

# FACULTY OF ECONOMICS & BUSINESS

## Syllabus

### For

## Master of Business Administration (Finance)

(CREDIT BASED EVALUATION AND GRADING SYSTEM)

(SEMESTER: I –IV)

Session: 2019-20



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## GURU NANAK DEV UNIVERSITY AMRITSAR

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**MBA (FINANCE) (SEMESTER SYSTEM)**  
**(CREDIT BASED EVALUATION AND GRADING SYSTEM)**

**DURATION – 2 YEARS**

**TOTAL CREDITS – 100**

**SCHEME OF COURSE**

**SEMESTER-I**

Course Code	C/E/I	Course Title	L	T	P	Total Credits	Mid Sem. Marks	End Sem. Marks	Total Marks
DCL-811	C	Management Principles and Organizational Behaviour	L			4	20	80	100
DCL-812	C	Marketing and Human Resource Management	L			4	20	80	100
DCL-813	C	Operation Management	L			4	20	80	100
DCL-814	C	Accounting for Financial Analysis	L			4	20	80	100
DCL-815	C	Quantitative Techniques for Finance	L			4	20	80	100
DCL-816	C	Business Environment	L			4	20	80	100

**SEMESTER II**

Course Code	C/E/I	Course Title	L	T	P	Total Credits	Mid Sem. Marks	End Sem. Marks	Total Marks
DCL-821	C	Financial Management	L			4	20	80	100
DCL-822	C	Computer Application in Finance	L			4	20	80	100
DCL-823	C	Regulatory Framework for Business	L			4	20	80	100
DCL-824	C	Indian Financial System	L			4	20	80	100
DCL-825	C	Banking and Insurance Management	L			4	20	80	100
DCL-826	C	Project Management Appraisal and Control	L			4	20	80	100
	C	ID Course	L			4	20	80	100

**Note.**

- PSL -053 ID Course Human Rights & Constitutional Duties (Compulsory ID Course)**  
Students can opt. this paper in any semester except the 1<sup>st</sup> Semester. This ID Course is one of the total ID Course of this course.

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**SEMESTER III**

<b>Course Code</b>	<b>C/ E/I</b>	<b>Course Title</b>	<b>L</b>	<b>T</b>	<b>P</b>	<b>Total Credits</b>	<b>Mid Sem. Marks</b>	<b>End Sem. Marks</b>	<b>Total Marks</b>
DCL-831	C	Financial Econometrics	4	-	-	4	20	80	100
DCL-832	C	Security Analysis and Portfolio Management	4	-	-	4			
DCL-833	C	Indian Tax System	4	-	-	4	20	80	100
DCL-834	C	Risk Management	4	-	-	4	20	80	100
DCL-835	C	Behavioral Finance	4	-	-	4	20	80	100
DCL-836	C	Management of Financial Institutions and Financial Services	4	-	-	4	20	80	100
	I	ID Course	4	-	-	4	20	80	100
			<b>28</b>	-	-	<b>28</b>			

**Semester IV**

<b>Course Code</b>	<b>C/ E/I</b>	<b>Course Title</b>	<b>L</b>	<b>T</b>	<b>P</b>	<b>Total Credits</b>	<b>Mid Sem. Marks</b>	<b>End Sem. Marks</b>	<b>Total Marks</b>
DCL-851	C	Training and Project Report	-	-	20	20			100

**DCL-811: MANAGEMENT PRINCIPLES AND ORGANIZATIONAL BEHAVIOUR**

**Credits:4-0-0**

**Total Marks: 100**

**Mid Semester Marks: 20**

**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**

**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Management:** Nature and Purpose, Evolution of Management Thought, Managerial Roles, System Approach to the Management Process, and Managerial Functions.

**Planning:** Meaning and Importance, Types, and Steps in Planning. Objectives and Its Nature, Setting Objectives, and Management by Objectives.

**Decision Making:** Importance and Limitations of Rational Decision Making, Decision Making Process, Programmed and Non-Programmed Decisions, and Decision Making Under Certainty, Uncertainty and Risk.

**SECTION-B**

**Organizing:** Meaning of Organizing and Organization, Formal and Informal Organization, Organizational Level and Span of Management

**Organization Structure:** Basic Patterns of Departmentation, and Organization Structures for the Global Environment. Authority and Responsibility, Line and Staff Concepts, Decentralization and Centralization of Authority, and Delegation of Authority.

**Motivation:** Meaning, Theories of Motivation: McGregor's Theory X and Theory Y, Maslow's Hierarchy of Needs Theory, Alderfer's ERG Theory, Herzberg's Motivation-Hygiene Theory, The Expectancy Theory, Equity Theory.

**SECTION-C**

**Leadership:** Definition, Trait and Charismatic Leadership Approach, Leadership behavior and Styles, The Managerial Grid, Leadership as a Continuum, Situation/Contingency Approaches.

**Communication:** Functions, Process, Direction, Organizational Communication, Modes of Communication: Oral, Written and Nonverbal, Choice of Communication Channel and Barriers to Effective Communication.

**Organizational Behaviour:** Meaning, Challenges and Opportunities for OB and Developing an OB Model.

**Attitudes:** Meaning, Components, Relationship between Attitude and Behaviour and a brief explanation about Major Job Attitudes.

### SECTION-D

**Emotions and Moods:** Meaning, Basic Emotions and Moods, Functions of Emotions, Emotional Labour, and Emotional Intelligence, Emotion Regulation and OB Applications of Emotions and Moods.

**Personality:** Meaning, Determinants, MBTI and Big Five Model

**Values:** Meaning, Importance, Generational Values and International Values.

**Perception:** Meaning, Factors Influencing Perception, and Attribution Theory.

Suggested Readings

1. Harold Koontz and Heinz Weihrich, "Essentials of Management", McGraw Hill.
2. Stephen P. Robbins, Timothy A. Judge and Neharika Vohra, "Organizational Behaviour", Pearson.
3. Robert Kreitner and Angelo Kinicki, "Organizational Behaviour", McGraw Hill.
4. Margie Parikh and Rajen Gupta, "Organizational Behaviour", McGraw Hill.

**DCL-812: MARKETING AND HUMAN RESOURCE MANAGEMENT**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Concept of Marketing:** Concept, Philosophies and Importance, Scope of Marketing, Core Marketing Concepts, Company Orientation towards the Market Place, Buying decision process

**Marketing Environment:** Macro Environment-Political, Economic, Socio-cultural and Technological Environment.

**Marketing Mix:** Definition and Components of each P. Extended 7Ps for services. Significance in the competitive environment.

