

Stream/ Specialization : **Financial Management**

SL. NO	COURSE CODE	COURSE TITLE	CATEGORY	CONTACT PERIODS	L	T	P	C
1.	BA5008	Banking Financial Services Management	PE	3	3	0	0	3
2.	BA5009	Corporate Finance	PE	3	3	0	0	3
3.	BA5010	Derivatives Management	PE	3	3	0	0	3
4.	BA5011	Merchant Banking and Financial Services	PE	3	3	0	0	3
5.	BA5012	Security Analysis and Portfolio Management	PE	3	3	0	0	3
6.	BA5013	Strategic Investment and Financing Decisions	PE	3	3	0	0	3
7.	BA5031	International Trade Finance	PE	3	3	0	0	3

BA5008

BANKING FINANCIAL SERVICES MANAGEMENT

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OBJECTIVES:

- Grasp how banks raise their sources and how they deploy it and manage the associated risks
- Understand e-banking and the threats that go with it.

UNIT I OVERVIEW OF INDIAN BANKING SYSTEM

9

Overview of Indian Banking System, Functions of banks, key Acts governing the functioning of Indian banking system – RBI Act 1934, Negotiable Instruments Act 1881, Banking Regulations Act 1948 – Rights and obligations of a banker, Overview of Financial statement of banks – Balance sheet and Income Statement.

UNIT II SOURCES AND APPLICATION OF BANK FUNDS

9

Capital adequacy, Deposits and non-deposit sources, Designing of deposit schemes and pricing of deposit services, application of bank funds – Investments and Lending functions, Types of lending – Fund based, non-fund based, asset based – Different types of loans and their features, Major components of a typical loan policy document, Steps involved in Credit analysis, Credit delivery and administration, Pricing of loans, Customer profitability analysis.

UNIT II CREDIT MONITORING AND RISK MANAGEMENT

9

Need for credit monitoring, Signals of borrowers’ financial sickness, Financial distress prediction models – Rehabilitation process, Risk management – Interest rate, liquidity, forex, credit, market, operational and solvency risks – risk measurement process and mitigation, Basic understanding of NPAs and ALM.

UNIT IV MERGERS, DIVERSIFICATION AND PERFORMANCE EVALUATION

9

Mergers and Diversification of banks into securities market, underwriting, Mutual funds and Insurance business, Risks associated therewith. Performance analysis of banks – background factors, ratio

analysis and CAMELS.

UNIT V HIGH TECH E-BANKING

9

Payment system in India - Paper based, e-payments - Electronic banking - advantages - Plastic money, E-money - Forecasting of cash demand at ATMs - Security threats in e-banking and RBI's initiatives.

TOTAL: 45 PERIODS

OUTCOME:

- Price various types of loans proposed by banks to various prospective borrowers with different risk profiles and evaluate the performance of banks

REFERENCES :

1. Padmalatha Suresh and Justin Paul, "Management of Banking and Financial Services, Pearson, Delhi, 2012.
2. Meera Sharma, "Management of Financial Institutions – with emphasis on Bank and Risk Management", PHI Learning Pvt. Ltd., New Delhi 2010.
3. Peter S. Rose and Sylvia C. and Hudgins, "Bank Management and Financial Services", Tata McGraw Hill, New Delhi, 2012.
4. Madura, Financial Institutions & Markets, 10th edition, Cengage, 2016.

BA5009

CORPORATE FINANCE

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OBJECTIVES :

Student will acquire

- Nuances involved in short term corporate financing
- Good ethical practices

UNIT I INDUSTRIAL FINANCE

9

Indian Capital Market – Basic problem of Industrial Finance in India. Equity – Debenture financing – Guidelines from SEBI, advantages and disadvantages and cost of various sources of Finance – Finance from international sources, financing of exports - role of EXIM bank and commercial banks.- Finance for rehabilitation of sick units.

UNIT II SHORT TERM-WORKING CAPITAL FINANCE

6

Estimating working capital requirements – Approach adopted by Commercial banks, Commercial paper- Public deposits and inter corporate investments.

UNIT III ADVANCED FINANCIAL MANAGEMENT

12

Appraisal of Risky Investments - certainty equivalent of cash flows and risk adjusted discount rate - risk analysis in the context of DCF methods using Probability information - nature of cash flows - Sensitivity analysis - Simulation and investment decision, Decision tree approach in investment decisions.

UNIT IV FINANCING DECISION

10

Simulation and financing decision - cash inadequacy and cash insolvency - determining the probability of cash insolvency- Financing decision in the Context of option pricing model and agency costs- Interdependence of investment- financing and Dividend decisions.

