planning – Dr. R.N. Lakhotia

:

306: Financial Derivatives

Unit I: *Derivatives* – Meaning, evolution, types, factors contributing to the growth of derivative markets, Derivatives in a liberalizing India
Future Trading – Definition, legal definitions, Speculation in future Markets, Short Hedging Vs, Long Hedging

Unit II: *Financial Futures* - Nature and characteristics, Interest Rate Futures, Currency futures, Stock Index Futures, Need and scope for Financial Futures in India, The Badla system, Badla Vs. Forward Trading, Alternatives to Badla

Unit III: *Options* – Terminology and methodology of Options Trading, Options Pricing, Comparison of Options and Futures, Economic Functions of Options Trading, Swaps- currency, commodity Equity, Swaps as a string of Futures, Exotic Swaps, Economic functions of swap transactions

Unit IV: *Other Derivatives* – Forward Rate Agreement, range Forwards swaptions, Commodity-linked loans and bonds, Interest Only/Principle Only/ Equity-linked bonds and Notes, Credit Derivative, Market Organisation, Trading system

Unit V : *Regulatory Framework* – Regulatory framework India, Regulatory Instruments, Regulation of Forward and futures Trading, Committees on Forward Markets, SEBI Decision, Policy Recommendations, Foreign Participation in Indian Future Markets, The future of Derivatives Internationally.

Suggested References:

Prof. Prasanna Chandra : Financial Derivatives

Prof. P Vijay Bhaskar & B. Mahapatra – Derivatives Simplified

Semester IV

401: Strategic Financial Management

Unit I: *Strategic Financial Management-* Concept, Strategy, Strategic Decision, Financial Management in Strategic perspective, Nine S-model for the growth of managing an undertakings, Financial Strategies for expansion, Diversification and divestment strategy for assessing financial viability of an undertaking.

Unit II: *Corporate Restructuring-* Concept, Scope, Symptoms for restructuring-operation, Strategic, Financial market economy level and global symptom, Steps in restructuring plan, Financial aspects of various restructuring purposes, Restructuring of a good organization for a great organization.

Unit III: *Corporate Restructuring through Mergers-* Concept, Characteristics, Types of Mergers, Reasons for Merges, Evaluating of Mergers, Merger and Diversification Strategy etc., Takeover and Takeover Code.

Unit IV: *Corporate Control-* Purchase and Exchange of shares, Buy Back of Shares, Non Voting Shares, Bonus shares, Corporate Governance and Financial Engineering.

Unit V: *Corporate Sickness-* Concept of Sickness, Cause, Symptoms of Sickness, Predicting Sickness, Formulating Revival Plans, Restructuring a Sick organization.

Suggested Books:

1. J.P. Jakhotiya : Strategic Financial Management

402: International Finance

Unit I: *International Financial Management* - Importance, Nature, Nature and scope of IFM, Role of World Bank .

Unit II: *Foreign Exchange Market*- Distinctive features, Major participants, Spot Market, forward Market, Currency futures and Currency forward contract.

Unit III: *Foreign Exchange Exposure Management* - Euro Issue Vs Euro Dollar

- Need for Exchange Rate forecasts, Techniques of forecasting
- Nature and Measurement of Foreign Exchange Exposure
- Management of Foreign Exchange Exposure

Unit IV: *International Investment Decision*- Theories of Foreign Direct Investments, *International Capital Budgeting* - Computation of Cash Flow, Cost of Capital, Sensitivity Analysis.

Unit V: *International Financing Decision* – Overview of International Financial Market, International Financial Market Instruments - Equities, Bond etc., *Financial Swaps* - Interest rate Swap, Currency Swap, Equity Swap.

Suggested Books:

- | | |
|--|---|
| 1. International Finance | : Mauries D. Levi, THM, New Delhi |
| 2. International Finance Theory and practice | : A. V. Avadhani, Himalaya, Delhi |
| 3. International Financial Management | : Jain et.al. Macmilan, New Delhi |
| 4. International Financial Management | : V.K. Bhalla, Anmol Publications, Delhi. |

403: Management of Financial Services

Unit I: *Concept-* Introduction to Financial Services and their relevance in the new economic order. Types, Scope and significance of financial services. Innovations & recent developments in the field of Financial Services in India.

Unit II: *Lease Financing-* Leasing: Concepts and types. Their legal, tax and accounting aspects. Financial evaluation of lease structuring. Qualitative factors in lease decisions, lease agreements, imports and cross border leasing. Hire Purchase agreements – types. Difference between Hire Purchase and lease. Flat and effective rates of interests. Regulation of leasing services.

Unit III: *Credit Rating-* Concept, Agencies of credit rating – CRISIL, ICRA, FITCH and CARE, Factoring Services – Factoring Services in India, types and its relevance. Regulation of Factoring and Credit Rating services.

Unit IV: *Commercial Paper Market in India-* Growth and prospects in India, Merchant Banking – Merchant Banking in India, Emerging trend and present scenario. Regulation of merchant banking services.