**Market segmentation:** Meaning and concept of market segmentation, Bases for market segmentation, Types of market segmentation,

**SECTION-B**

**Product Decision-** Concept of a product. Classification of products. Product line and product mix. Packaging and labeling; Product life cycle – strategic implications;

**Price Decision-** Concept and Meaning of Price. Steps in setting the price. Discounts and rebates.

**Place Decision-** Nature, functions, and types of distribution channels, Distribution channel intermediaries.

**Promotion Decision-** Promotion mix – advertising, personal selling, sales promotion, publicity and public relations. Direct Marketing.

**SECTION-C**

**Human Resource Management:** Meaning, Functions, Contemporary HRM Perspectives, Evolution of HR Function, Goals of HRM.

**Human Resource Planning:** Meaning, Forecasting the Demand and Supply of Human Resources, Labour Force Trends and Issues, Methods of HRP.

**Job Analysis:** Meaning, Purpose, Process, Job Analysis Techniques. Job Redesign: Job Rotation, Job Enlargement, Job Enrichment and Job Characteristic Model.

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**Recruitment and Selection:** Meaning, Purpose and Importance of Recruitment, Factors Governing Recruitment, Methods of Internal and External Recruiting. Selection Process: Basic Selection Criteria, and Selection Techniques.

**SECTION-D**

**Performance Appraisal:** Meaning, Importance, Goals, Performance Appraisal Process and Methods for Appraising Performance.

**Career Management:** Meaning, Typology of Career System, Career Stages, Organizational and Individual Perspectives on Careers, Importance of Career Planning, and Career Development Issues and Challenges.

**Compensation:** Basic Purpose, Components of Remuneration, Strategic Options for Compensation, and Determinants of Compensation Strategy, Executive Compensation and Related Issues.

**Employee Benefits:** Purposes, Mandatory and Non-Mandatory Benefits.

**Suggested Readings:**

1. Philip Kotler: Principle of Marketing, Pearson Education
2. Ramaswamy V.S. and Namakumari S - Marketing Management: Planning, Implementation and Control (Macmillian).
3. RajanSaxena: Marketing Management, Tata McGraw Hill.
4. R Kumar& Goel-Marketing Management (UDH Publishers).
5. Stanton William J - Fundamentals of Marketing (TATA Mc Graw Hill)
6. Etzel M.J., Walker B.J. and Stanton William J - Marketing concept & Cases special Indian Edition (Tata Mc Graw Hill).
7. Angelo S. DeNisi, Ricky W. Griffin and Anita Sarkar, "Human Resource Management – A South Asian Perspective", Cengage Learning
8. Gary Dessler, "Human Resource Management", PHI
9. Robert L. Mathis and John H. Jackson, "Human Resource Management", Thomson.
10. K Aswathappa, "Human Resource Management – Text and Cases", McGraw Hill.
11. Jeffrey A. Mello, "Strategic Human Resource Management", Cengage Learning.

Latest edition of the books must be used

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**DCL-813: OPERATIONS MANAGEMENT**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Operations management:** Concept, Global Trends, Competitive Priorities and capabilities. Operations Strategy & its linkage with corporate strategy, Types of Production and Service systems. Process Analysis. Plant location & Plant layout.

**SECTION-B**

**Linear Programmig Problems (LPP):** Model formulation, Solving LPP using graphical method, simplex method, Basic understanding of Goal Programming, Network Analysis, Sequencing.

**SECTION-C**

**Inventory Management & Control:** Concept, Economic Batch Quantity including Joint production Run Relevant Costs for Inventory Decisions, Reorder level, Lead Time and Safety Stock, Queuing Models: Basic components of a waiting line process & Single channel, Single – Phase, Models. Concept of Quality and Statistical Quality Control.

**SECTION-D**

**Productivity:** Concept, Methods to improve productivity like Value Analysis, Work study etc. Aggregate Planning, MRP (Bills of Materials & Product Structure), Enterprise Resource Planning. Just in Time Manufacturing Systems. Supply Chain Management: Concept, Components & Activities.

**Suggested Readings:**

1. Operations Management Theory & Practice, B. Mahadevan, Pearson Edu.
2. Operations Management Processes & Value Chains, L.J. Krajewski & L.P. Ritzman, Pearson Education.
3. Operations Management – For Competitive Advantage, Richard B Chase, F Robert Jacobs, Nicholas J Aquilano and Nitin K Agarwal, McGraw Hill Cos.
4. Operations Management, 1e, Christian Terwiesch and Gerard Cachon, The McGraw Hill Companies Publication.
5. Anderson, Sweeney and Williams: Introduction to Management Science/OR, Thompson, New Delhi.
6. Lee S.M.L.J. Moore and B.W. Taylor, Management Science, Boston: Allyn Bacon, 1994.
7. Gould, F.J., G.D. Eppen and C.I. Schmidt, Introductory Management Science, Prentice Hall, Englewood Cliffs, N.J., Prentice Hall, 1993.



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**DCL-814: ACCOUNTING FOR FINANCIAL ANALYSIS**

**Credits:4-0-0**

**Total Marks: 100**

**Mid Semester Marks: 20**

**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:** Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A,B,C & D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Basic Accounting Review:** Meaning, Objectives, Branches of Accounting. Users of accounting information system, Basic Accounting terminology

**Double Entry System:** Rules, Characteristics, advantages, limitations, identification of accounts. Accounting Cycle: Theoretical introduction to Journal, Ledger and Trial Balance. Distinction between accrual basis and cash basis of accounting.

**Generally accepted Accounting Principles:** Accounting principles, concepts and conventions

**Financial Statements:** Objectives and Types, Preparation of final accounts (without adjustments)

**SECTION-B**

**Financial Statements:** Preparation of final accounts (with adjustments: Bad debts, Depreciation, discount on debtors, outstanding, pre-paid and accrued items)

**Financial Statements Analysis:** Objectives, Techniques of financial analysis: Common Size Statements, Comparative Statements and Trend Analysis

**Ratio Analysis:** Importance and Limitations of Ratio Analysis, Types: Liquidity, Turnover, Profitability and Solvency Ratios.

