

**St. Joseph's College of Commerce (Autonomous)  
163, Brigade Road, Bangalore - 560 025**

**Assessed and Re-Accredited with 'A' Grade by the National  
Assessment and Accreditation Council ( NAAC )**

**Recognized by the UGC as  
College with Potential for Excellence**



**M.Com Financial Analysis**

**Syllabus : 2017 - 2018**

**Courses having focus on  
Employability/ Entrepreneurship/  
Skill development**

## **P516 MC 101: COMPANY LEGISLATION**

### **& COMPLIANCE**

#### **Objectives:**

*Basic understanding of the provisions of the company law and its procedures*

#### **Module 1:**

**Preliminary-** Accounting Standards, Articles, Authorized Capital, Board of Directors, Called up Capital, Charge, Debenture, Deposit, Director, Dividend, Financial Statements, Financial Year, Issued Capital, Member, Memorandum, Private Company, Public Company, Related Party, Share, Small Company, Sweat Equity Shares, Associate, Joint Venture, Auditing Standards, Body Corporate, Books & Paper, Chartered Accountant, Company, Company Limited by guarantee, Company Limited by Shares, Employee Stock Option Plan, Foreign Company, Free Reserves, Holding Company, Key Managerial Personnel, Net worth, One Person Company, Paid up share capital, Promoter, Prospectus, Relatives, Subsidiary Company, Turnover, Independent Director.

**Incorporation Of Company And Matters Incidental Thereto –Incorporation –** Public and Private Company, Incorporation Requirements, Pre and Post Incorporation Contracts, Memorandum and articles of Association, Commencement of Business, Alteration of MOA and AOA, Registered office.

#### **Module 2:**

**Prospectus and Allotment of Securities –** Public offer and private placement

**Share Capital and Debentures –** Kinds of securities – Equity shares, Preference shares – Debentures- steps involved in the issue, reduction and transfer of securities, Right shares, Issue of bonus shares, Reduction of Share Capital, Buy back of shares, Issue of Sweat equity shares, Transfer and transmission of securities, Debenture – Introduction, issue and redemption.

#### **Module 3:**

**Acceptance of deposits by companies –** Acceptance of deposits from public for private companies.

**Registration of charges –** Duty to register charges, etc., Application for registration of charge, Satisfaction of charge, Company's register of charges.

#### **Module 4:**

**Meetings – Types of General Meeting – Annual** General Meeting and Extraordinary General Meeting – transaction of business, Notice of meeting, Calling of extraordinary general meeting, Statement, Statement to be annexed to notice, Quorum for meetings, Chairman of meetings, Proxy, Voting.

**Resolutions** - Ordinary and special resolutions, Resolutions requiring special notice, Resolutions passed at adjourned meeting Resolutions and agreements to be filed.

**Meetings Of Board And Its Powers** - Meetings of Board, Quorum for meetings of Board, Place of holding meeting, Powers of Board, Loan to directors, etc., Loan and investment by company, Related party transaction.

#### **Module 5:**

**Declaration And Payment Of Dividend** -Declaration of dividend, Unpaid Dividend Account, Investor Education and Protection Fund.

**Accounts Of Companies-** Books of account, etc., to be kept by company, Financial statement, Financial Statement, Board's report, etc., Corporate Social Responsibility.

**Audit And Auditors-** Appointment of auditors, Removal, resignation of auditor and giving of special notice, Eligibility, qualifications and disqualifications of auditors, Remuneration of auditors, Powers and duties of auditors and auditing standards, Auditor not to render certain services, Auditors to sign audit reports, etc., Auditors to attend general meeting.

#### **Module 6:**

**Appointment And Qualifications Of Directors** - Company to have Board of Directors, Appointment of directors, Application for allotment of Director Identification Number, Allotment of Director Identification Number, Prohibition to obtain more than one Director Identification Number, Director to intimate Director Identification Number, Company to inform Director Identification Number to Registrar, Obligation to indicate Director Identification Number, Punishment for contravention, Appointment of additional director, alternate director and nominee director, Appointment of directors to be voted individually, Disqualifications for appointment of director, Number of directorships, Duties of directors, Vacation of office of director, Resignation of director, Removal of director.

#### **BOOKS FOR REFERENCE:**

1. *Bare Act pocket edition – Taxmann*
2. *Company Law - Avtar Singh*
3. *Company Law - Nabhi Publication*
4. *Company Law - Gourish Kumar*

