



## SECURITY ANALYSIS AND INVESTMENT MANAGEMENT

Course Code: MBA-DE-901

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To train students in conducting qualitative and quantitative analysis of a company, valuing financial securities, and analyzing investment attractiveness of various types of securities and evaluating the performance.*

### UNIT –I

Concept and Significance. Investment vs Speculation vs Gambling. Investment Alternatives and Classification of Investments. Global Investment Choices, Organization and Functioning of Securities Markets: Primary & Secondary Markets; Equity and Debt Markets. Security Market Indexes: Stock and Bond and derivative Indexes. Major Indexes in India: Construction and Importance. Determinants of RRR . Risk Aversion. Definition of Risk, The Efficient Frontier and Investor Utility .Measurement of Return and Risk for Individual Securities and Portfolios. Relationship between Risk & Return. CAPM; Multi-factor Models and Risk Estimation: APT and other Models.

### UNIT –II

Need, Read and Tests of EMH's. Implications of ECMs. Economic (Market) Indicators: Economic, Monetary variables and Security prices. Evaluating the Industry Life Cycle; Evaluating the Impact of Structural Economic Changes; Analysis of Industry Competition; Estimating Industry ROR. Company and Stock Valuation: Firm Competitive Strategies, SWOT Analysis; Estimating Intrinsic value: through PV of Dividend Model, FCF to Equity and OFCF Models, and Relative Valuation Ratio Techniques. Measures of Value Added: EVA, MVA ,etc. Advantages of and Challenges to TA, Technical trading rules and Indicators

### UNIT –III

Active vs Passive Equity Portfolio Management Strategies: Fundamental and Technical Strategies, Anomalies and Attributes, other issues; Passive Equity portfolio Strategies: Index Portfolio Construction Techniques, Tracking Error and Index Portfolio Construction, Methods of Index Portfolio Investing. Bond Portfolio Management Strategies: Active and Passive; Global Fixed Income Investment, Core-Plus Bond Portfolio, Matched-Funding Techniques

### UNIT –IV

Concepts and Significance; Explaining Biases, Fusion Investing. Components of Investment Performance, Traditional Portfolio Performance Measurement techniques; Composite PP Measures: Treynor , Sharpe, Jensen, Appraisal Ratio and other measures ; Risk-adjusted, Time- and Rupee-Weighted Returns and other Measures.

### Suggested Readings:

1. Bodie, Z., Kane A. Marcus, A., and Mohanty, P, Investments, New Delhi: Tata McGraw—Hill
2. Prasanna Chandra, Security Analysis and Portfolio Management, New Delhi.
3. Financial Markets: A Beginners' Module Work Book, National Stock Exchange of India, Mumbai.
4. Securities Market (Basic) Module Work Book, National Stock Exchange of India, Mumbai.
5. Sharpe W. & Gordon J.A.: Investments, phi publications, New Delhi.
6. Journals (Finance India; Journal of Portfolio Management; Review of Quantitative Finance).

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## PROJECT APPRAISAL AND FINANCE

Course Code: MBA-DE-902

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *The subject emphasizes on imparting the knowledge, skills, tools and techniques involved in carrying out project activities so as to ensure that projects are delivered within budget and schedule.*

**UNIT –I** Definition of Project. Concepts of Project Management: Meaning and Definition of Project, Characteristics of a project, Project Life Cycle Phases, Role of a Project Manager, The Planning Process: Work Breakdown Structure, Cost Planning – tools & techniques, cost estimation, Time Planning – tools & techniques. Time Value of Money: Compounding & Discounting Project Cost Estimation: Cost of Project. Components of a cost of project. Order of Magnitude Estimate. Project Financing: Introduction; Sources of Finance; Role of Financial Institutions.

**UNIT –II** The Financial Analysis of a Project Introduction; Why a Financial Appraisal for a Public Sector Project? Financial Sustainability; Distributional Impacts; Profitability Financial Cash Flows: Concepts, Principles and Conventions What is a Financial Cash Flow Statement? Components of a Cash Flow Statement Investment Plan; Data and Data Breakdown Opportunity Cost of Existing Assets Investment Financing; Operating Plan; Adjustment of Sales; Adjustment of Purchases Adjustment for Changes in Cash Balance

**UNIT –III** Financial project appraisal and risk analysis: Project Appraisal: Technical Appraisal, Economic Appraisal, Financial Appraisal; Management Appraisal. Risk and Uncertainty, Sensitivity Analysis, Social Cost Benefit Analysis: Rationale, Fundamentals of Shadow Pricing, Basic approaches to Social Cost Benefit Analysis. Analyzing Financial Projections- Techniques – Ratio Analysis, Break Even analysis, Average rate of return, Payback period, Net present value and Internal rate of return

**UNIT –IV** Project Evaluation and post project evaluation. Objectives and Methods. Phases of post audit Agencies for project audit. Computer aided project management. Options in Project Management.