**SECTION-C**

**Cost Accounting:** Meaning, Difference between cost accounting and financial accounting

**Cost Concepts and Cost Sheet:** Meaning and classification-of cost, Preparation of Cost Sheet.

**Budgetary Control:** Meaning, Classification, and Functions of Budgets, Preparation of Flexible Budgets.

**Standard Costing and Variance Analysis:** Meaning, Comparison between Budgetary Control and Standard Costing. **Variance Analysis:** Meaning and importance, kinds of variances, Calculation of Material and Labour Variances

**SECTION-D**

**Marginal costing and Profit Planning:** Concept of marginal cost; Marginal costing versus absorption costing; Marginal costing versus direct costing; Cost-volume profit Analysis. Practical Applications of Marginal Costing in Decision Making with respect to Fixation of selling price, Key or limiting factor, make or buy decisions, discontinuation of a product line, reduction in selling price, accepting foreign orders, maintaining a desired level of profits.

**Management Accounting:** Meaning, difference between management accounting and financial accounting

**Responsibility Accounting:** Concept and Importance of Responsibility Accounting; **Responsibility Centres** – Cost Centre, Revenue Centre, Profit Centre, Investment Centre.

**Contemporary Issues in Cost Accounting:** Activity Based Costing, Target Costing and Life Cycle costing: A theoretical introduction

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**Suggested Readings:**

1. Khan, M Y, and P K. Jain. Management Accounting and Financial Management: Problems and Solutions. New Delhi: Tata McGraw-Hill.
2. Needles, Belverd E, and Marian Powers. Financial Accounting. Boston: Houghton Mifflin.
3. Horngren, Charles T, Gary L. Sundem, and William O. Stratton. Princeton, N.J: Introduction to Management Accounting.
4. Sekhar, R C, and A V. Rajagopalan. Management Accounting. New Delhi: Oxford University Press.
5. Maheshwari, S.N, Maheshwari, S.K, Accounting for Management, Vikas Publishing House,
6. Tulsian PC, Financial Accounting, Pearsons Publication, New Delhi, 2008.
7. Belverd E Needles, Accounting for Decision Making, Cengage Learning, New Delhi.
8. Ambrish Gupta, Financial Accounting for Management, Pearson

**Latest edition of books must be used**

**DCL-815: QUANTITATIVE TECHNIQUES FOR FINANCE**

**Credits:4-0-0**

**Total Marks: 100**

**Mid Semester Marks: 20**

**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**

**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

Mathematical functions: Rounding –decimal places/significant figures. Roots and powers. Percentages, proportions and fractions. Simultaneous equation. Simple polynomials. Discrete and continuous compounding. Discounting – link to interest. Logarithmic and exponential functions. Interpretation within a business context.

**SECTION-B**

Data collection and useful information: Descriptive statistics: data presentation. Frequency distributions. Measures of central tendency. Dispersion. Summaries of data and usefulness of trends, patterns and exceptions.

Probability: The concept of probability Discrete and continuous random variables. Distributions Expected values. Links to business data.

**SECTION-C**

Introduction to sampling: Population – samples. Inference. Random sampling – its usefulness. Hypothesis testing – the approach. Confidence intervals – interpretation. Comparing two populations – large and small samples, paired samples. Usefulness with a business context

Introduction to regression: The usefulness of regression analysis. The concept of correlation. Scatter diagrams. Simple least squares regression and correlation. Interpretation of outcomes. Introduction to multiple regression. Strength of evidence – statistical testing. Standard error. Link to decision-making in a business context.

**SECTION-D**

Differentiation and integration: The concepts of differentiation and integration. The relationship between of differentiation and integration. Partial differentiation.

Practical through Excel and other useful softwares.

**Suggested Readings**

1. Damodar N. Gujarati and S. Sangeeta, *Basic Econometrics*, Tata McGraw Hill Publishers, New Delhi, Fourth Edition, 2007.
2. A.K. Sharma, *Text Book of Correlations and Regression*, Discovering publishing house, New Delhi, Fourth Edition, 2005.
3. W. Bolton, *Differentiation and Integration*, Taylor Francis Ltd, United Kingdom, First Edition, 1996.
4. David Wilkinson and Peter Birmingham, *Using Research Instruments: A Guide for Researchers*, Routledge Falmer, New York, 2003.
5. Terry J. Watsham, Keith Parramore, *Quantitative Methods in Finance*, Gray publishing, Singapore, 2007.

**DCL-816: BUSINESS ENVIRONMENT**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

- **Theoretical Framework of Business Environment:** Concepts, Significance and Nature of Business Environment; Type of Environment-internal, external, micro and macro environment; Competitive structure of industries; Techniques of Environmental Scanning and Monitoring.
- **Economic Systems:** Different Economic systems and their characteristics (Capitalist System/ Market Economy, Socialist System and Mixed Economy); India's Mixed Economy – Advantages and Disadvantages.
- **Political Environment:** Defects of the Free Enterprise System; The Evolution of Concept State Participation in Economic Development, The Rationale for State Intervention in Economic Affairs; Roles of the Government; Extent of Government's Participation.
- **Economic Planning in India:** History of Planning in India, NitiAayog; Functions of NitiAayog, Guiding Principles, Structure of NitiAayog.

**SECTION-B**

- **Consumer Protection:** Rise of Consumer Protection, Consumer Duties and Responsibilities, Consumer Protection Act, 1986 with latest amendments.
- **Environment Protection:** History of Environmentalism, Role of Stakeholders in Preserving the Environment, Industrial Pollution, India's Environment Policy – Environment Protection Act, 1986 and Latest Developments in India's Environment Policy.
- **Corporate Social Responsibility:** Conflicting Perspectives, Why Social Responsibility of Business, Definition of Corporate Social Responsibility, Theoretical Justifications for CSR, Clause 135 of Companies Act, 2013.
- **Corporate Governance:** Definition, Good Corporate Governance, Issues in Good Corporate Governance, Need for and Importance of Corporate Governance, Indian Model – Clause 49.

### SECTION-C

- **Technological Environment:** Features of Technology, Impact of Technology, Management of Technology, Status of Technology in India, Technology and Business Environment.
- **Cultural Environment:** Nature of Culture, Cultural Dimensions, Impact of Culture on Business, Culture and Business Environment.
- **Monetary Policy and Fiscal Policy:** Objectives and Techniques.
- **Foreign Trade Policy:** Objectives, Latest Foreign Trade Policy.

### SECTION-D

- **India and WTO:** Emergence of WTO; Objectives, Core Principles and Functions of WTO; Organizational Structure, Ministerial Conferences, WTO Agreements, WTO and MFN Clause, WTO and India, Evaluation of WTO.
- **World Bank:** Brief History, Functions, Funding Operations, Lending Policies, World Bank Support to India.
- **International Monetary Fund:** Origin, Objectives, Borrowing Agreements, Criticisms, India and IMF Friendship.