## Relevant e-forms to be filed Chapter wise under Companies Act, 2013

SL. No.	Chapter	e-Form	Purpose of Form
1	II	INC-2	Form for Incorporation and nomination (One Person Company)
2	II	INC-3	Form for consent of nominee of One Person Company
3	II	INC-7	Application for Incorporation of Company (Other than One Person Company)
4	II	INC-21	Declaration prior to the commencement of business
5	II	NC-22	Notice of situation or change of situation of registered office and verification
6	II	INC-27	Conversion of public company into private company or private company into public company
7	III	PAS-3	Return of allotment
8	III	PAS-4	Private Placement Offer Letter
9	IV	SH-7	Notice to Registrar for alteration of share capital
10	V	DPT-3	Return of Deposits
11	VI	CHG-4	Particulars for satisfaction of charge
12	VI	CHG-1	Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI)
13	VII	MGT-14	Filing of Resolutions and agreements to the Registrar under section 117
14	VII	MGT-7	Form for filing annual return by a company.
15	IX	AOC-4	Form for filing financial statement and other documents with the Registrar
16	X	ADT-1	Information to the Registrar by Company for appointment of Auditor
17	X	ADT-3	Notice of Resignation by the Auditor
18	XI	DIR-3	Application for allotment of Director Identification Number
19	XI	DIR-6	Intimation of change in particulars of Director to be given to the Central Government
20	XI	DIR-11	Notice of resignation of a director to the Registrar
21	XI	DIR-12	Particulars of appointment of directors and the key managerial personnel and the changes amongst them
22	XXIV	GNL-1	Form for filing an application with Registrar of Companies
23	XXIV	GNL-2	Form for submission of documents with Registrar of Companies

## P516 MC 102: ADVANCED FINANCIAL MANAGEMENT

### Objectives:

1. To impart knowledge in advanced techniques of financial management.
2. To enable the students to apply the techniques in financial decision making.

### Module 1:

**The Finance Function** – Its nature and importance, goals of financial management- financial environment, changing role of financial management.

**Sources of long term Finance** –Ownership securities, creditor ship securities, convertibles, options and warrants, marketing of securities and SEBI guidelines, Euro issues.

### Module 2:

**Financial Decisions:** Measure of leverage, effects of leverage, EBIT-EPS analysis, capital structure theories, capital structure planning and factors affecting capital structures decisions, cost of capital, specific cost of capital overall cost of capital marginal cost of capital.

**Dividend decision** - relevance and irrelevance, theories – types of dividend policies, behavioral models of dividend policy, signaling theory, clientele effects, factors influencing dividend policy corporate dividend practices in India.

### Module 3:

**Investment Appraisal Techniques:** capital budgeting and its importance in decision making, estimating cash flows, techniques of investment appraisal – NPV, IRR, problem of multiple IRRs extended yield discounted payback. Allowing for inflation and taxation in investment appraisal, Adjusting for risk and uncertainty in investment appraisal, Specific investment decisions (lease or buy; asset replacement, capital rationing), projects with different lives, investment timing and duration.

Measurement of risk, evaluation of risky projects, multiperiod probabilistic analysis – decision tree analysis, sensitivity analysis, simulation, RADR, Standard deviation, Certainty Equivalent approach. International perspective to capital budgeting decisions.

### Module 4:

Working capital management, planning, control and policy, management of various components of cash receivables and inventory, financing of working capital.

### Module 5:

**Corporate Financial Policy** – shareholder value creation – interface of financial policy and

strategic management – Financial goals systems

**BOOKS FOR REFERENCE:**

1. *Weston and Brigham, Essentials of Managerial Finance, The Drydon Press*
2. *James Vanhorne, Fundamentals of Financial Management, Prentice Hall Inc.*
3. *John Hampton, Financial Decision Making Concepts, Problems and Cases, Prentice Hall of India Ltd.*
4. *Schall and Haley, Financial Management, McGraw Hill, Newyork*
5. *Brealy and Myers, Principles of Corporate Finance, McGraw Hill Newyork.*
6. *Prasanna Chandra, financial Management Theory & Practice, Tata McGraw Hill*
7. *Khan and Jain, Financial Management, Tata McGraw Hill*
8. *IM. Pandey, Financial Management, Vikas Publishing House.*
9. *S.C. Kuchal, Financial Management, Chaitanya Publishers, Allahabad.*
10. *Chakraborty & Others, Financial Management & Control, Mc Millan India Ltd.*

## **P516 MC 103: FINANCIAL MARKETS AND REGULATIONS**

### **Objectives:**

- 1. To make the student familiarize with the financial services and markets in the Indian financial system.*
- 2. To provide an understanding of working of financial markets.*

### **Module 1:**

Nature and role of financial system, structure of financial system, equilibrium in financial markets, financial system and economic development, financial intermediation, role and patterns.

### **Module 2:**

**Introduction to Money Market** – Nature & Deployment of Surplus Funds and Raising of Short-term funds, Characteristics of Money Market – Regulatory framework of RBI, FIMMDA (Fixed Income, Money Market and Derivatives Association) and Foreign Exchange Dealers Association of India (FEDAI) Call Money Market-Players, Utility, Money market Instruments: Commercial Paper, Certificates of Deposits, Bills of Exchange, Treasury Bills (TBills), Bill Discounting, Factoring, Letter of Credit, Money Market Mutual Funds, Fixed Maturity Plans

### **Module 3:**

**Capital Market Evaluation** of the Development, Future Trends, Primary Market System and Regulations in India, Issue of  $\square$ , Types of Scripts,  $\square$  Types of firm's Interface with Investors  $\square$  Capital: Process, Regulations, Legalities, Pricing of Issue, Methods of Issue, , Managing  $\square$  Book-building, Road-show, Intermediaries in Issue Management Shareholder Relations, Primary Market Intermediaries: Commercial Banks, Development Banks, Custodians, Merchant Bankers, Issue Managers, Rating  $\square$  Agencies, etc.