### **Suggested Readings:**

1. Harvey Maylor, Project Management, Pearson Education, New Delhi, 2nd Edition.
2. Prasanna Chandra, Projects: Planning, Analysis, Selection, Implementation & Review, Tata McGraw-Hill Publishing Company Ltd., New Delhi, 6th Edition.
3. United Nations Industrial Development Organization, Guide to Practical Project Appraisal – Social Benefit Cost Analysis in Developing Countries, Oxford & IBH.
1. Jack R. Meredith, Project Management: A Managerial Approach, Wiley Publications, 1st Edition.

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## INTERNATION FINANCIAL MANAGEMENT

Course Code: MBA-DE-903

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To provide an overview of the financial environment in which multinational firms operate and acquaint the students with the key decision areas in international finance.*

**UNIT –I** An overview of International Financial Management, Theories of International Business: Comparative Advantage, Imperfect Markets and Product Cycle Theories. International Business Engagements: Trade, Licensing, Franchising, JV's, Acquisitions and Subsidiaries, etc. Components of Capital : Debt and Equity. Long term and short term financing. ECBs of India

**UNIT –II** BOPs: Current and Capital Accounts. Disequilibrium and adjustments. BOP of India. International Trade flows, factors affecting trade flows. International capital Flows: FDI and IPI: Incentives, Motives and Benefits. and Costs. Currency Convertibility; Convertibility in India. International Financial Institutions: IMF, WB, WTO, IFCs, International Development associations, BIS, OECD ,etc, Regional Development Agencies

**UNIT –III** International Money Market: Origin and Developments MM Interest rates, Credit market. International Bond Market: Eurobond and other bond markets; International Stock market, Issuance and Investing in Foreign Stock Markets. International Derivatives markets: an Overview. Financing International Trade: Prepayment methods and Trade Finance methods. International WC and Cash Managemen

**UNIT –IV** Woods and Post -Bretton Woods systems .Types of Exchange rate Systems: fixed and floating and variants. Functions of the Foreign Exchange Market, Determination of exchange rates; India's foreign Exchange Market and its Reforms. Foreign Exchange rate Risk management, Purchasing Power Parity, Interest Rate Parity, International Fisher Effect, Unbiased Forward Rate Theory. List of cases, website links and specific references including recent articles to be announced in the class at the beginning of the session.

### **Suggested Readings:**

1. Buckley, A. Multinational finance, Pearson Education. New Delhi
2. Butler, K. C. Multinational finance, John Wiley, New York:
3. Levi, M. D. International finance, Rutledge Publications. New York
4. Eun, C. S., & Resnick, B. G. International financial management, McGraw Hill, New Delhi
5. Kim, S. H., & Kim, S. H., Global corporate finance: Text & cases, Blackwell Publications, USA

---

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## MANAGEMENT CONTROL SYSTEM

Course Code: MBA-DE-904

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To appraise the students about the concept of management control system as well as its role in efficient management of public system organizations.*

**UNIT –I** Management control – An overview: Nature, Scope and Concepts of Management Control Systems. Organization Goals, Strategic Planning and Implementations, Organization Structure, Contingency Theory, Organizational Climate, Position of Controller in the Organization. Structure of an Organization.

**UNIT –II** Management Control Process: Programming, Budgetary Planning and Procedures. Budgetary Control, Analysis of Variances, Flexible Budgeting, Zero Base Budgeting, Performance Budgeting, Accounting Aspects of Control including Internal Audit and Control and Value of Money, Analysis and Reporting, Variance Reporting.

**UNIT –III** Management Control Structure: Responsibility Centre, Responsibility Accounting, Cost Centre, Profit Centre, Inter-divisional Transfer Pricing, Measurement of Divisional Performance Including Performance Evaluation Qualitative and Quantitative, Investment Center.