#### **Suggested Readings**

1. A.C. Fernando (2011). Business Environment, Pearson Education.
2. Ahmed, M. & Alam, A. (2014). *Business Environment: Text and Cases*. PHI Learning Private Limited.
3. Francis Cherunilam. (2014). *Business Environment: Text and Cases*. Himalaya Publishing House.
4. Ashwathappa, K. (2014). *Business Environment*. Himalaya Publishing House.

**DCL-821: FINANCIAL MANAGEMENT**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

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**SECTION-A**

- Financial Management – An Overview, Scope of Financial Management; Objectives of Financial Management; Agency Problem; Organization of Finance Function and Emerging role of Finance Managers in India.
- Time Value of Money -Rationale; Techniques; Practical Applications of Compounding and Present Value Techniques.
- Risk and Return -Conceptual Framework of Risk and Return: Type of Risks.

**SECTION-B**

- Capital Budgeting – Principles and Techniques Nature of Capital Budgeting; Data Requirement; identifying Relevant Cash Flows; Evaluation Techniques
- Capital Budgeting –Project Selection under Capital Rationing; and Inflation and Capital Budgeting.
- Analysis of Risk and Uncertainty in Capital Budgeting, Description and Measurement of Risk; and Risk Evaluation Approaches.
- Concept and Measurement of Cost of Capital Importance and concept; Measurement of Specific Costs; Computation of Overall Cost of Capital.

**SECTION-C**

- Operating Leverage; Financial Leverage; and Combined Leverage.
- Capital Structure Cost of Capital and Valuation -Capital Structure Theories; Net Income Approach; Net Operating Income (NOI) Approach; Modigliani-Miller (MM) Approach; and Traditional Approach
- Designing Capital Structure -Profitability Aspect; Liquidity Aspect; Control; Leverage Ratios for other Firms in the Industry; Nature of Industry; Consultation and Investment Bankers and Lenders; Maintaining Maneuverability for Commercial Strategy; Timing of Issue; Characteristics of Company; Tax Planning;

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- Dividend and Valuation -Irrelevance of Dividends; and Relevance of Dividends.
- Determinants of Dividends Policy -Factors; Bonus Shares (Stock dividend) and Stock (Share) Splits; Legal, Procedural and Tax Aspects associated with Dividend Decision.

**SECTION-D**

- Sources of Finance –Long Term and Short Term
- Working Capital Management – An Overview: Nature of Working Capital; Planning of Working Capital; Computation of Working Capital.
- Management of Cash and Marketable Securities: Motives for Holding Cash; Objectives of Cash Management; Factors Determining Cash Needs; Basic Strategies of Cash Management; Cash Management Techniques / Processes; Marketable Securities
- Receivable Management: Objectives; Credit Policies; Credit Terms; and Collection Policies
- Inventory Management: Objectives and Techniques.

**Software: All the practical questions will be solved on Excel sheet using various add-ons**

**Suggested Readings**

1. Khan, M.Y & Jain, P.K.: Financial Management; Tata McGraw Hill, New Delhi, 2017.
2. Pandey, I. M.: Financial Management; Vikas Publishing House, New Delhi, 2018.
3. Chandra, Prasana: Financial Management; Tata McGraw Hill, New Delhi, 2017.
4. Brealey and Meyers: Principles of Corporate Finance; Tata McGraw Hill, New Delhi, 2008.
5. Keown, Martin, Petty and Scott (Jr): Financial Management; Principles and Applications; Prentice Hall of India, New Delhi, 2002.
6. Gitman, L.J: Principles of Managerial Finance; Addison Wasley, 2009.
7. Vanhorne, James C: Financial Management and Policy; Prentice Hall of India, New Delhi, 2002.
8. Kishore Ravi, M: Financial Management; Taxman, 2006

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**DCL-822: COMPUTER APPLICATION IN FINANCE**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

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**SECTION-A**

Computer Basics: An overview of the computer system. Windows operating system.  
MSWord- basics, creating, editing and formatting documents, inserting tables and graphics.  
MS Power Point- basics, creating presentation, customizing design templates with slidemasters, producing presentation.

**SECTION-B**

MS Excel- Introduction to Spreadsheet and its uses, Navigating the Worksheet (Selecting a Range of Cells, Entering Text and Numbers, Formatting and Alignment Options, Number Formats, Entering Formulas, Copying and Moving Formulas, Mathematical Operators, Parentheses and the Order of Operation), Using MsExcel Built-in Functions (Range Names, Lookup Functions, The Index Function, Date Functions).

Optimization using Excel Solver: An Introduction to Optimization with the Excel Solver, Using Solver to Determine the optimal Product Mix, Using Solver to Solve Transportation on Distribution Problems, Using Solver to Schedule Your Workforce, Using Solver for Capital Budgeting, Using Solver for Financial Planning.

**SECTION-C**

Pictorial Representation of Financial Data- Introduction, Basic Concepts, Frequency Tables and Histograms, Analyzing Relationship with Scatter plots, Exploring Data with Pivot Tables, Computer Applications in Statistical Analysis: Features of R. Creating files and data entry in R. Preparation of frequency tables and graphs. Computation and interpretation of Mean, Standard Deviation, Standard Error, Simple and multiple correlation, T-test, Chi-Square Test



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**SECTION-D**

Microsoft Edge/ Google Chrome- basics, searching the financial data from the web.

Online Trading of Securities, Online Banking. Computer Applications in Taxation: Filing of Online Application for PAN and TAN. Online submission of Income Tax Returns and TDS Return. E-filing of GST return. Online payment of taxes.

Suggested Readings:

1. Excel Modeling in Corporate Finance, Fifth edition, by Craig W. Holden, Pearson, 2015.
2. Excel Modeling and Estimation in the Fundamentals of Investments, Fifth edition, by Craig W. Holden, Pearson, 2015.
3. Spreadsheet Modeling in Corporate Finance, by Craig W. Holden, Prentice Hall, 2002
4. Spreadsheet Modeling in Corporate Finance, by Martin Hovey, Pearson, 2002
5. Excel Modeling and Estimation in Corporate Finance, third edition, by Craig W. Holden, Prentice Hall, 2008.
6. Financial Modeling Using Excel and VBA, by Chandan Sengupta, Wiley, 2004.