Secondary Market System and Regulations in India, Stock Exchanges in India: History and development and importance, Listing of Scripts, On-line Trading, Depositories: Growth, Development, Regulation, Mechanism, OTC Exchange, Stock Exchange Mechanism: Trading, Settlement, Risk Management, Investor Grievances, Basics of Pricing Mechanism, Carry Forward, Badala, Automated Lending and Borrowing Mechanism, Inside Trading, Circular Trading, Price Rigging, etc. , Players on Stock Exchange: Investors, Speculators, Market Makers, Bulls, Bears, Stags, Stock Exchange Regulations, Stock Exchange Board , Stock Indices , Role of FIIs, MFs and Investment Bankers, Regulations and Regulatory Agencies (Primarily SEBI) , For Primary Markets, For Secondary Markets

#### **Module 4:**

Financial Services: Leasing, Factoring, Credit rating, Hire purchase, Consumer durables financing, Merchant banking agencies, underwriting, Funds transfer, Acceptance, Stock holding, Loan syndication, Custodial service, Depository services, Venture capital finance. Mutual Fund and Securitization of Debt. (Concepts and Major Classifications).

#### **Module 5:**

Regulatory framework for financial markets and institutions, regulation v/s deregulation, role of reserve bank of India, and its bank rate and open market operations policies, Interest rate structure, interest rate of India, SEBI.

#### **Module 6:**

Financial Sector reforms – 1991, 2004 – income recognition, Asset Classification & Provisioning norms (IRAC Norms) – Capital adequacy norms (Basel I,II& III) Banks exposure norms – Rating of Banks – Camels Rating. Role of Banks in Financial System: Functions of Commercial Banks – Definition of Banking, functions of banking (Primary & Secondary) – Products – Deposits & Advances –

#### **BOOKS FOR REFERENCE:**

1. L.M. Bhole: *Financial Institutions & Markets*, Tata McGraw Hill, New Delhi.
2. Edminister. R.O: *Financial Institutions, Markets & Management*, McGraw Hill, New York, 1986.
3. Karkal G.C: *Unorganised money markets in India*, Lalwani, Bombay.
4. Khan. M.Y. *Indian Financial System*, Vikas
5. H.R Machiraju: *Indian Financial System*, Vikas Pub. House.
6. E.Gorden & K. Nataraj, *Financial Markets and Services*, Himalaya Publishing house.
7. ICWA, *Financial Services*, ICAI, Publication.
8. G.S. Patel, *Capital Market, Functioning and Trends*, ICFAI Publication.
9. J.N. Dhonkar, *A Treatise on Merchant Banking*, Skylark Pub. Delhi.
10. Vindo Kothari, *Leasing, Hirepurchase and Consumer Credit*, Wadhwa and Company.
11. SEBI Guidelines issued from time to time.
12. K. Sriram, *Handbook of Leasing, Hire Purchasing and Factor*, ICFAI Publications.
13. Gledstone, *Venture Capital Investing*, NY, Prentice Hall.
14. Smith P.F., *Money and Financial Intermediation, The Theory and Structure of Financial Systems*, Prentice Hall, New Jersey.

# P516 AR 101 - ECONOMICS FOR MANAGERS

## Objectives:

*The course will sharpen their analytical skills through integrating their knowledge of the economic theory with decision making techniques. The course covers the standard topics of managerial economics that are crucial to understanding the behavior of business firms in a global setting.*

## Module 1:

**Nature, Scope and methods of managerial economics-** Scarcity, choice and allocation problems in business. Basic factors in business decision making: Marginalism, Equi-marginalism, and Opportunity cost principle, Risks and uncertainties, Time value of money. Use of quantitative techniques in managerial economics: Mathematical functions, derivatives, optimization principles and statistical techniques.

## Module 2:

**Demand analysis, estimation and forecasting -** Demand theory. Types of demand. Demand elasticity: Types, measurement and factors. Elasticity of demand and marginal revenue. Uses of elasticity concept in business decision making. Estimation of Demand function. Demand forecasting: Importance and methods. Qualitative and quantitative techniques.

## Module 3:

**Production analysis** - Production functions with one-variable and two-variable inputs. Returns to a factor and returns to scale. Isoquants, isocost curves and ridgelines. Optimum factor combination. Elasticity of output and Elasticity of substitution. Empirical production functions. Forms of Production function. Cobb-Douglas and CES production functions. Production possibility analysis. Optimum product mix of a multi-product firm.

## Module 4:

**Cost and revenue analysis** - Cost theory and its applications: Types of costs. Theoretical and Empirical cost curves. Short-run and long-run cost curves. Derivation of cost functions from production functions. Empirical estimation of cost functions. Economies of scale versus economies of scope. Optimum firm. Learning curve. Cost control and cost reduction. Revenue concepts and functions. Break-even analysis.