**UNIT –IV** Behavioral Aspects of Management Control: Motivation and Morale, Goal Congruency, Participative and Responsive Management. Human as a part of Information Process, Learning Curves. Management Control in Specialized Organization: Selected Selected Case Studies on Non- Profit and Public Service Organization

### **Suggested Readings:**

1. Anthony, R N and Govindrajana V. Management Control Systems. 8th ed., Taraporivala, Chicago, Irvin.
2. Emmanuel, C and Otly, D. Accounting for Management Control. London, No strand Reinhold.
3. Ghosh, P K and Gupta, G S. Cost Analysis And Control. New Delhi, Vision 4. Glynn, J J. Value for Money: Auditing in Public Sector. London, Prentice Hall Inc.
4. Hersy, P and Blanchard, H B Management of Organization Behavior: Utilizing Human Resources. New Delhi, Prentice Hal of India.
5. Maciariello, J A and Kirby C J. Management Control System. Englewood Cliffs, New Jersey, Prentice Hall Inc.

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## CORPORATE TAXATION

Course Code: MBA-DE-905

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To acquaint the participant with the implications of tax structure and corporate profit planning in operational as well as strategic terms.*

**UNIT –I** Basic Concepts of Income Tax; Residential Status of a Company, Computation of Income under Different Heads of Income, Set off and Carry Forward Losses.

**UNIT –II** Deductions and Exemptions in Additional Taxes on Undistributed Profits, Companies Profit Surtax Act; Computation of Tax Liability. Taxation and location of Company incentive tax incentive on location, size, nature of products and on types of activities, etc.

**UNIT –III** Meaning and Scope of Tax Planning and Location of Undertaking, Type of Activity, Ownership Pattern, Tax Planning Regarding Dividends Policy, Issue of Bonus Shares, Inter Corporate Dividends and Transfers.

**UNIT –IV** Tax Planning Relating to Amalgamation and Merger of Companies; Tax Considerations in respect of Specific Managerial Decision like Make or Buy, Own or Lease, Close or Continue, Sale in Domestic Markets or Exports; Replacements and Capital Budgeting Decisions, etc. Tax Planning in respect of Managerial Remuneration, Foreign Collaboration and Joint Ventures; Implications of Avoidance of Double Taxation Agreements

### **Suggested Readings:**

1. Ahuja, G K & Gupta, Ravi Systematic Approach to Income Tax. Allahabad, Bharat Law House.
2. Iyengar, A C. Sampat Law of Income Tax. Allahabad, Bharat Law House.
3. Kanga, J B and Palkhivala, N A. Income Tax. Bombay, Vol. 1-3, N.M. Tripathi.
4. Ranina, H P. Corporate Taxation: A Handbook. 2nd ed., New Delhi, Oriental Law House.
5. Singhania V.K., Corporate Tax Planning, TMH.
6. Gupta and Gupta, Corporate Taxation in India, Himalya Publishing House

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## DERIVATIVES AND RISK MANAGEMENT

Course Code: MBA-DE-906

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To develop students' comprehensive understanding & implementing acumen and skills of financial derivatives in terms of concepts, structure, instruments and trading strategies for profit and Risk Measurement and Management.*

**UNIT –I** Concept, types, Purpose, Uses and Critique of Derivatives: Financial and Non-Financial Derivatives: Structure and Evolution of Derivative Markets in India: Financial Derivatives Products and Regulatory Framework of Derivatives. Derivative Myths. Derivative Mishaps and lessons Learnt .Latest issues and developments

**UNIT –II** Nature and Structure of forward contracts, delivery and settlement of contracts, role of forward markets; Types of forwards contracts: equity, interest rate and bonds, currency, and commodity forward; pricing and valuation of equity contracts. Nature of futures contracts, role of clearing house, daily settlement, margins, price limits, delivery and settlement; types of futures: index, currency futures, commodity and equity. Pricing and Valuation of equity futures

**UNIT –III** Characteristics of options, moneyness of options; types: call options, put options, options on futures and Currency Options; Pay-Offs of Options. Trading and risk management with Options, hedging with Options. Pricing of Options; Option Pricing Models: Black-Scholes and Binomial; Put-Call Parity and Synthetic Options. Concept, and features of Swaps. Types of Swaps: Currency, Equity and Interest rate Swaps.

**UNIT –IV** Defining Risk, Need for Risk Management .Measurement of various Risks: Market, IR,Credit, Currency, Liquidity & Insolvency and Enterprise-wide risk, Off-Balance-sheet Risk Management, Management of Derivatives Exposure. Corporate and Institutional Risk management: Risk Management and Shareholder Value, Capital structure and Hedging; VaR, Back Testing, Stress Testing , Internal Control Systems.