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**DCL-823: REGULATORY FRAMEWORK OF BUSINESS**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**The Indian Contract Act 1872**

- Contract – Meaning, Characteristics and kinds, Essentials of valid contract
- Offer and acceptance,
- Consideration,
- Contractual capacity
- Free consent
- Discharge of contract; Modes of discharge.
- Breach of Contracts and its remedies.

**SECTION-B**

**Sale of Goods Act 1930:**

- Formation of contracts of sale; Goods and their classification, price;
- Conditions, and warranties;
- Transfer of property in goods including sales by non owners;
- Performance of the contract of sales;
- Unpaid seller and his rights, sale by auction, Hire purchase agreement.

**SECTION-C**

**Companies Act, 2013**

- Company – Definition, Meaning, Nature and its Characteristics; Lifting of Corporate Veil.
- Types of Companies; Memorandum of Association & Articles of Association and their Alteration; Doctrine of Ultra-Vires, Constructive Notice, Indoor Management.
- Directors – Types, Director's Identification Number (DIN), Appointment/Reappointment, Qualifications, Disqualifications, Vacation of Office, Retirement, Resignation and Removal of Directors.
- Meetings: Kinds of Meetings; Procedure Relating to Convening of General Meetings - Notice, Quorum, Proxy, Voting, Resolutions.

**SECTION-D**

- **The Information Technology Act, 2000:** Definition, Digital Signature, Electronic Governance, Attribution, Acknowledgment and Dispatch of Electronic Records, Sense Electronic Records and Sense Digital Signatures, Regulation of Certifying Authorities, Digital Signature Certificates, Duties of Subscribers, Penalties and Offences.
- **Competition Act, 2002:** Concept of competition; Competition Act, 2002 - anti competitive agreements, abuse of dominant position, combination, regulation of combinations; Competition Commission of India; compliance of competition law.
- **Consumer Protection Act, 1986** Aims and Objects of the Act, Redressal Machinery under the Act, Procedure for complaints under the Act, Remedies, Appeals, Enforcement of orders and Penalties.
- **Foreign Exchange and Management Act, 1999:** Major Provisions.

**Suggested Readings:**

1. Ravinder Kumar, Legal Aspects of Business, Cengage Learning, New Delhi.
2. Akhileshwar Pathak, Legal Aspects of Business, Tata McGraw-Hill, New Delhi
3. Ashok K, Bagrial, “*Company Law*”, Vikas Publications.
4. Avtar Singh, “*Introduction to Company Law*”, Eastern Book Company.
5. N.D.Kapoor, “*Company Law*”, Sultan Chand & Sons, New Delhi.

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MBA (FINANCE) (SEMESTER-II)  
(CREDIT BASED EVALUATION AND GRADING SYSTEM)

**DCL-824: INDIAN FINANCIAL SYSTEM**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

Financial System: Meaning, Characteristics, Significance and Components; Structure of Indian Financial System- Main functions of these constituents and respective roles, Relationship between Financial System and Economic Growth, Reforms in the Indian Financial System

**SECTION-B**

Financial Markets: The Money Market-Instruments: Certificate of Deposits, Commercial Paper, Treasury Bills, Call/Notice Money Market, Commercial Bills, Collateralized Borrowing and Lending Obligation, Tools for Managing Liquidity in the Economy

The Capital Market: Primary Market, Secondary Market, Derivatives Market, The Debt Market, Govt. Securities Market, Reforms

**SECTION-C**

Financial Instruments-Innovations, Bonds, Debentures, Warrants, Equity Shares, Revolving underwriting finance facility. Development Financial Institutions-Evolution, Changing Role, Policy Measures, Banking and Non-Banking Institutions-Functions, Reforms and Regulations, NPA in Indian Financial System-Reasons and Remedies

**SECTION-D**

Financial Services-Types, Merchant Banking, Depositories, Insurance, Custodians, Credit Rating, Factoring and Forfaiting, Housing Finance, Leasing and Hire Purchase, Financial Inclusion and Micro finance, Financial Regulation-SEBI and RBI-Roles and Functions

### **Suggested Reading**

1. Bharati V. Pathak. (2017), The Indian Financial System-Markets, Institutions and Services, Pearson Education, Patparganj, Delhi.
2. Bouman, F.J.A. (1989): Small, Short and Unsecured: Informal Rural Finance in India, Oxford University Press, Delhi.
3. D.N. Ghosh, Banking Policy in India – An Evaluation, Allied Publishers Pvt,Ltd. New Delhi, 1979.
4. G.RameshBabu, Financial Services In India, Concept Publishing Company,New Delhi, 2005.
5. J.B. Brunyate, An account of the Presidency Banks, Calcutta, 1900.
6. Khan M.Y. “Financial Services” Tata McGraw Hill Publishing company Ltd., New Delhi First Edition, 2017.
7. Madaiah M, “Financial Intermediaries Economic Development and Monetary Policy”. Prasanna, University of Mysore, First Edition, 1997.
8. Mahalingam K.S. “The Tamilnadu Protection of Interests of Depositors (in Financial Establishments) Acts, 1997. C. Sitaraman & Co. Pvt. Ltd., Second Edition 2004.
9. Meir Kohn, “Financial Institutions and Markets, Tata McGraw Hill Publishing Company Limited, New Delhi, 1996.
10. V.K. Bhalla, Management of Financial Services, Anmol Publication Pvt. Ltd., New Delhi, India, 2002.

MBA (FINANCE) (SEMESTER-II)  
(CREDIT BASED EVALUATION AND GRADING SYSTEM)

**DCL-825: BANKING AND INSURANCE MANAGEMENT**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

- **Banking:** Brief History and Present Structure of Commercial Banking (CB) in India.
- **Liberalization of Banking Sector in India:** Narsimham Committee Report Part I and II.
- **Management of Commercial Banks in India:** Liquidity Management, Security Investments and Income Management, Assets and Liabilities Management.
- **Regulation of Banking Sector in India:** Role of RBI, CRR, SLR, KYC and Anti-money laundering norms.

**SECTION-B**

- **Risk Management:** Concept, Nature, Causes, Types and Methods of Risk Management.
- **BASEL Norms:** Introduction to BASEL Norms, Regulatory framework, Significance and Difficulties.
- **NPA Management:** Meaning and Classification of NPAs, Income Recognition and Provisioning, Tools Available to banks to manage NPAs.
- **Financial Deepening and Inclusion:** Concept and Significance, Microfinance.