## Module 5:

**Market structure and product pricing** - Features of and pricing-output decisions in perfect competition, monopoly, oligopoly and monopolistic competition. Equilibrium of the firm and of industry under different market conditions. Degree of monopoly power. Discriminating monopoly. Welfare triangle. Pricing methods and practices of modern business firms: Cost-based and demand-based pricing strategies.

## **Module 6:**

Macro economic policies monetary and fiscal policy and its business implication. Inflation - methods causes, measures to correct inflationary tendency.

### ***BOOKS FOR REFERENCE:***

1. *Atmanand, Managerial Economics, EB*
2. *Sk Misra and VK Puri, Indian Economy, HPH*
3. *Dominick Salvatore, Managerial Economics, Thomson*
4. *Damodaran, Managerial economics, Oxford*
5. *Keating and Wilson, Managerial Economics, Biztantra*
6. *Craig Peterson, Chris Lewis and Sudhir Jain, Managerial Economics, Person*
7. *Chirstopher Thomas and Charles Maurice, Managerial Economics, TMH*
8. *Mankar, Business Economics, McMillan*
9. *Paul Keat and Philip Young, Managerial Economics, Pearson*

## **P516 AR 102: RESEARCH METHODOLOGY**

### **Objectives:**

- 1. To familiarise students with concepts, tools and techniques of Business Research*
- 2. To enable students to take up research / consultancy projects and handle them independently*

### **Module 1:**

**Research-** Meaning, Purpose, Scientific method, Types of Research; Scope of Business Research. Terms, concepts and Definitions used in Research Methodology, The Research Process. MRQH

### **Module 2:**

**Review of Literature-** Need, Purpose, Notes taking. Research Gap, Research Problem, E-Resources and their usage – useful websites for Management research - Search Engines – Important Web Sources: CSO, NSSO, RBI, World Bank, ILO, IIM, ICSSR, NCAER, INFLIBNET, CMIE, India Stat, Open access Journals, Research Institutes Repository etc.

### **Module 3:**

**Research Design-** Meaning, nature, process of preparation, components of Research Design. Variables and parameters. Sampling Techniques: Sampling methods, Concept of Sampling Distribution.

### **Module 4:**

**Data-** Sources of data, Methods and tools of Data collection; Observation, Mailing; Interviews and Schedules, Questionnaires, Scales and Rating, Sociometry, Pilot study. Processing of data; checking, editing, coding, transcription, tabulation, preparation of tables, graphical representation.

### **Module 5:**

**Formulation of Hypothesis-** Testing of hypothesis; Confidence Intervals, Standard Error, Uses of z, t and Chi-square tests. Analysis of data; Statistical techniques and their uses.

### **Module 6:**

**Report Writing-** Planning report writing work: Target audience, Types of report, Synoptical outline of chapters; Research Proposals; Steps in drafting dissertations. Bibliography- Citation- Impact Factor. Editing features-Formatting Text, Aligning paragraph and page size, Tab settings. Research presentation layout. Funding Agencies in Social Science Research: UGC, ICSSR, Planning Commission.

1. Practical Research Paper presentation at departmental level.

2. Each Module has practical testing like a) how to identify problem b) how to design research proposal c) sample design d) review of literature preparation e) reference citation.

### **BOOKS FOR REFERENCE:**

1. *“Business Research Methods”* - Donald R. Cooper & Pamela S. Schindler, 2006. Tata McGraw-Hill.
2. *“Methodology of Research in Social Sciences”*- O.R. Krishnaswamy & M. Ranganatham, 2008. Himalaya Publishing House.
3. Israel .D. *Data Analysis in Business Research: A step by-step Nonparametric Approach*, Sage Publications, New Delhi.
4. *“Research Methodology: Methods and Techniques”* C. R. Kothari, 2008. New Age International Publishers.
5. *“Methodology and Techniques of Social Research”* - P. L. Bhandarkar & T.S. Wilkinson, 2009. Himalaya Publishing House.
6. *“Business Research Methods”* - Alan Bryman & Emma Bell, 2008. Oxford University Press – India Edition.
7. *“Business Research Methods”* - William G. Zikmund, 2009. Cengage Learning – India edition.
8. *Business Research: A Practical Guide for Undergraduates & Postgraduates* “Jill Collis & Roger Hussey, 2009. Palgrave Macmillan – India.
9. *“Research Methodology – A Step-By-Step Guide for Beginners”* -- Ranjit Kumar, 2008. Pearson Education.
10. *SPSS 17.0 for researchers*-Dr.S.L.Gupta & Hitesh Gupta, International Book House Pvt Ltd, Mumbai.
11. *Working papers on management research.*
12. *Research Articles from peer reviewed Journals.*

### **Websites**

1. [www.google.com](http://www.google.com)
2. [www.doaj.org](http://www.doaj.org)
3. [www.eric.ed.gov](http://www.eric.ed.gov)
4. [www.ssrn.com](http://www.ssrn.com)
5. <http://j-gate.informindia.co.in/>
6. <http://iimkresearch.blogspot.in/>
7. <http://www.epwrf.in/>
8. <http://www.elibrary.imf.org/>
9. <http://eric.ed.gov>

## **P516 MC 201: FINANCIAL REPORTING AND ANALYSIS**

### **Objectives:**

- 1. To orient the students about annual report and financial statements.*
- 2. To impart knowledge on reporting of financial information in statements in adherence to the mandatory requirement.*
- 3. To make understand the disclosure requirements for enabling eliciting of information for decision making.*
- 4. To impart skill on analysing financial statements.*

### **Module 1:**

#### **ORIENTATION TO ANNUAL REPORT AND FINANCIAL STATEMENTS**

**Annual Report** – Contents of Annual Report and Purpose of each item; Financial Statements - Meaning, Purpose and Format of Income Statement, Balance Sheet and Notes to Accounts **IND AS** per Schedule III of Companies Act, 2013;

Environmental Reporting and Corporate Social Reporting.