### **Suggested Readings:**

1. John C.Hull, "Options, Futures and other Derivatives", Pearson Education, New Delhi.
2. Franklin R.Edwards, " Futures and Options", Tata Mc Graw Hill. New Delhi
3. Vohra, N.D., Bagri, B. R., Future and Options, Tata McGraw-Hill , New Delhi
4. V.K.Bhalla, "Financial Derivatives and risk Management", S.Chand. New Delhi.
5. Chance, "Introduction to derivatives and Risk Management", Thomson Learning, New Delhi.
6. Kevin, S, Commodity and Financial Derivatives, Prentice Hall India. New Delhi.

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## ISLAMIC FINANCE AND INVESTMENT

Course Code: MBA-DE-907

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To make students aware about basic concepts related to Islamic finance.*

**UNIT –I** Modern history of Islamic Banking and financial services, Principles of IB&F, Islamic Banking Vs Commercial conventional banking, reasons behind the prohibition of interest in Islamic finance. Monetary and Fiscal policies in an Islamic economy, financial and capital market policies: features of Islamic capital markets, the equities market, implication for cost of capital, Asset based securities.

**UNIT –II** Current Account deposits (wadiyah/Qard), Saving account (Wadiyah/Mudaraba) Deposits, investment (Mudaraba) Deposits, Trustee partnership facility, joint venture (Musharakha) facility, Leasing (Ijara) facility, Deferred delivery sale (Salam) facility, Manufacture-Sale (Istisna) facility, Repurchase (Bai-al\_Einah) Bill, Discounting/Factoring (Bai-al-Dayn). Sukuk (Islamic Bond). Insurance (Kafal): Tabbaru (Donation) Based Takaful and Mudaraba Based Takaful

**UNIT –III** Credit risk assessment models, credit risk valuation and mitigation. Credit rating system. Validating the credit rating system. Market risk in Islamic Finance: identification of market risk factors, rate of return risk, commodity risk, market risk valuation models. , Operational risk in Islamic Finance: main elements in operational risk analysis, identification and measuring operational risks, elements in the framework of the operational risk management

**UNIT –IV** Legal challenges, developing an efficient regulatory framework. Special requirements of Islamic banking. Regulatory institutions, Role of IDB, Islamic financial services board, social responsibilities, structures and variations of Shariah Supervisory Boards.

### **Suggested Readings:**

1. Introduction to Islamic Finance: Theory & Practice, Zamir Iqbal and Abbas Mirakhor (2<sup>nd</sup> Edition) wiley Finance.
2. Islamic Financial Srvices, Mohammad Obaidullah, King Abdul Aziz University Press.
3. Financial Risk and Management for Islamic Banking & Finance, IoannisAkkizdis and Sunil Kumar Khandelwal (Palgrave Mcmillan)
4. Modern Islamic Banking: Products and Processes in practice; Natalie Schoon (Wiley Finance), Edition.
5. Journals: (Journal of Islamic banking and finance ;International journal of Islamic finance ;Journal of Islamic banking ; Journal of Islamic finance and research papers )

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## MANAGEMENT OF FINANCIAL INSTITUTIONS

Course Code: MBA-DE-908

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To discuss the specific financial management problems of financial institutions including a detailed study of the working of the leading financial institutions in India.*

**UNIT –I** The Structure of Indian and International Financial Systems. The role and importance of Financial Institutions; Financial Institutions and Economic Development: Nature and Role of Financial System: Financial System and Financial Markets, Efficiency, Stability, Technology, Government Intervention in the Financial System. Financial management models and their applications in financial institutions; application of the wealth maximization model to financial decisions; evaluating risks & returns of assets and liabilities of Financial Institutions.

**UNIT –II** Flow of fund analysis of the borrowing and lending behaviour of financial institutions; Interest rate analysis; interest rate in the financial system; Yield curve; risk and inflation. Financial management of Commercial Banks; banking law and regulation; provisions of RBI's operations; credit and monetary planning; Insurance companies: Private and Public. Thrift Institutions. Role and working of Private Equity and Hedge Funds. Sovereign Wealth Funds

**UNIT –III** Development banks; role of development banking in industrial financing in India; capital adequacy and capital planning; strategy of growth; problems of time and cost over runs; financial planning of financial institutions; financial goals and Performance statements.

**UNIT –IV** Working and organization of different financial institutions in India like IFCI, ICICI, IDBI, UTI, LIC, Mutual Funds, and international aspects of Financial Institutions: Structure and Role of IMF and World Bank and other regional and International Institutions. Consolidation of Financial Institutions and the recent financial crises. Recent Developments: national and global fronts

### **Suggested Readings:**

1. V.K. Indian Financial System, Anmol Pub. Pvt. Ltd.
2. Dougall, Herbert E And Gaumnitz. Capital Markets and Institutions. Englewood Cliffs, New Jersey, Prentice Hall Inc.
3. Indian Financial System, Khan, M Y. Tata McGraw Hill
4. Hempel, George H And Yawitz, Jess B. Financial Management Of Financial Institutions. Englewood Cliffs, New Jersey, Prentice Hall Inc.
5. Fred C and Seitz, Nail E. Financial Institutions.
7. Management: Text and Cases. 3rd Ed Englewood Cliffs, New 9. Jersey Prentice Hall Inc.