UNIT V CORPORATE GOVERNANCE

8

Corporate Governance - SEBI Guidelines- Corporate Disasters and Ethics-Corporate Social Responsibility- Stakeholders and Ethics- Ethics, Managers and Professionalism.

TOTAL: 45 PERIODS

OUTCOME :

- Good ethical corporate manager

REFERENCES :

1. Richard A.Brealey, Stewart C.Myers and Mohanthy, Principles of Corporate Finance, Tata McGraw Hill, 9th Edition, 2011
2. I.M.Pandey, Financial Management, Vikas Publishing House Pvt., Ltd., 12th Edition, 2012.
3. Brigham and Ehrhardt, Corporate Finance - A focused Approach, Cengage Learning, 2nd Edition, 2011.
4. M.Y Khan, Indian Financial System, Tata McGraw Hill, 6th Edition, 2011
5. Smart, Megginson, and Gitman, Corporate Finance, 2nd Edition, 2011.
6. Krishnamurthy and Viswanathan, Advanced Corporate Finance, PHI Learning, 2011.
7. Website of SEBI
8. Besley, Brigham, Parasuraman, Corporate Finance, Cengage Learning, 2015
9. Michael C.Ehrhardt, Eugene F.Brigham, Corporate Finance – A focused approach, Cengage Learning, 2011.
10. Madura, International Corporate Finance, 10th edition, Cengage Learning, 2014.

BA5010

DERIVATIVES MANAGEMENT

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OBJECTIVE :

- To understand the nuances involved in derivatives and to understand the basic operational mechanisms in derivatives.

UNIT I INTRODUCTION

9

Derivatives – Definition – Types – Forward Contracts – Futures Contracts – Options – Swaps – Differences between Cash and Future Markets - Types of Traders - OTC and Exchange Traded Securities - Types of Settlement - Uses and Advantages of Derivatives - Risks in Derivatives.

UNIT II FUTURES CONTRACT

9

Specifications of Futures Contract - Margin Requirements - Marking to Market - Hedging uses Futures – Types of Futures Contracts - Securities, Stock Index Futures, Currencies and Commodities - Delivery Options - Relationship between Future Prices, Forward Prices and Spot Prices.

UNIT III OPTIONS

9

Definition - Exchange Traded Options, OTC Options - Specifications of Options - Call and Put Options - American and European Options - Intrinsic Value and Time Value of Options - Option payoff, options on Securities, Stock Indices, Currencies and Futures - Options pricing models - Differences between future and Option contracts.

UNIT IV SWAPS

9

Definition of SWAP - Interest Rate SWAP - Currency SWAP - Role of Financial Intermediary - Warehousing - Valuation of Interest rate SWAPs and Currency SWAPs Bonds and FRNs - Credit Risk.

UNIT V DERIVATIVES IN INDIA

9

Evolution of Derivatives Market in India - Regulations - Framework - Exchange Trading in Derivatives – Commodity Futures - Contract Terminology and Specifications for Stock Options and Index Options

in NSE – Contract Terminology and specifications for stock futures and Index futures in NSE – Contract Terminology and Specifications for Interest Rate Derivatives.

TOTAL: 45 PERIODS

OUTCOME :

- This course aims at providing an in-depth understanding of financial derivatives in terms of concepts, structure, instruments and trading strategies for profit and risk management.

REFERENCES :

1. David Dubofsky - 'Option and Financial Futures - Valuation and Uses, McGraw Hill International Edition.
2. Don M. Chance, Robert Brooks, An Introduction to Derivatives and Risk Management, 9th edition, Cengage, 2015.
3. John. C. Hull, Options, Futures and Other Derivative Securities', PHI Learning, 9th Edition, 2012
4. Keith Redhead, 'Financial Derivatives – An Introduction to Futures, Forwards, Options and SWAPs',- PHI Learning, 2011.
5. S. L. Gupta, Financial Derivatives- Theory, Concepts and Practice, Prentice Hall of India, 2011.
6. Stulz, Risk Management and Derivatives, Cengage, 2nd Edition, 2011.
7. Varma, Derivatives and Risk Management, 2nd Edition, 2011.
8. Website of NSE, BSE.

BA5011

MERCHANT BANKING AND FINANCIAL SERVICES

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OBJECTIVES :

To enable student

- Understand the modes of issuing securities
- Acquire financial evaluation technique of leasing and hire purchase

UNIT I MERCHANT BANKING

5

Introduction – An Over view of Indian Financial System – Merchant Banking in India – Recent Developments and Challenges ahead - merchant banking services offered by banks - NBFC'S offering merchant banking – Banking system – types of banks – payment banking -Legal and Regulatory Framework - Relevant Provisions of Companies Act- SERA- SEBI guidelines- FEMA, etc. - Relation with Stock Exchanges and OTCEI.