### **Module 2:**

#### **ACCOUNTING CONCEPTS, CONVENTIONS AND STANDARDS - I**

**Accounting Concepts:** Income Statement Concepts and Balance Sheet Concepts; Accounting Conventions.

**Accounting Standards:** Accounting Standard (IND AS) 1 – Presentation of financial statements, (IND AS) 2-[Inventories](#), (IND AS) 8- Policies, Changes in Accounting Estimates and Errors, (IND AS )10 Events after the Reporting Period, (IND AS) 16 Property, Plant and Equipment, (IND AS) 18 Revenue.

### **Module 3:**

#### **ACCOUNTING CONCEPTS, CONVENTIONS AND STANDARDS – II**

(IND AS) 13- [Accounting for Investments](#), (IND AS) 21- Effects of changes in Foreign Exchange, (IND AS) 23 Borrowing Costs, (IND AS) 24- [Related Party Disclosures](#), (IND AS) 17 Leases, (IND AS) 33- [Earnings Per Share](#), (IND AS) 12 Income Taxes, (IND AS) 34 – Interim Financial Reporting, (IND AS) 38- [Intangible assets](#), (IND AS) 36 - [Impairment of assets](#), (IND AS) 37 - [Provisions, Contingent Liabilities and Contingent assets](#),

### **Module 4:**

#### **Ind IND AS AND IFRS**

Implementation and Applicability in India, List of Ind IND AS [Indian Accounting Standards] issued on date - International Accounting in Current Scenario – List of International Financial Reporting Standards. Difference between Companies Accounting Standard Rules, 2006 and IND IND AS.

**Module 5:**

**ANALYSIS OF FINANCIAL STATEMENTS**

Meaning and Purpose of Financial Statement Analysis; Tools and Techniques of Financial Statement Analysis – Ratio Analysis, Cash Flow Analysis, Prospective Analysis.

**BOOKS FOR REFERENCE:**

1. Wild, Subramanyam and Halsey, “Financial Statement Analysis”, Tata Mc Graw Hill
2. Vijaykumar M P, “First Lessons in Financial Reporting”, Snow White.
3. Vijaykumar M P, “First Lessons in Accounting Standards”, Snow White.

## **P516 MC 202 : FOREX AND DERIVATIVES**

### **Objectives:**

*Forex management may be defined as the science of management of generation, use and storage of foreign currencies in the process of exchange of one currency into other called foreign exchange. Knowledge of the forex management can help avoid harmful effects of international events and perhaps even profit from these events. With the advent of globalization and liberalization the scope for international trade and international financing has increased tremendously. International trade has grown more quickly than trade in general. This has necessitated the study of Forex management and derivatives by the finance executives.*

### **Module 1:**

Nature of foreign exchange, sources of demand for and supply of foreign exchange – the balance of payments (bop) framework, equilibrium and disequilibrium in bop; nominal, real and effective exchange rates; competitive determination of rate of exchange – competitive mint par theory, monetary theory and portfolio balance approach purchasing power parity theory; overvalued and undervalued currencies; fixed, flexible and hybrid exchange rate systems; International Monetary System.

### **Module 2:**

Nature functions and participants of foreign exchange market; spot and forward markets; forward premium; methods of quoting exchange rates; cross rates of exchange; bid-ask spreads; relation between exchange rate interest rate and inflation rate; the Interest Rate Parity Theorem; Covered interest Arbitrage theory, the expectation theory; International Fisher Effect.

### **Module 3:**

**Futures and Options :** Stock futures - Index futures stock options - Index options - Trading Futures – Pay-off of futures, theoretical models for future pricing. Trading options – option payouts, option strategies, determination of option prices and factors affecting option prices. Derivatives trading on NSE – using daily newspapers to track F&O, accounting and taxation.

**Equity Derivatives:** Introduction, definitions of basic derivatives, put options, call options applications of derivatives and derivatives as a risk management tool.

**Currency derivatives:** Currency Forward Currency futures, currency options and currency swaps; measuring foreign exchange risk and exposure; techniques of exposure management.