**SECTION-C**

- **Insurance:** Introduction to Insurance, Purpose, Benefits and Principles of Insurance.
- **Insurance industry in India:** Evolution, Liberalization in Insurance Sector: Malhotra Committee Report and its status of Implementation.
- **Legislative Insurance Framework:** IRDA Act, 1999.

**SECTION-D**

- **Life Insurance:** Essential features, advantages, Types: Whole life plans, Term Assurance plans, Endowment Assurance Plans.
- **Insurance pricing: Pricing Objectives, Insurance Rating Methods,** Computation of Premium, Concepts of Reinsurance, Double insurance, Over- insurance.
- **Fire Insurance:** Underlying principles, types of fire policies, settlement of claims
- **Marine Insurance:** Scope, Principles and Types.
- **Motor Vehicle Insurance:** Kinds and settlement of Claims

**Suggested Readings:**

1. Banking Theory Law and Practice, Sundaram and Varshney, Sultan Chand and Sons Publisher, Year: 2004 Edition
2. Managing Indian Banks: Challenging Ahead, Vasant C Joshi & Vinay V Joshi, Sage Publications, 2e.
3. Money Banking and International Trade, KPM Sundharam, Sultan Chand and Sons, 2002.
4. Financial Institutions and Markets, LM Bhole Tata McGraw Hill, 2004, 4th Edition
5. Niehaus, Harrington (2007), Risk Management and Insurance, Tata McGraw-Hill
6. Financial Institutions and Markets, Meir Kohn - Tata McGraw Hill, 1996.
7. Management of Indian Financial Institutions, R M Srivastava Himalaya Publishing.

**DCL-826: PROJECT MANAGEMENT APPRAISAL AND CONTROL**

**Credits:4-0-0**

**Total Marks: 100**

**Mid Semester Marks: 20**

**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**

**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Entrepreneurship:** Concept, Traits, Characteristics, Classification and Types.

**Entrepreneurship Motivation.**

**Developing Creativity** and Understanding Innovation.

**Ethics and Social Responsibility of an Entrepreneur.**

**Entrepreneurial Skills.**

**SECTION-B**

**Environmental Assessment:** Macro and Micro View.

**Project Management Concepts:** Attributes of a Project, Project Life Cycle, Project Management Process, Benefits.

**Generation and Screening of Project Ideas:** Sources and Methods.

**Project Selection:** Needs Identification, Selection Process

**SECTION-C**

**Feasibility Study** including:

**Market and Demand Analysis** – Situational analysis, collection of information and characterization of market, marketing plan.

**Technical Analysis** – Manufacturing process, inputs, product mix, plant location and capacity, environmental aspects.

**Social Cost Benefit Analysis** – Rationale, UNIDO approach, SCBA by financial institutions.

**SECTION-D**

**Financial Analysis** – Project Cost estimates, Project Budgeting, Determining Actual costs, Assessing working capital requirement, Managing cash flows.

**Project Risk Management** – Risk Identification, Assessment, Response planning, Risk Monitoring

**Developing an Effective Business Plan:** Proposal Preparation, Proposal contents



MBA (FINANCE) (SEMESTER-II)  
(CREDIT BASED EVALUATION AND GRADING SYSTEM)

**Suggested Readings:**

1. Hisrich, Robert D and Peters, Michael P, Entrepreneurship, Delhi, Tata McGraw Hill, 2002.
2. Holt, David H, Entrepreneurship: New Venture Creation, Delhi, Prentice Hall of India, 2001.
3. Clifton, Davis S. and Syflie, David E, "Project Feasibility Analysis" , 1977 John Wiley, New York.
4. Chandra, Prasanna, Projects: Preparation, Appraisal, Budgeting and Implementation., New Delhi Tata McGraw Hill.
5. Clements, James P & Gido, Jack, "Effective Project Management, 2007, Thomson Learning, Delhi

**Latest Editions of books be used.**

MBA (FINANCE) (SEMESTER-III)  
(CREDIT BASED EVALUATION AND GRADING SYSTEM)

**DCL-831: FINANCIAL ECONOMETRICS**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

Financial econometrics: Conceptual Framework, Types of data, Returns in financial modelling, Distributional Properties of Returns, Steps involved in formulating an econometric model  
Gretl (Gnu Regression, Econometrics and Time-series Library)  
Downloading and installing Gretl, Gretl resources, Data management in Gretl, Modifying Gretl data files, Analysis of data: descriptive statistics, Graphics for data analysis in Gretl.

**SECTION-B**

Hypothesis Testing: Types, Errors and Procedure  
Testing the Mean (Student's t - test), Testing normality (chi-squared test), Testing the equality of two means (Student's t - test), Testing hypothesis about proportion, Testing the equality of many means (ANOVA test), Significance test for correlation coefficient, Test for independence.

**SECTION-C**

Regression Model: Specification and assumptions, Properties of the OLS estimator, Precision and standard errors, The constant term, Testing multiple hypotheses, Goodness of fit statistics, Diagnostic tests in Regression-Normality of Residuals, Autocorrelation, Heteroskedasticity, Multicollinearity, functional form Test, Omission of an important variable, Inclusion of an irrelevant variable, Parameter stability test, Interpretation of Results

**SECTION-D**

Time Series Data Analysis-Characteristics, Stationarity of Data, ARIMA, Granger Causality Test  
Panel data-Introduction, The fixed effects model, The random effects model, Estimation of Panel Data Models with Gretl

**Suggested Readings:**

1. Damodar N. Gujarati and S. Sangeeta, Basic Econometrics, Tata McGraw Hill Publishers, New Delhi, Latest Edition.
2. G.S. Maddala, Introduction to Econometrics, Wiley India Publishers Third Edition, Latest Edition.
3. I. GustiNugrah Agung, Time Series Analysis Using E-views, John Wiley & Sons, Latest Edition.
4. Badi H. Baltagi, Econometrics Analysis of Panel Data, John Wiley & Sons, Latest Edition.
5. Chris Brooks, Introductory Econometrics for Finance, Cambridge University Press. Latest Edition.
6. Walter Enders, Applied Econometric Time Series, Wiley.
7. Hamilton, J. , Time Series Analysis, Princeton University Press, Princeton, Latest Edition.
8. Tsay, Ruey S., Analysis of Financial Time Series, John Wiley and Sons. Latest Edition.
9. Campbell Lo1, MacKinlay, The Econometrics of Financial Markets, Princeton. Latest Edition.
10. Greene, William, Econometric Analysis, Prentice Hall, Latest Edition.
11. Software-Gretl

**DCL-832: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT**

**Credits:4-0-0**

**Total Marks: 100**

**Mid Semester Marks: 20**

**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**

**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Investment** – A Conceptual Framework: Investment process, objectives and risks of investment, common mistakes made in investment management.