Unit V: *Miscellaneous Financial Services:* Mutual Funds – Types of Mutual funds, Performances and prospectus of mutual funds. Venture Capital – Concept, Significance and its relevance. Regulation of Mutual Funds and Venture Capital Funds.

Suggested Books :

1. Prof. M.Y. Khan : Financial Services
2. Dr. Bharti V. Pathak : Indian Financial System
3. Prof. Natrajan : Immurgence of Financial Services in India
4. Basant Desai : Indian Financial System

GROUP A

405 A: Capital Market

Unit I: *Capital market:* Evolution and history of capital market in India, Comparison with money market, Functions of Capital Market, Relationship of Capital Markets with savings and investments.

Unit II: *Stock Exchanges and Market Participants* – Establishment, Organization and working of BSE, NSE & OTCEI, Introduction to other participants of Capital Market.

Unit III: *Market for Industrial Securities* – Primary Market : Role of New Issue Market, Methods of issuing new shares, Underwriting; Secondary Market – Types of trades, Trade Guarantee, Settlement Process, Pay-In and Pay-Out, Transfer of funds and securities.

Unit IV: *Regulatory framework of Indian Capital Market-* SCRA-1956, *SEBI* – Its functions and power, Investor Protection Measures, SEBI Appellate Tribunal.

Unit V: *Recent Developments in Indian Capital Market:* Primary Market Reforms, New instruments, Secondary Market Reforms, Regulatory failures, Scams, Efforts to Globalize Indian Capital Market.

References:

1. Financial Institutions and Markets : L.M. Bhole
2. Financial Institutions : R.M. Srivastava
3. Indian Capital Market : Avdhani

406 A: Equity Research

Unit 1: - Concept of Equity Research: Salient Features of Equity – Types of Equity – Determination of return – risk & return – relevance of equity research in capital market in India.

Unit 2: - Macro Economic Environment, economic development, international economic development, Globalization.

Industry Analysis: - Overview of Industrialization, Economic vs. industry analysis, SWOT analysis on sectoral groups.

Unit 3: - Company Analysis; financial statement analysis, forecasting – valuation models – strategic analysis – current development in technology and regulatory environment.

Assess the risk exposure – problem of equity research.

Unit 4: - Technical analysis: - analysis of markets – efficient market hypothesis – types of chart building a perspective on technical analysis; Dow's theory – market indicators – analysis of scrips.

Unit 5: - Options; types of option – relationship between options and stock values – warrants and convertibles – option pricing, financial, forward and futures – forward pricing – futures and spot pricing – stock index future.

Suggested Books: -

1. Option Market – Cox & Rubenstein (Prentice Hall)
2. Modern Portfolio Theory and Investment Management - Elton & Grover (Wiley NY)
3. Portfolio Management – Barua, Raghunathan & Verma (Tata McGraw Hill)

407 A: Merchant Banking

Unit I: *Merchant Banking an Introduction:* Concept and Origin, Services Rendered by Merchant Banks, Definitions of Merchant Bankers, Merchant Banking in India.

Unit II: *Regulations of Merchant Banking Activities:* Introduction, Regulation issued by Ministry of Finance and SEBI, Objectives of Regulation, Authorized Activity. Categories of Merchant Bankers, Code of Conduct, Responsibilities of Lead Managers, Document to be submitted to SEBI by Lead Manager.

Unit III: *Pre-Issue Management-* Introduction, Type of Issues, Public issue through prospectus, Registration of Prospectus, Content of Prospectus, Offer for sale, Private Placement, Underwriting

Unit IV: *Post Issue Management –* Introduction, Allotment of shares, Listing of Shares in Stock Exchange, Public Deposit and Commercial Paper.

Unit V: *Loan Syndication:* Introduction, Term Loan by AIFS, Security Margin, Loan Syndication, Domestic Vs. Externals, Merger, Acquisition, Amalgamation, Take-Over, Venture Capital etc

Suggested Books:

1. Verma, J,C, :Merchant Banking, Bharat Law Publication
2. Machiraku, H.R. :Merchant Banking, New Age international Publication
2. Van Horne, James, C. :Financial Management and Policy, Prentice Hall of India Private Ltd.
3. Ramachandra Rao, B. :Merchant Banking, Eastern Economist

GROUP B

405 B : Insurance & Risk Management

Unit I: *Concepts features of Insurance* – Types of Insurance, Fundamental principles of Insurance and Recent development of Insurance sector.

Unit II: *Fire Insurance* – Fundamental principles, Procedures, Premium, Assignment, Types of fire insurance,
Marine Insurance – Concept, Fundamental principles, Forms and types of policies.

Unit III: *Life Insurance* – Fundamental principles, Procedures for taking policy, Kinds of policies, Use of mortality table and premium calculation average, Risk and factors entering into calculation of premium.

Unit IV: *Insurance claim* – Claim for loss of stock, Claim for loss of profit, Conditions included in loss of Profit, Conditions included in loss of profit policy

Unit V: *Re-insurance* – General features, Common terms, Function, Features, Classification, Method of Re-insurance, Legal principles applicable to Re-insurance, Re-insurance market.