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## WORKING CAPITAL MANAGEMENT

Course Code: MBA-DE-909

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To acquaint the students with the importance of the working capital and the techniques used for effective working capital management.*

**UNIT –I** Working Capital Concepts; Significance of Working Capital .Concept of working capital management, kinds of working capital, factors determining working capital, estimating working capital requirements. Management of cash---- motives for holding cash and marketable securities; cash system, managing the cash flows, types of collection systems, cash concentration strategies, disbursement tools ,investment in marketable securities; forecasting cash flows; managing corporate liquidity and financial flexibility; Measures of liquidity, Determining the optimum level of cash balances- Baumol Model, Beranek Model, Miller-Orr model ,stone model.

**UNIT –II** Elements of Receivable management; Determining the appropriate receivable policy, marginal analysis, credit analysis and reporting; Heuristic approach, discriminant analysis, sequential decision analysis. Receivables Cycle monitoring: Ageing Schedule and Ratios.

**UNIT –III** Inventory management-kinds of inventories, benefits and costs of holding inventories, inventory management and valuation, inventory control models; Inventory Cycle monitoring: Ratios ; short term financing .EOQ and JIT. Inventory: Asset-Based Financing.

**UNIT –IV** Programming working capital management; integrating working capital and capital investment processes; monetary system; money market in India; Banking system in India, the Restructuring process, Working capital control and banking policy in India. Instruments of the international money market; managing short-term international transactions. International Working Capital Management: Elements of IWC Challenges and Issues; Financing of International Transactions; Foreign Exchange Markets; Analysis of Country Risk; Cultural and Corporate Practices  
Note: The list of cases and specific references will be announced by the concerned faculty in the class at the time of launching of the course.

### **Suggested Readings:**

1. Bhalla, V.K. Working Capital Management: text and cases,4th ed., delhi,anmol,2001
2. Hampton J.J. and C.L.Wagner Working capital management, John wiley and sons, 1989
3. Mannes,T.S. and J.T.Zeitlow Short-term financial management, west pub.co.,, 1993
4. Scherr F C. Modern Working Capital Management, Prentice hall, 1989.

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*



## FINANCIAL MARKETS AND SERVICES

Course Code: MBA-DE-910

Max Marks: 100 (Mid-Term=50; End-Term=50)

Credits: 4 (L =3, T=1, P=0)

**OBJECTIVES:** *To impart an intensive knowledge about the use of quantitative techniques in specified financial decision making areas.*

**UNIT –I** Application of Linear Programming; Goal Programming; Regression Analysis and Simulation Techniques in Financial Decision Making Areas; Corporate Debt Capacity Management Decision.

**UNIT –II** Business Failure and Reorganization- Application of Multiple Discriminant Analysis; Decision Tree Analysis; Capital Expenditure Decision Under Conditions of Risk and Uncertainty; Cost- volume profit Analysis under Conditions of Uncertainty. Leasing Vs. Borrowing Decisions; Sequencing of Decisions; Replacement Decisions.

**UNIT –III** Mergers and Acquisitions; Takeover code; Goodwill and Valuation of Shares; Dividend Valuation Model; Determination of the Exchange ratio; Legal and Procedural Aspects of Merger Decision.

**UNIT –IV** Specific Areas and Problems in the Area of Financial Decision Making; Estimation and Projection of Working Capital Decisions.

### **Suggested Readings:**

1. Bhalla, V.K. Financial Management and Policy. 2nded. New Delhi, Anmol, Delhi.
2. Biermann, Harold .Lease Vs. Buy Decision, Englewood Cliffs, New Jersey, Prentice Hall Inc.
3. Fogler,H and Ganpathy, Financial Econometrics. Englewood Cliffs, New Jersey, Prentice Hall Inc.
4. Levy,H. and Sarnat H. Capital Investment and Financial Decision. Englewood Cliffs, New Jersey, Prentice Hall Inc.
5. Van Horne, James C. Financial Management and Policy. Englewood Cliffs, New Jersey, Prentice Hall of India Markets. London, Basic Blackwell.

**Note:** *The schedule for case discussion shall be announced by the concerned faculty in the class.*