**Investment Environment:** Features and composition of money market and capital market, money market and capital market instruments.

**Risk and Return:** Concepts of risk and return, measurement of risk and return, the relationship between risk and return.

**Valuation of bonds:** Bond features and prices, call provisions on corporate bonds, convertible bonds and valuation of bonds, computing bond yields, calculation of future bond prices, yield curve.

**SECTION-B**

**Valuation of Equity Shares:** Theory of valuation, alternate valuation methods.

**Fundamental Analysis:** Economy analysis, industry analysis and company analysis, weaknesses of fundamental analysis.

**Technical Analysis:** Assumptions, advantages and challenges, various types of charts, support and resistance, trends, Tools of technical analysis- important chart patterns and technical indicators, fibonacci analysis.

**Efficient Market Hypothesis:** Concept of 'Efficient Market', various forms and its implications for security analysis.

**SECTION-C**

**Derivatives Market:** Participants, Functions and Products- forward, futures, options and swaps, Option trading strategies.

**Concept of portfolio and portfolio management:** Portfolio management process, diversification of risk, concept of portfolio risk and return, Markowitz portfolio selection model and Efficient Frontier.

**Portfolio Management:** Active Vs Passive Management, Index investing and tracking error, active portfolio management strategies – Fundamental strategies, technical strategies, quantitative strategies, anomalies and attributes.

### SECTION-D

**Asset Pricing Models:** Capital Asset Pricing Model (CAPM) - Assumptions of CAPM and the inputs required for applying CAPM and its limitations. Multifactor Models and Arbitrage Pricing Theory - Assumptions of multifactor models and the inputs required for applying them. Arbitrage Pricing Theory and its principles, Comparison of Arbitrage Pricing Theory with the Capital Asset Pricing Model.

**Portfolio Performance Evaluation:** Measure of return, risk adjusted measures of performance evaluation.

**Mutual Fund Operations:** Mutual funds as a key financial intermediary, mobilizing savings and investing them in capital markets.

#### **Suggested Readings:**

1. Reilly & Brown: Investment Analysis and Portfolio Management, Thomson South-Western
2. Chandra, Prasanna: Investment Analysis and Portfolio Management, McGraw-Hill Professional.
3. Bodie, Kane, Marcus & Mohanty: Investments, McGraw Hill Education.

**DCL-833: INDIAN TAX SYSTEM**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

- **Introduction to Income tax Act, 1961:** Definitions of Person, Assessee, Assessment Year, Previous Year, Capital and Revenue incomes, expenses, losses and gains, concept of Agriculture Income.
- **Residential Status:** Determination of residential status of a company, individuals, firms. Incidence of Tax.
- **Basic understanding of Incomes from various heads:** Salary, Income from house property

**SECTION-B**

- **Basic understanding of Income from Business and professions, capital gains & other sources.**
- **Computation of tax liability & payment of tax:**
- **Deduction of Tax at Source and Advance payment of Tax:** Concept, Provisions of the Act for Advance payment of Tax and Deduction of Tax at Source.

**SECTION-C**

- **Goods and Services Tax, 2017** – Introduction, GST Council, Liability of Tax Payer under IGST, CGST, SGST and UTGST. Rates for Levy of GST and collection. Exemption from GST.
- **Registration:** Introduction, Registration Procedure.
- **Supply:** Meaning and Scope, Elements that constitutes supply.

**SECTION-D**

- **Input Tax Credit:** Introduction, Conditions necessary for obtaining ITC.
- **Computation of GST Liability** and Payment including time, method of making payment.
- **Returns:** various returns to be filed by the assesses.
- **GST Portal:** Introduction , GST Eco-system,

**Suggested Readings:**

1. Ahuja Girish, “Systematic Approach to Income Tax”, Bharat Law House, New Delhi
2. Gaur, Narang &Puri, “ Corporate Tax Planning and Management”, Kalyani Publishers, Ludhiana
3. Mehrotra H.C., “ Income Tax law & Practice”, Sahitya Bhawan Publications, Agra
4. Singhanian . K. Vinod., “ Direct Tax Theory & Practice”, Taxman Publications (P) Ltd.
5. Taxmann: Taxmann’s GST Manual 2017. Taxman, Publications (P) Ltd.
6. Datey V.S., Taxmann’s GST Ready Reckoner Taxman, Publications (P) Ltd.
7. Gupta S.S., GST-How to meet your obligations 2017. Taxman, Publications (P) Ltd.

**Websites:**

1. [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in)
2. [www.cbec.gov.in](http://www.cbec.gov.in)

**DCL-834: RISK MANAGEMENT**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**The Concept of Risk:** Classification of Risks; Nature of Risks; Types of Risk, including Strategic and Operational Risks; Business Risk; Financial Risk; Information Risk; Liquidity Risk.

**Evaluation of risk:** Identification and Sources of Risk; Quantification of Risk and various methodologies. Impact of Business Risk; Identify and assess the impact upon the stakeholder involved in Business Risk; Role of Risk Manager and Risk Committee in Risk identification process.

**SECTION-B**

**Risk management:** Concept of Risk Management; Objective and Process of Risk Management; Importance of Risk Management; Risk Management techniques.

**Quantitative analysis:** Population and Sample Analysis; Bayesian analysis; Statistical inference and hypothesis testing; EWMA and GARCH Model; Volatility; Artificial Intelligence and Business Analytics.

**SECTION-C**

**Risk model:** VAR; Stress Testing; Scenario Analysis; Country and Sovereign Risk Models and Management.

**Credit risk measurement and management:** Understanding the component of credit risk; Evaluating credit risk; Mitigating Credit risk; Qualitative and Quantitative techniques to manage risk; Credit scoring models.

**SECTION-D**

**Risk associated with corporate governance:** Evaluation of Risk Associated with Governance; Description and evaluation of framework for Board level consideration of risk; OECD Guidelines for Corporate Governance.