Suggested Books:

1. Prof. M.N. Mishra : Risk & Insurance Management
2. Arif Khan - Principles of Insurance
3. Niehus and - Risk and Insurance Management

406 B : Management of Mutual Funds

Unit I: *Mutual Funds* – Introduction, Historical Perspective of Mutual funds, Classification of Mutual funds schemes, Restructuring of UTI, Relevance of Mutual funds in Indian economy.

Unit II: *Management of mutual fund* – Legal framework, procedural working & aspects of AMX (Asset Management Company)

Unit III: *Implications of Accounting and Disclosures* – for various Mutual fund schemes in India.

Unit IV: Mutual fund Scheme in India and aboard various committee for Mutual Funds issued by AFIs and Global.

Unit V: Problems & prospects of Mutual funds in India – after LPG Era.

Suggested Books:

1. Prof. L.K. Bansal : Mutual Funds
2. Prof. P.R. Aggrawal : Mutual Fund in India

407 B: Management of Bank Fund

Unit I: *Introduction* – Money and Banking, Types And Function of Money, Present Structure of Commercial Banking System in India Scheduled and Non- Scheduled, Bank, Structure of Indian Banking System during Plan Period, Regional Rural Bank, Regional Distribution of Bank Branches, Bank Deposits and its Structure.

Unit II: *Performance Evaluation of Commercial Banks*– Goods Objective of Nationalized Bank, New Banking Policy, Performance of Nationalized Banks- Branch EXIM, Mobilization of Deposits, Bank Credits and its Distribution, Profitability – Performance.

Unit III: *Management of Commercial Banks* – The Board of Directors, New Management Schemes, Responsibility of Board of Directors, Organizational setup of Nationalized Banks.

Unit IV: *Management of Liquidity and Deposit in Commercial Banks*- Theories of Liquidity Management Priorities in Employment of Bank Funds, Relevance of Marketing Approach to Deposit Mobilization in a Bank, Formulating Marketing Strategy for Commercial Bank,

Unit V: *Management of Primary and Secondary Reserve in Commercial Bank Primary Reserve* – Function Working Reserve – Its Nature and Function, Factors Influencing Level of Working Reserve Cash Management in Commercial Bank, Function & Nature of Secondary Reserves, Management of Secondary Reserves.

Suggested Books:

1. R.M. Srivastava : Management of Financial Institutions

GROUP C

405 C : Equity Research

Unit 1: - Concept of Equity Research: Salient Features of Equity – Types of Equity – Determination of return – risk & return – relevance of equity research in capital market in India.

Unit 2: - Macro Economic Environment, economic development, international economic development, Globalization.

Industry Analysis: - Overview of Industrialization, Economic vs. industry analysis, SWOT analysis on sectoral groups.

Unit 3: - Company Analysis; financial statement analysis, forecasting – valuation models – strategic analysis – current development in technology and regulatory environment.
Assess the risk exposure – problem of equity research.

Unit 4: - Technical analysis: - analysis of markets – efficient market hypothesis – types of chart building a perspective on technical analysis; Dow's theory – market indicators – analysis of scrips.

Unit 5: - Options; types of option – relationship between options and stock values – warrants and convertibles – option pricing, financial, forward and futures – forward pricing – futures and spot pricing – stock index future.

Suggested Books: -

1. Option Market – Cox & Rubenstein (Prentice Hall)
2. Modern Portfolio Theory and Investment Management - Elton & Grover (Wiley NY)
3. Portfolio Management – Barua, Raghunathan & Verma (Tata McGraw Hill)

406 C: Treasury Management

Unit I: *Scope and Functions of Treasury management:* Objectives of treasury, structure and organization responsibilities of Treasury Manager, Functions of treasury – Centralised v/s Decentralised.

Unit II: *Domestic Cash Management:* Short term/Medium Term funding - Meaning and importance of cash Management, Objectives of Cash Management, Cash flow cycle, Cash flow budgeting and forecasting, Electronic cash management, Medium term and long term funding: FDs NCDs/Term loan, Securitization.

Unit III: *Cost Centre & Profit Centers:* Financial Planning and control, capital budgeting, risk analysis.

Liquidity Management – Objectives, sources of liquidity, maturity concerns: Projected Cash Flow and core sources, contingency plans, short term & long term liquidity, internal v/s external control, segregation of duties among front office & back office management, Information netting

Unit IV: *Role of treasury in international banking-* Changing global scenario & treasury functions. Treasury structure – front and back office, forex cash management: position Vs Cash flows funding alternatives. Control of dealing operations – Trading limits – Trading and operations policy, moral and ethical aspects, confirmations, Revaluations Mark to Market and Profit calculations.

Unit V: *Regulation, Supervision and Compliance-* Need and significance of internal and external audit, Role and functions of Reserve Banks Supervision and Exchange Control Departments in Central Banks Policy framework.