UNIT II ISSUE MANAGEMENT

12

Role of Merchant Banker in Appraisal of Projects, Designing Capital Structure and Instruments - Issue Pricing - Book Building - Preparation of Prospectus Selection of Bankers, Advertising Consultants, etc. - Role of Registrars -Bankers to the Issue, Underwriters, and Brokers. - Offer for Sale - Green Shoe Option - E-IPO, Private Placement - Bought out Deals - Placement with FIs, MFs, FII, etc. Off - Shore Issues. - Issue Marketing - Advertising Strategies - NRI Marketing - Post Issue Activities.

UNIT III OTHER FEE BASED SERVICES

10

Mergers and Acquisitions - Portfolio Management Services - Credit Syndication - Credit Rating - Mutual Funds - Business Valuation.

UNIT IV FUND BASED FINANCIAL SERVICES

10

Leasing and Hire Purchasing - Basics of Leasing and Hire purchasing - Financial Evaluation.

UNIT V OTHER FUND BASED FINANCIAL SERVICES

8

Consumer Credit - Credit Cards - Real Estate Financing - Bills Discounting - factoring and Forfeiting – Venture Capital - venture debt funds - start up financing.

TOTAL: 45 PERIODS

OUTCOME

- Good knowledge on merchant banking activities

REFERENCES :

1. M.Y.Khan, Financial Services, Tata McGraw-Hill, 12th Edition, 2012
2. Nalini Prava Tripathy, Financial Services, PHI Learning, 2011.
3. Machiraju, Indian Financial System, Vikas Publishing House, 2nd Edition, 2010.
4. J.C.Verma, A Manual of Merchant Banking, Bharath Publishing House, New Delhi,
5. Varshney P.N. & Mittal D.K., Indian Financial System, Sultan Chand & Sons, New Delhi.
6. Sasidharan, Financial Services and System, Tata McGraw Hill, New Delhi, 2nd Edition, 2011.
7. Website of SEBI
8. Madura, Financial Institutions & Markets, 10th edition, Cengage, 2016.

BA5012

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

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OBJECTIVES :

Enables student to

- Understand the nuances of stock market operations.
- Understand the techniques involved in deciding upon purchase or sale of securities.

UNIT I INVESTMENT SETTING

8

Financial and economic meaning of Investment - Characteristics and objectives of Investment - Types of Investment - Investment alternatives - Choice and Evaluation - Risk and return concepts.

UNIT II SECURITIES MARKETS

10

Financial Market - Segments - Types - - Participants in financial Market - Regulatory Environment, Primary Market - Methods of floating new issues, Book building - Role of primary market - Regulation of primary market, Stock exchanges in India - BSE, OTCEI , NSE, ISE, and Regulations of stock exchanges - Trading system in stock exchanges -SEBI.

UNIT III FUNDAMENTAL ANALYSIS

9

Economic Analysis - Economic forecasting and stock Investment Decisions - Forecasting techniques. Industry Analysis : Industry classification, Industry life cycle - Company Analysis Measuring Earnings – Forecasting Earnings - Applied Valuation Techniques - Graham and Dodds investor ratios.

UNIT IV TECHNICAL ANALYSIS

9

Fundamental Analysis Vs Technical Analysis - Charting methods - Market Indicators. Trend - Trend reversals - Patterns - Moving Average - Exponential moving Average - Oscillators - Market Indicators – Efficient Market theory.

UNIT V PORTFOLIO MANAGEMENT

9

Portfolio analysis - Portfolio Selection -Capital Asset Pricing model - Portfolio Revision Portfolio Evaluation – Mutual Funds.

TOTAL: 45 PERIODS

OUTCOME

- Become a good investment analyst

REFERENCES :

1. Donald E.Fischer & Ronald J.Jordan, Security Analysis & Portfolio Management, PHI Learning., New Delhi, 8th edition, 2011.

2. Prasannachandra, Investment analysis and Portfolio Management, Tata McGraw Hill, 2011.
3. Reilly & Brown, Investment Analysis and Portfolio Management, Cengage, 10th edition, 2016.
4. S. Kevin , Securities Analysis and Portfolio Management , PHI Learning , 2012.

BA5013

STRATEGIC INVESTMENT AND FINANCING DECISIONS

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OBJECTIVE :

- Enable students to acquire techniques of evaluating strategic investment decisions understand the causes of prediction modes of financial distress.