**Enterprise Risk Management:** Meaning, Nature and Scope and Techniques.

**Operational Risk Management:** Definition, Scope and Techniques

**Suggestive Readings**

1. Reida, G. E. and McNamara, M.J. (2011). *Principles of risk management and insurance*. Pearson Education India.
2. Dorfman / Cather. (2015). *Introduction to Risk Management and Insurance* Pearson Education India.
3. **Risk Management (CAIIB 2010) by IIBF (Indian Institute of Banking and Finance) Macmillan Publisher.**
4. All the three modules of Insurance and Risk Management by Institute of Chartered Accountants of India [https://www.icai.org/post.html?post\\_id=14160](https://www.icai.org/post.html?post_id=14160)



**DCL-835: BEHAVIORAL FINANCE**

**Credits:4-0-0**  
**Total Marks: 100**  
**Mid Semester Marks: 20**  
**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**  
**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Behavioral Finance:** Nature, Scope, Objectives and Significance & Application.

Foundations of Finance: Neoclassical Economics, Expected Utility Theory, Asset pricing, market efficiency, agency relationships.

Prospect Theory, Framing, and Mental Accounting, Anomalies, Noise Trading, & Limits to Arbitrage.

**SECTION-B**

**Heuristics and Biases:** Perception, Memory, and Heuristics, Familiarity and Related Heuristics, Representativeness and Related Biases, Anchoring, Irrationality and Adaptation, Looking Ahead bias,

**Overconfidence:** Miscalibration, Better-Than-Average Effect, Illusion of Control, Excessive Optimism,

Being Overconfident in More than One Sense, Factors Impeding Correction.

**Emotional Foundations:** Emotions, Emotion Theory, Emotion and Reasoning, Our Minds, Bodies, and Emotion.

**SECTION-C**

**Implications of Heuristics and Biases for Financial Decision-Making:** Financial Behaviors Stemming from Familiarity and Representativeness, Anchoring and Herding.

**Implications of Overconfidence for Financial Decision-Making:** Overconfidence and Excessive Trading, Demographics and Dynamics – the role of gender, Under diversification and Excessive Risk Taking, Excessive Optimism and Analysts.

**Individual Investors and the Force of Emotion:** Investor's Mood and Market's mood, Pride and Regret, The Disposition Effect.

### **SECTION-D**

**Social Forces:** Selfishness or Altruism?, Homo Economicus, Fairness, Reciprocity, Trust, role of Social Influences, Social Behavior and Emotion.

Social Forces at Work: Corporate Boards, Analysts.

**Behavioral Explanations for Anomalies:** Earnings Announcements, Value vs. Growth, behavioral factors behind Momentum and Reversal, Rational Explanations, The Equity Premium Puzzle, Financial Bubbles, Behavioral Finance and Market Valuations, Excessive Volatility.  
Relevant Case Studies

#### **Suggested Readings:**

1. Ackert & Deaves: Behavioral Finance: Psychology, Decision-Making, and Markets, South-Western College Publishing.
2. Sulphery, M M : Behavioural Finance, Prentice Hall India Learning Private Limited.
3. Forbes, William: Behavioural Finance, Wiley.
4. Montier, James: The Little Book of Behavioral Investing: How Not to be Your Own Worst Enemy, Wiley.
5. Chandra, Prasanna: Behavioural Finance, Mcgraw Hill Education.

MBA (FINANCE) (SEMESTER-III)  
(CREDIT BASED EVALUATION AND GRADING SYSTEM)

**DCL-836: MANAGEMENT OF FINANCIAL INSTITUTIONS AND FINANCIAL SERVICES**

**Credits:4-0-0**

**Total Marks: 100**

**Mid Semester Marks: 20**

**End Semester Marks: 80**

**Mid Semester Examination: 20% weightage**

**End Semester Examination: 80% weightage**

**Instructions for the Paper Setters:**

Eight questions of equal marks (Specified in the syllabus) are to be set, two in each of the four Sections (A-D). Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each Section. The fifth question may be attempted from any Section.

**SECTION-A**

**Financial Institutions** - Meaning - Characteristics - Broad Categories, Role of Financial Institutions in a Financial system, Ethics and social responsibility of financial institutions

**The Securities and Exchange Board of India:** Genesis, Objectives and Functions.

**Non-Banking Finance Companies:** Nature, importance, and evolution of Finance Companies, The present status and types of NBFCs.

**SECTION-B**

**Development Banks/Financial Institutions:** Concept, Role of DFIs, Sources of Funds, Recent Trends

**Discount and Finance House of India Limited (DFHIL)** - Financial resources - Objectives – Operations

**Role of Financial Services** in Indian Financial System.

**SECTION-C**

**Merchant Banking:** Nature and scope of Merchant Banking - Regulation of Merchant Banking Activity - Overview of Current Indian Merchant Banking Scene - Structure of Merchant Banking Industry - primary Markets in India and Abroad

**Credit Rating:** Concept of Credit Rating. Types of Credit Rating - Advantages and Disadvantages of Credit Rating - Credit Rating Agencies

**Introduction to equipment leasing:** Types of Leases, Evolution of Indian Leasing Industry Tax Aspects of Leasing.

**SECTION-D**

**Factoring:** Concept of Factoring - Forms of Factoring - Factoring vis-à-vis Bills Discounting - Factoring vis-à-vis Credit Insurance Factoring vis-à-vis Forfaiting - Evaluation of a Factor - Legal Aspects of Factoring .

**Housing Finance:** Housing Finance Companies, Refinance Schemes for HFCs, Regulatory Guidelines for HFCs.

**Securitisation / Mortgages:** Concept of Securitization as a Funding Mechanism, Process and types of Mortgages .

**Suggested Readings:**

1. A Manual of Merchant Banking, J C Verma - Bharat Law House
2. SEBI Guidelines, Nabhi Publications
3. Financial Institutions and Market, LM Bhole - Tata McGraw Hill
4. How to do Lease Financing and Hire Purchase Business, Nabhi Publications
5. Inside Leasing, FaroulIrani - Tata McGraw Hill
6. The Financial Services Revolution, Clifford E Kirsch - McGraw Hill.
7. Credit Rating, J C Verma - Bharat Law.
8. Kohn Meir, Financial Institutions and Markets, - Tata McGraw Hill.
9. Srivastava R M, Management of Indian Financial Institutions, Himalaya Publishing.
10. Gursamy S., Financial Markets and Institutions, Thomson.(2004)
11. Bhalla V.K. Management of Financial Services, Anmol Publications Pvt. Ltd., New Delhi, 2002
12. Pathak Bharati, Indian Financial System, Pearson Education, New Delhi, 2004.

**DCL-851: TRAINING AND PROJECT REPORT**

**Credits:20**

The students will be required to submit a Project Report based on Industrial Training of 6 Months and Viva will be conducted