### **Module 4:**

**Interest Rate Derivatives** - Forward Rate Agreement - Interest rate guarantee - Interest rate Caps - Interest rate Floor - Interest rate collar - Interest rate ceiling - Interest Rate Futures - Interest Rate Options - Interest Rate Swaps

### **Module 5:**

**Credit Derivatives:** Credit Derivatives Types of Credit Derivatives  
Credit Default Swaps (CDS)- Total Return Swaps (TRS) - Credit Link Notes (CLN):

Some Modern Credit Derivatives

Stripped Mortgage Backed Securities - Interest only securities - Principal only - securities”  
- Structured Notes - Swaps - Warrants - Leap - Swaptions

### **Module 6:**

**Trading, Clearing, Settlement in Currency Futures** - NSE membership – categories, eligibility and criteria, future contract specifications, trading system, placing orders, client broker relationship. Clearing, settlement through margins of different kinds, clearing entities and settlement mechanism.

### **BOOKS FOR REFERENCE:**

1. N.D. Vohra & B.R. Bagrii, Futures and Options, 2<sup>nd</sup> edition, 1998 (9<sup>th</sup> reprint 2009), Tata McGraw-Hill Publishing Company Ltd.
2. Red Head: Financial Derivatives: An Introduction to Futures, Forward, Options, 1997, Prentice Hall of India.
3. Glenlake, Currency Risk Management, Currency Futures, Fitzroy Dearborn Publisher
4. A Graham, Currency Futures, Routledge, 2001 edition
5. Buckley A, Multinational Finance, Prentice Hall of India, New Delhi
6. Maurice D. Levi, International Finance, McGraw Hill, NY
7. Paul Einzip, A Textbook on Foreign Exchange
8. Apte, P.G. International Financial Management, Tata McGraw Hill, New Delhi
9. Madura Jeff: International Financial Management, Cengage Learning, New Delhi
10. Shapiro Alan C: Multinational Financial Management, Prentice Hall, New Delhi
11. Jeevanandam: Foreign Exchange - Practice, Concepts & Control Sultan Chand & Sons.

### **Text books:**

1. Equity Derivatives: A Beginner’s Module, Workbook from NSE.
2. Currency Derivatives: A Beginner’s Module, Workbook from NSE.

## **P515 MC203: SECURITY ANALYSIS & PORTFOLIO MANAGEMENT**

### **Objectives:**

- 1. To Provide Students with a Conceptual & Analytical Framework of Evaluating a Security.*
- 2. To Provide Students with a Conceptual & Analytical Framework of Different Financial Instruments, their Risk & Returns & Strategies in Managing Funds.*
- 3. To Familiarize Students with Portfolio Management Techniques that Challenge a Financial Manager.*

### **Module 1:**

**Introduction to Securities & Investment** - Concept, Investment Vs. Speculation, Arbitrage, Gambling, Investment Objective, Investment Process, Investment Constraints, Investment Strategy, Selection of Securities, Buying, Selling, & Holding Decisions & Strategies, Market Indices, Credit Rating Agencies – Process and Functions.

### **Module 2:**

**Risk & Return** - Expected Return, Historical Return, Systematic & Unsystematic Risk, Beta Coefficient, CAPM, SML & CML, Factor Model & Arbitrage Pricing Theory.

### **Module 3:**

**Security Analysis** - Fundamental Analysis, Economic Analysis, Economic Forecasting, Indicators, Industry Analysis, Classification Schemes, Industry Life Cycle, Company Analysis, Measuring Earnings, Forecasting Earnings, Technical Analysis, Charting, Different Tools for Technical Analysis, Efficient Market Hypothesis.

### **Module 4:**

**Financial Instruments** - Corporate Bonds, Government Bonds, Special Bonds, Bond Returns, Bond Management Strategy, Equity Shares, Dividend Policy, Money Market Instruments, ADRs, GDRs and Recent Innovative Instruments.

### **Module 5:**

**Derivatives** - Financial Derivative Markets, Global Perspectives, Indian Context, Options – Types, Pricing, Models, Futures, Kinds of Futures, Swaps, Warrants & Convertibles, Valuation & Analysis of Derivatives, Hedging and Speculation.

### **Module 6:**

**Portfolio Analysis & Management** - Risk & Return, Markowitz Model, Risk Return Optimization, Sharpe Portfolio Optimization, Portfolio Investment Process, Investment Timing & Evaluation, Portfolio Revision, **Mutual Funds**, Managed Portfolio & Performance.

***BOOKS FOR REFERENCE:***

1. *Avadhani. V. A.: Security Analysis & Portfolio Management, Himalaya Publishing House.*
2. *Bhalla. V. K.: Investment Management, S. Chand*
3. *Fischer & Jordan: Security Analysis & Portfolio Management, Prentice Hall.*
4. *Prasanna Chandra: Investment Analysis & Portfolio Management, Tata McGraw Hill.*

## **P515 AR 201 – BUSINESS INFORMATION SYSTEM**

### **Objectives:**

*To equip students with knowledge and skills of information system needed to succeed in any work place. This programme focuses on new generation information system specially e-commerce with importance to EDI, EPS, Internet Applications.*

### **Module 1:**

**Management Information System , Importance of a System & IT** – Importance, functions, characteristics, evolution of MIS, implementation issues, MIS resistance, System approach. Need for MIS, advantages, disadvantage, Event in MIS, management and Decision-making. Definition of a system-Types , Establishing the type of Information needed by the management, Information System (IS) – Data and information, Knowledge, Intelligence, Classification, Components , Information Support for Functional areas of Management, Impact of business and Information system, Information technology (IT), IT vs. IT. System Development Life Cycle –Basics-Methodology-Water fall Approach, Role of Accountants in SDLC.