UNIT I INVESTMENT DECISIONS

9

Project Investment Management Vs Project Management - Introduction to profitable projects - evaluation of Investment opportunities - Investment decisions under conditions of uncertainty - Risk analysis in Investment decision - Types of investments and disinvestments.

UNIT II CRITICAL ANALYSIS OF APPRAISAL TECHNIQUES

10

Significance of Information and data bank in project selections - Investment decisions under capital constraints - capital rationing, Portfolio - Portfolio risk and diversified projects.

UNIT III STRATEGIC ANALYSIS OF SELECTED INVESTMENT DECISIONS

10

Lease financing - Lease Vs Buy decision - Hire Purchase and installment decision - Hire Purchase Vs Lease Decision - Mergers and acquisition - Cash Vs Equity for mergers.

UNIT IV FINANCING DECISIONS

8

Capital Structure - Capital structure theories - Capital structure Planning in Practice.

UNIT V FINANCIAL DISTRESS

8

Consequences, Issues, Bankruptcy, Settlements, reorganization and Liquidation in bankruptcy.

TOTAL: 45 PERIODS

OUTCOME :

- Possess good knowledge in techniques for making strategic investment decision and tackling financial distress

REFERENCES:

1. Prasanna Chandra, Financial Management, Tata McGraw Hill, 9th Edition, 2012.
2. Prasanna Chandra, Projects : Planning, Analysis, Financing Implementation and Review, TMH, New Delhi, 2011.
3. Bodie, Kane, Marcus: Investment, Tata McGraw Hill, New Delhi, 2010.
4. Brigham E. F & Houston J.F. Financial Management, Thomson Publications, 9 th edition, 2010.
5. M. Pandey, Financial Management, Vikas Publishing House, 10th edition, 2010.
6. M. Y. Khan and P. K. Jain, Financial Management Text and Problems, Tata McGraw Hill Publishing Co, 2011.
7. Website of IDBI Related to Project Finance.

BA5031

INTERNATIONAL TRADE FINANCE

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3 0 0 3

OBJECTIVES :

To enable student

- Understand export import finance and forex management
- Understand the documentation involved in international trade

UNIT I	INTERNATIONAL TRADE	9
International Trade - Meaning and Benefits - Basis of International Trade -Foreign Trade and Economic Growth - Balance of Trade - Balance of Payment - Current Trends in India - Barriers to International Trade - WTO - Indian EXIM Policy.		
UNIT II	EXPORT AND IMPORT FINANCE	9
Special need for Finance in International Trade - INCO Terms (FOB, CIF, etc.,) - Payment Terms - Letters of Credit - Pre Shipment and Post Shipment Finance - Forfaiting - Deferred Payment Terms – EXIM Bank - ECGC and its schemes Import Licensing - Financing methods for import of Capital goods		
UNIT III	FOREX MANAGEMENT	9
Foreign Exchange Markets - Spot Prices and Forward Prices - Factors influencing Exchange rates -The effects of Exchange rates in Foreign Trade - Tools for hedging against Exchange rate variations - Forward, Futures and Currency options - FEMA - Determination of Foreign Exchange rate and Forecasting.		
UNIT IV	DOCUMENTATION IN INTERNATIONAL TRADE	9
Export Trade Documents: Financial Documents – Bill of Exchange- Type- Commercial Documents - Proforma, Commercial, Consular, Customs, Legalized Invoice, Certificate of Origin Certificate Value, Packing List, Weight Certificate, Certificate of Analysis and Quality, Certificate of Inspection, Health certificate. Transport Documents -Bill of Lading, Airway Bill, Postal Receipt, Multimodal Transport Document. Risk Covering Document: Insurance Policy, Insurance Cover Note. Official Document: Export Declaration Forms, GR Form, PP Form, COD Form, Softer Forms, Export Certification, GSPS –UPCDC Norms.		
UNIT V	EXPORT PROMOTION SCHEMES	9
Government Organizations Promoting Exports - Export Incentives : Duty Exemption - IT Concession - Marketing Assistance - EPCG, DEPB - Advance License - Other efforts I Export Promotion - EPZ -EQU – SEZ and Export House.		

TOTAL: 45 PERIODS

OUTCOME

- Possess good knowledge on international trade and the documentation involved in it.

TEXT BOOKS

1. Apte P.G., International Financial Management, Tata McGraw Hill, 2011.
2. Jeff Madura, International Corporate Finance, Cengage Learning, 9th Edition, 2011.

REFERENCES

1. Alan C. Shapiro, Multinational Financial Management, PHI Learning, 5th Edition, 2010.
2. Eun and Resnik, International Financial Management, Tata McGraw Hill, 5th Edition, 2011.
3. Website of Indian Government on EXIM policy