### **Module 2:**

**Information System Audit** – Objectives of Information System Audit, Maintenance of System effectiveness, Ensuring System Efficiency, Information System Audit Approached, Information System Audit Methodology, Broad Frame Work for Conducting IS Audit-Planning of Information Systems Audit.

### **Module 3:**

**Communication Technology & Electronic Data Interchange** – Telecommunication, Computer Networks, Internet, internet architecture, intranet, extranet. What is EDI -Internet EDI, Value added networks, Financial EDI,

### **Module 4:**

**E-Commerce and Transaction Processing Systems:** Evolution – Role- Elements of e-commerce application, conceptual framework - categories - e-commerce consumer application. E-commerce in internet, e-commerce using e-mail, technology behind the web.

E-Commerce framework – E-commerce application framework, Security Techniques for e-com. - Need of security in e-commerce, Cryptography techniques, digital signatures and certificates, virtual private network. Transaction Processing Systems, M Commerce

### **Module 5:**

**Publishing on the Web and Security** – Web Publishing, Learning HTML, Multimedia Security – Security Life Cycle, Information Technology and IT enabled services, SOHO infrastructure, the BPO and KPO infrastructure

## **Module 6:**

**Business Continuity Planning and Disaster Recovery Planning** - Meaning-Objectives-Methodology-Eight Phases in Developing BCP-Types of Plans-Threats-Different back up techniques-Alternate Processing Sites.

### ***BOOKS FOR REFERENCE:***

1. *Agarwala K. N. & Deeksha Agarwala: Business on the Net, Bridge to the online store front, MacMillan, New Delhi.*
2. *Diwan Parag & Sunil Sharma: Electronic Commerce, A Manager Guide to E-Business, Vanity Books International, Delhi.*
3. *Gordan B Davis: Management Information Systems, McGraw Hill International.*
4. *Kalakota Ravi & A. B. Whinston: Frontiers of Electronic Commerce, Addison Wesley.*
5. *Lauden & Laudan: Management Information Systems, Prentice Hall of India, New Delhi.*
6. *Martin J: Management Information Systems, Prentice Hall of India.*
7. *Murthy C V S: E-Commerce, Himalaya Publishing House.*
8. *Murthy C V S: Management Information System, Himalaya Publications.*
9. *O'Brien James: A Management Information Systems, Tata McGraw Hill, New Delhi.*
10. *Sadagopan S: Management Information Systems, Prentice Hall of India.*
11. *Schneider Gary P: Electronic Commerce Course, Technology Delhi.*
12. *Watson R T: Electronic Commerce, Strategic Perspective, Dryden Press.*
13. *Young Margaret Levine: Complete Reference to Internet, TMH.*

# **P516 AR 202 - INTERNATIONAL BUSINESS ENVIRONMENT**

## **Objectives:**

- 1. To familiarize the students with the concepts, functions and practices of international business.*
- 2. To enable them get global perspective on issues related to business.*

## **Module 1:**

**An Overview of International Business:** Introduction, Definition of International Business, Changing Environment of International Business, Globalization of Markets, Trends in Globalization, Effects and Benefits of Globalization.

## **Module 2:**

**International Trade and Theories: Mercantilism;** Absolute Cost theory, Comparative Cost theory, Opportunity Cost theory, factor endowment theory, Complimentary trade theories –stopler –Samuelson theorem, International Product life Cycles. Instruments of Trade Policy-Tariffs, Subsidies, Import Quotas, Voluntary Export Restraints, Administrative Policy, Anti-dumping Policy

## **Module 3:**

**Socio-cultural environment, Significance, Religion, Language, Education, Aesthetics, Attitudes, Culture (Hofstede's 5 Dimensions Theory),** Cross cultural literacy, Managing Diversity, Strategy, Compatibility, Social Responsibility of Business

## **Module 4:**

**Global Trading Environment:** Free Trade Verses Protection-Methods of Protection, Liberalization of World Trade. FDI and their Impact on the Economy, The Five forces porter's model of Industry structure, The Firms as value chain (Primary activities and Support activities), PESTEL Factor.

## **Module 5:**

**International Institution:** UNCTAD, Its Basic Principles and Major Achievements, IMF, Role of IMF, TRIMS, TRIPS, Features of TRIMS/TRPIS, International Legal Environment as related to Business-WTO, Role and Advantages of WTO. Regional Economic Integration: Introduction, Levels of Economic Integration, Regional Economic Integration in Europe, Regional Economic Integration in U.S.A., ASEAN, SAARC, Integration for Business.Letters of Credit (LC), FEMA – Double Taxation Agreements (DTA)

## **BOOKS FOR REFERENCE:**

- 1. Charles W Hill: International Business, TMH Publishing Company Ltd.*
- 2. Darrell Mahoney: International Business, Longman, 1998.*

3. *Donn Ball & Wendell McCulloch: International Business, Irwin McGraw Hill, 1999.*
4. *John D. Daniels & Lee Radfaugh: International Business, Pearson 2003.*
5. *John. J. Wild (et al): International Business, Prentice Hall of India, 2003.*
6. *Michael Zinkata (et al): Global Business, Dryden Press 1988.*
7. *Richard M. Schaffer (et al): International Business Law and its environment, Thomson 2002.*
8. *WTO Annual Reports, Geneva.*
9. *WTO, Overview of Developments in the International Trading Environments, Annual report by the Director General WTO, Nov. 22, 2000.*
10. *The International Business Environment – Sundaram & Black – Prentice Hall.*
11. *World Resources & Trade - Khanna & Gupta.*
12. *International Trade – Law & Practice – Motiwal & Awasthi.*
13. *Legal Environment Today – Miller & Roger Leroy.*

## **P517 MC 204: GOODS AND SERVICES TAX**

### **Objectives:**

- 1. The objective is to equip students with the principles and provisions of Goods and Services Tax (GST), which is, implemented from 2017 under the notion of One Nation, One Tax and One Market.*
- 2. To provide an insight into practical aspects and apply the provisions of GST laws to various situations.*

### **Module 1:**

**Introduction To Goods And Services Tax (GST)** - Objectives and basic scheme of GST, Meaning – Salient features of GST – Subsuming of taxes – Benefits of implementing GST – Constitutional amendments - Structure of GST (Dual Model) – Central GST – State / Union Territory GST – Integrated GST - GST Council: Structure, Powers and Functions. Provisions for amendments.

### **Module 2:**

**GST Acts: CGST, SGST Act (Karnataka State), IGST Act - Salient features** of CGST Act, SGST Act (Karnataka State), IGST Act - **Meaning and Definition:** Aggregate turnover, Adjudicating authority, Agent, Business, Capital goods, Casual taxable person, Composite supply, Mixed supply, Exempt supply, Outward supply, Principal supply, Place of supply, Supplier, Goods, Input service distributor, Job work, Manufacture, Input tax, Input tax credit, Person, Place of business, Reverse charge, Works contract, Casual taxable person, Non-resident person. Export of goods / services, Import of goods / services, Intermediary, Location of supplier of service, Location of recipient of service.

### **Module 3:**

**Procedure and Levy Under GST** - Registration under GST: Procedure for registration, Persons liable for registration, Persons not liable for registration, Compulsory registration, Deemed registration, Special provisions for Casual taxable persons and Non-resident taxable persons. Exempted goods and services - Rates of GST.

**Procedure relating to Levy: (CGST & SGST)** - Scope of supply, Tax liability on Mixed and Composite supply, Time of supply of goods and services, Value of taxable supply. Computation of taxable value and tax liability.

**Procedure relating to Levy: (IGST)** - Inter-state supply, intra-state supply, Zero rates supply, Value of taxable supply – Computation of taxable value and tax liability.

**Input tax Credit-** Eligibility, Apportionment, Inputs on capital goods, Distribution of credit by Input Service Distributor (ISD) – Transfer of Input tax credit - Simple Problems on utilization of input tax credit.

#### **Module 4:**

**Assessment And Returns** - Furnishing details of outward supplies and inward supplies, First return, Claim of input tax credit, Matching reversal and reclaim of input tax credit, Annual return and Final return. Problems on Assessment of tax and tax liability.

#### **Module 5:**

**GST and Technology** - GST Network: Structure, Vision and Mission, Powers and Functions. Goods and Service Tax Suvidha Providers (GSP): Concept, Framework and Guidelines and architecture to integrate with GST system. GSP Eco system. (Theory only).

#### **SKILL DEVELOPMENT:**

- Narrate the procedure for calculation of CGST, SGCT and IGST.
- Show the flow chart of GST Suvidha Provider (GST).
- Prepare chart showing rates of GST.
- Prepare challans for payment of duty.
- Prepare Tax invoice under the GST Act.
- Prepare structure of GSTN and its working mechanism.
- Prepare list of exempted goods/ services under GST.
- Prepare organisation chart of GST Council.
- Prepare the chart showing scheme of GST.
- Compute taxable value and tax liability with imaginary figures under CGST, SGST and IGST.

#### **Books For Reference:**

1. *Deloitte: GST Era Beckons, Wolters Kluwer.*
2. *Madhukar N Hiregange: Goods and Services Tax, Wolters Kluwer.*
3. *All About GST: V.S Datey – Taxman 's.*
4. *Guide to GST: CA. Rajat Mohan,*
5. *Goods & Services Tax – Indian Journey: N.K. Gupta & Sunnania Batia, Barat's Publication*
6. *Goods & Services Tax – CA. Rajat Mohan,*
7. *Goods & Services Tax: Dr. Sanjiv Agrawal & CA. Sanjeev Malhotra.*
8. *GST – Law & Practice: Dr. B.G. Bhaskara, Manjunath. N & Naveen Kumar IM,*
9. *Understanding GST : Kamal Garg, Barat's Publication.*

